

Barangaroo Housing Strategy 2021

Updated strategy

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Acknowledgment of Country

We would like to acknowledge the Gadigal people who are the Traditional Custodians of this land. We would also like to pay respect to the Elders both past and present of the Eora Nation and extend that respect to all Aboriginal people.

Executive Summary

The vision for Barangaroo is bold and continues to evolve to make the most of a rarely available urban renewal opportunity to extend the Sydney CBD. The site's three precincts - Barangaroo Reserve, Central Barangaroo and Barangaroo South – have their own unique and interrelated opportunities.

The *Barangaroo Housing Strategy 2021* (the Strategy) outlines how housing fits into the land use priorities at Barangaroo. Importantly, housing delivery must be seen in the broader strategic context of delivering employment opportunity at the economic heart of Sydney and Australia's global economic gateway.

The Strategy illustrates how affordable housing is part of the public benefit delivery at Barangaroo, along with world-class open space, social, cultural and arts infrastructure.

All the key strategic planning documents – The Greater Sydney Commission's *A Metropolis of Three Cities* and the *Eastern District Plan* and City of Sydney strategies such as the *City Plan 2036, Our Local Strategic Planning Statement* and the *draft Central Sydney Planning Strategy 2020* – have key directions that support the principles in this Strategy, including:

- » **Maximise employment land and other economic-generating uses in locations with premium transport accessibility.** Premium transport accessibility is being delivered by the Barangaroo Station, connecting the location to Greater Sydney with the extension of the Metro system.
- » **Deliver appropriate levels of diverse housing at Barangaroo without compromising the potential for globally-significant economic opportunity.** A diverse range of housing – including affordable housing – is being delivered at Barangaroo.
- » **Deliver a broad range of public benefits suited to the context of the three precincts within Barangaroo, according the core function of each.** This considers the well-established principle that public benefits should be a reasonable share of the development potential.
- » **Deliver social and environmental sustainability, including affordable housing at Barangaroo, balanced with other public benefit objectives.** This is set out in detail in this Strategy. A summary of the land use and public benefit approach is outlined in **Figure 1**.

Barangaroo South, due to its scale and integration with the Sydney CBD, is the core focus of residential, commercial and tourism-based uses. As such, a component of affordable housing is being delivered in the Barangaroo South precinct equating to 2.3% of the precinct's residential floorspace (50 dwellings) and the equivalent of 0.7% off-site, which has already been delivered.

As the last precinct to be developed, Central Barangaroo will be centre point of social opportunity and community activity at Barangaroo, not only for local residents and workers but for people across Greater Sydney. For this reason, this Strategy outlines the public benefits proposed at Central Barangaroo compared to Barangaroo South. Some key comparisons are provided below.

- » Barangaroo South has approximately 5.5 times the developable floor area to help fund each square metre of embellished open space compared to Central Barangaroo. Over 3 hectares of world-class open space, configured to offer scalable event spaces will be delivered at Central Barangaroo.
- » Central Barangaroo's contribution to cultural and arts facilities is of comparable value, if not greater, than the monetary value of affordable housing the affordable housing at Barangaroo South despite the much lower development potential of Central Barangaroo

The Barangaroo precincts are delivering a suite of public benefits. Housing delivery will be limited at Central Barangaroo, ensuring it does not compromise the strategic employment-generating land uses, yet providing sufficient activation. Central Barangaroo will become an important part of strengthening the social fabric.

This Strategy outlines the implementation strategy for both market housing and affordable housing, as well as the associated public benefits that support broader residential and economic growth in the Sydney CBD.

Figure 1 The land use and public benefit summary of each of Barangaroo’s precincts

Concept Plan	Land use approach	Public Benefit Focus
<p>The map shows three precincts of Barangaroo: Barangaroo Reserve (green, top), Central Barangaroo (pink, middle), and Barangaroo South (orange, bottom). Each precinct is labeled with its name in a white box with black text.</p>	Barangaroo Reserve	
	<p>Recreation / open space</p> <p>“The Cutaway” cultural space (6,000 – 18,000sqm)</p>	<p>Re-naturalised, world-class public open space funded by development at Barangaroo South and Central</p> <p>Missing link in creating a continuous 14 km harbour-side walk</p> <p>Cultural and arts space</p>
	Central Barangaroo	
	<p>Lower-scale built form</p> <p>Flexible zoning with a focus on employment uses in close proximity to the future Barangaroo Station</p> <p>Lower numbers of high-end residential development compared to Barangaroo South to fund public benefit (28,000sqm)*</p> <p>2,800 sqm of community use space</p>	<p>Cultural infrastructure facilities / funding, strengthening and extending the central Sydney cultural ribbon</p> <p>Embellished open space resources to a world-class standard (50% of the precinct) including event spaces</p> <p>Community uses to deliver the civic heart of Barangaroo</p> <p>Funding for Barangaroo Reserve and 1% levy on commercial development for the Barangaroo Public Art and Cultural Plan</p> <p>Carbon neutral precinct</p> <p>Missing link in creating a continuous 14 km harbour-side walk</p>
	Barangaroo South	
	<p>Larger scale commercial, residential and tourist accommodation (approximately 70% employment-generating and 30% residential – 158,305sqm)</p> <p>Lower levels of public domain compared to developable floor area than Central Barangaroo</p> <p>5,300 sqm of space for mainly privately provided community use e.g. childcare, gyms, medical services</p>	<p>Affordable Housing (2.3% of residential development on-site and 0.7% off-site)</p> <p>Embellishment of public domain including Watermans Cove</p> <p>Missing link in creating a continuous 14 km harbour-side walk</p> <p>Funding for Barangaroo Reserve and 1% levy on commercial development for the Barangaroo Public Art and Cultural Plan</p> <p>Carbon neutral precinct</p>

*The maximum allowable residential floorspace under MOD 9 for Central Barangaroo is 28,000 sqm.

1 Introduction

Barangaroo is being transformed into a landmark and is pivotal to our economic future. It will be part of the social lifeblood of Greater Sydney giving people maximum access to the harbour front and inclusive places where we can celebrate and connect.

The *Barangaroo Housing Strategy 2021* outlines how market residential housing fits into the land use priorities at Barangaroo. Importantly, housing delivery must be seen in the broader strategic context of delivering employment opportunity at the economic heart of Sydney and Australia's global economic gateway.

The Strategy also illustrates how affordable housing is part of the public benefits delivery at Barangaroo, along with world-class open space and social, cultural and arts infrastructure.

This Strategy updates the previous version developed in 2018.

About Barangaroo

Barangaroo is a globally-recognised, 22-hectare urban renewal project located on the western harbor foreshore of Sydney's CBD.

As Australia's first carbon neutral urban precinct, Barangaroo showcases world-class sustainability, whilst delivering extensive new foreshore public spaces on Sydney Harbour, international design excellence, the implementation of leading technologies and public art and cultural programs.

The site has been divided into three precincts - Barangaroo Reserve, Central Barangaroo and Barangaroo South.

Barangaroo Reserve At the northern end of the precinct, has been designed and delivered as a six-hectare foreshore public parkland offering spectacular panoramic harbour views, extensive walking and cycling trails, idyllic coves, unique event spaces and peaceful picnic spots as well as The Cutaway cultural facility.

Barangaroo South To the south is Barangaroo's commercial and residential precinct featuring world class dining, retail, and premium waterfront office space. Barangaroo South includes the three International Towers, International House, Daramu House, five residential buildings, Barangaroo Ferry Wharf, the iconic Barangaroo House, and nearly three hectares of public space. It is home to Sydney's first six-star luxury hotel and resort, Crown Sydney Hotel and Resort, attracting thousands of visitors from overseas and around Australia.

Central Barangaroo is proposed to be a dynamic mixed-use foreshore precinct that draws together and integrates high quality foreshore public spaces with city living, next generation workspace, community and cultural uses, a bustling shopping and dining precinct, all easily connected to Sydney's new metro network. Barangaroo Station will significantly improve access for visitors, residents, workers and shoppers alike and transform how people arrive in Sydney CBD and harbour foreshore. Central Barangaroo will connect seamlessly to the new metro station and create the new place to arrive in and experience the city.



What is "affordable housing"?

Throughout the history of the redevelopment at Barangaroo, there has been several terms that describe "affordable housing". This includes "intermediate housing" and "key worker housing" – two terms which are essentially interchangeable.

Affordable housing refers to housing which moderate income households can afford. It is roughly interchangeable with "housing affordability" and refers to the cost of housing relative to income. Housing is generally considered to be affordable where rent or mortgage payments amount to no more than 30 percent of gross household income.

When households in the bottom 40 percent of income distribution are paying more than 30 percent of their gross income on housing costs they are considered to be in "rental stress" or "mortgage stress". This widely-used rule is known as the 30:40 indicator. The rationale is that lower income households which pay over 30 percent of household income on housing costs will not have enough money to cover other necessities such as food and healthcare.

The term "affordable housing" may also be used as an umbrella term for any form of subsidised housing.

2 Planning Policy and Context

2.1 Background on the development of Barangaroo

This section provides an overview of the specific legislative and governance arrangements that have guided the evolution of Barangaroo, and the key milestones that have an impact on housing delivery in the precinct. It also examines the key strategic planning frameworks that have informed the updated *Barangaroo Housing Strategy 2021* in terms of appropriate mix of land uses (commercial, residential, tourism and community uses) and delivery of appropriate public benefits. It also outlines the current status of affordable housing delivery (referred to as key worker housing in the Barangaroo context).

2.1.1 Legislative and governance framework

The legislative and governance arrangements for Barangaroo have evolved since the project was conceived in 2003 as outlined in **Table 1**. On 1 July 2019, the Barangaroo Delivery Authority functions were transferred to Infrastructure NSW (INSW) as the State Government agency responsible for the development of Barangaroo and management of its public spaces. This is the current governance arrangement.

Unlike most other development in NSW, Barangaroo has its own legislative Act. Currently this is the *Barangaroo Act No 2* (formerly the Barangaroo Delivery Authority Act 2009).

The key objects of the Acts governing Barangaroo have remained consistent throughout as outlined below:

- (a) to encourage the development of Barangaroo as an active, vibrant and sustainable community and as a location for national and global business,*
- (b) to create a high quality commercial and mixed use precinct connected to and supporting the economic development of Sydney,*
- (c) to facilitate the establishment of Barangaroo Reserve and public domain land,*
- (d) to promote the orderly and sustainable development of Barangaroo balancing social, economic and environmental outcomes,*
- (e) to create in Barangaroo an opportunity for design excellence outcomes in architecture and public domain design.*

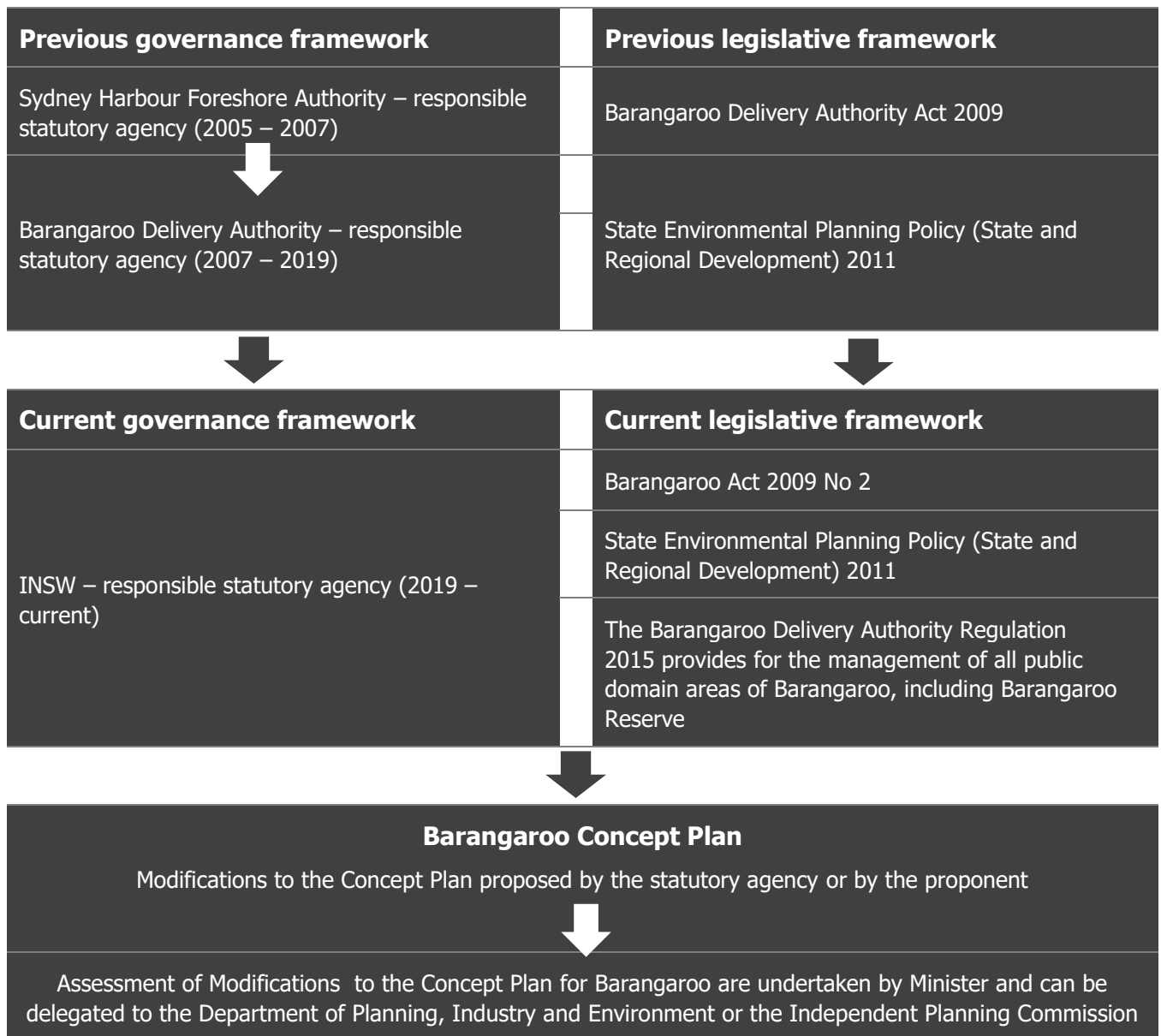
A Concept Plan for Barangaroo was approved in 2006. Like all projects of such significance over long time scales, opportunities to provide better outcomes are identified. Under legislative framework changes to the Concept Plan are called Modifications.

Modifications (MODs) are achieved under the *Environmental Planning and Assessment Act 1979*. The consent authority that determines proposed changes to the Barangaroo Concept Plan Modifications is the Minister for Planning and Public Spaces, who may delegate the determination to the Department of Planning, Industry, and Environment, or the Independent Planning Commission (IPC). The State Environmental Planning Policy (State and Regional Development) 2011 is also amended by the Minister with each DA MOD to update the statutory controls that apply to the precinct. The applicant is INSW for Central Barangaroo, the last precinct to be developed at Barangaroo.

There have been multiple amendments to the Concept Plan since 2007. Links to the applications and approvals can be found here <https://www.barangaroo.com/the-project/progress/barangaroo-development/>

The key changes that impact the *Barangaroo Housing Strategy 2021* are outlined in the next **Section 2.1.2**.

Table 1 The evolution of the legislative and governance framework for Barangaroo



2.1.2 Key milestones and the evolution of land uses at Barangaroo

The following table provides a project timeline and key the Modifications to the Barangaroo Concept Plan. It also shows the evolving priorities of land use that have implications for the *Barangaroo Housing Strategy 2021*. It shows the increasing importance of public benefits in the mix of land uses including community and cultural uses, affordable housing as well as an increasing focus on employment-generating uses.

Table 2 Barangaroo project timeline and key modification that have implications for housing strategy

Year	Project timeline	Planning milestones related to land uses and public benefit	Key implications
2003	NSW Government announces the site will be transformed into a new urban precinct		
2006		2006 Concept Plan Approval Total GFA 388,300 sqm, Community Uses GFA approved 2,000sqm	
2010		Modification 4 - Increase floorspace to 563, 965 sqm with >12,000sqm community uses (including a cultural centre) and increase commercial floorspace from 2,000 to 12,000 GFA	Greater recognition of the role of a broad range of social infrastructure at Barangaroo as a public benefit Increasing recognition of employment land as a key land use at Barangaroo
2011	Sussex /Penn Review - Focus on planning, decision making processes, and governance - key worker housing (affordable housing) raised as an issue at Barangaroo		Increasing recognition for the need for affordable /key worker housing at Barangaroo
2012	Construction of Barangaroo South and Barangaroo Reserve begins		
2014		Modification 6 - Removed the requirement for 10,000sqm of community use at Barangaroo South with community uses able to be positioned across Barangaroo	Repositioning of the social infrastructure delivery to Central Barangaroo / Barangaroo Reserve
2015	Metro Station at Barangaroo announced & Barangaroo Reserve opens		Increased connectivity of Barangaroo (and Central Barangaroo in particular) increases focus on employment land and social benefits for residents across Greater Sydney

	Project timeline	Planning milestones related to land uses and public benefit	Key implications
2016		Modification 8 - Increases total GFA to 594,354sqm and defines the allocation of community uses: Minimum 2,000sqm at Central Barangaroo, 3,000sqm at Barangaroo South and 7,000sqm unallocated across the site.	Increasing recognition of social infrastructure requirements and appropriately locating them across Barangaroo
		Post modification 8 - conditions of approval updated for Barangaroo South included the provision of 2.3% key worker housing on-site and 0.7% off-site	Integration of the delivery of affordable housing / key workers at Barangaroo South
2019	Barangaroo commercial and retail precinct complete & consent received for One Sydney Harbour		
		Modification 11 to the Barangaroo Concept Plan was approved on 22 October 2020. This minor modification relates specifically to Barton Street / Hickson Park and does not change GFA or building height	
2020		Modification 10 - Increasing maximum GFAs at certain locations, modification of building envelopes and align the delivery of affordable / key worker housing	Affordable / key worker housing delivery at Barangaroo South formalised
	Crown Hotel and Resort, Watermans Cove and Hickson Park scheduled to open	Modification 9 in progress - Amend limits on gross floor area to selected locations in Central Barangaroo, impeding the achievement of the precincts objectives. Allocate GFA for the already built cultural space (known as The Cutaway) within Barangaroo Reserve.	Refinement of the mix of land uses at Central Barangaroo Modifications to formalise cultural public benefits
2021			

2.1.3 Legislative mechanisms delivering public benefit from development

There are a range of policies within the NSW planning framework that require or enable the provision of infrastructure to support new development and deliver community benefits. These include State (or Special) Infrastructure Contributions, Local Contributions Plans and Voluntary Planning Agreements.

At Barangaroo, public benefit is principally secured through the negotiation of development agreements – where priorities to deliver infrastructure such as community facilities and public domain are negotiated by the Government with the respective development partners. In addition, Barangaroo has its own contributions regime – the Barangaroo Contributions Plan, which is identified in the Barangaroo Act 2009 No 2.

The provision of planning benefits for the wider community through contributions and planning agreements involves capturing part of development profit.

"It is a well-established principle that the value of planning benefits should be restricted to a reasonable share of development profit"¹.

The Modifications to the approved Concept Plan for Barangaroo ensure appropriate material public benefits are provided through changes in land uses. These are accompanied by changes in Statement of Commitments and Project Development Agreements. Public benefits can be provided by on-site delivery of works and/or land by developers or through monetary contributions.

Public benefits that can be outlined in the Project Development Agreements can include:

- » open space embellishment
- » delivery of social space infrastructure for cultural and arts facilities
- » other community space infrastructure
- » provision of affordable housing.

Each of the precincts within Barangaroo have a focus on delivering public benefits suited to their context in the broader development, the CBD and Greater Sydney. In terms of the *Barangaroo Housing Strategy 2021*, affordable housing needs to be seen as part of a mix of public benefits that few other locations can deliver such as significant open space.



What is a development contribution?

A development contribution means the provision made by a developer under a contributions plan or planning agreement, being a monetary contribution, a works-in-kind contribution, a dedication of land and/or the provision of a material public benefit to be used for or applied towards a public purpose.

The objectives can include:

- meeting the demands created by development for new public infrastructure, amenities and services
- prescribing the nature of development to achieve specific planning objectives
- securing off-site planning benefits for the wider community so that development delivers a net community benefit
- compensating for the loss of or damage to a public amenity, service, resource or asset by development through replacement, substitution, repair or regeneration.

¹ <https://www.planning.nsw.gov.au/-/media/Files/DPE/Practice-notes/vpa-draft-practice-note-2016-11.ashx>

2.1.4 Statement of Commitments related to housing delivery

As part of the Modifications to development at Barangaroo South, there is a requirement for a Statement of Commitments by the various parties for the development rights. Conditions 29-34² relates to the development of a Housing Strategy for Barangaroo including affordable Housing (identified in the Statement of Commitments as “intermediate tenure or intermediate housing”). The Barangaroo South Project Development Agreement defines this as “key worker housing” and the exact definition is provided in **Section 2.1.5**.

Conditions 29-34 of the Statement of Commitments require the following:

29. A Housing Strategy is to be prepared that:

- » *Identifies the preferred mix of housing opportunities defined by price, dwelling type and dwelling size;*
- » *Incorporates intermediate tenure options;*
- » *Sets a suitable intermediate housing component as a proportion of total housing provision;*
- » *Includes a range of mechanisms to subsidise the development of the intermediate housing component; and*
- » *Retains land provided for intermediate housing in Government ownership with leases up to 99 years.*

30. A Technical Working Group is to be established to prepare the Housing Strategy. The membership of the Working Group is to be determined by the proponent team and the Barangaroo Taskforce or equivalent body Barangaroo Planning Reference Group (under its terms of reference dated 26 November 2006), or equivalent body.

31. The terms of Reference of the Technical Working Group is to consistent with the requirements for the preparation of the Housing Strategy specified in this Statement of Commitments and endorsed by the Barangaroo Delivery Authority or equivalent body.

32. The Housing Strategy is to be submitted by the Working Group to the Barangaroo Taskforce or equivalent body Barangaroo Planning Reference Group of the equivalent body. The Barangaroo Taskforce or equivalent body Barangaroo Planning Reference Group or equivalent body will report to the IPCC on relevant matters as recommended by the proponent team and the Working Group. The Proponent will report to the Barangaroo Delivery Authority on recommendations from the Working Group.

33. Following endorsement, the Housing Strategy is to be made publicly available in a manner to be determined by the Barangaroo Taskforce or equivalent body Barangaroo Planning Reference Group or equivalent body.

34. Within Barangaroo South up to 2.3% of all approved residential gross floor area (GFA) will be provided as Key Worker Housing.

Following the approval of Modification 8 (MP06_0162 MOD 8) the conditions of approval were updated and included the new modification B11 as follows:

B11. Key Worker Housing:

Key Worker Housing for Barangaroo South shall be provided generally in accordance with Statement of Commitment 34 and comprise at least:

- » *2.3% of residential GFA on site, within Barangaroo South; and*
- » *at least an additional 0.7% of the residential GFA on Barangaroo South, or its equivalent development value (but comprising at least a minimum of 1,740sqm of residential GFA), to be provided:*
 - > *offsite, but within 5 km of the site, or elsewhere within the City of Sydney LGA;*
 - > *as a mix of unit sizes, including at least 40% of the GFA allocated to dwellings comprising 2 or more bedrooms;*
 - > *prior to issue of any occupation certificate for Blocks 4A, 4B or Y.*

² It should be noted that Conditions 29-34 will be updated as a result of MOD9 and will be Conditions 30 -34.

The arrangements for the delivery of affordable housing has been outlined in MOD 10.

A Barangaroo housing strategy was prepared to reflect the above in 2018. The progression of the mechanisms to deliver the affordable housing is provided in **Section 5**. There is no Statement of Commitments regarding housing at Central Barangaroo.



Key implications of the Statement of Commitments

The Statement of Commitments indicates a percentage of housing at Barangaroo South, the key location for housing delivery, will be designated affordable housing (defined as intermediate housing or key worker housing in the Barangaroo documents). The percentage of nominated Affordable Housing on-site was 2.3% and off-site 0.7%..

2.1.5 Barangaroo South Project Development Agreement

The delivery of key worker (or “intermediate”) housing is included in the Barangaroo South Project Development Agreement (PDA) with Lendlease. Relevantly, the PDA defines Key Worker Housing as follows:

Key Worker Housing means any nurse, teacher, child-care worker, ambulance officer, member of the police force, member of the fire brigade or retirees with an income of +/- 50% of the median household income for the Sydney (Statistical Division) (as that division is defined for the purposes of the Australian Bureau of Statistics).

Lendlease (the developer of Barangaroo South) will deliver 2.3% of all approved residential gross floor area as Key Worker Housing to satisfy Statement of Commitments item 34.

Following the approval of Modification 8, condition B11 was amended to provide an increase in Key Worker Housing from 2.3% to 3% in total, with 0.7% delivered offsite. \



Key implications of the Barangaroo South Project Development Agreement

Affordable Housing (intermediate or key worker housing) is being delivered via the Project Development Agreement with Lendlease and Modification 8 condition B11 and subsequent modifications.

2.1.6 Barangaroo Concept Plan Modification 9

Director General’s Requirements (now Director Secretary’s Environmental Assessment Requirements) are issued for each Modification to the Barangaroo Concept Plan. These outline the matters that must be addressed as part of the Modification. INSW is the applicant for Modification 9 to Barangaroo Concept Plan for Central Barangaroo (MOD 9).

The Director General Requirements (DGRs) for the Barangaroo Concept Plan Modification 9 (MP06_0162 (MOD 9) were issued to the then Barangaroo Delivery Authority on 15 April 2014. The scope of MOD 9 relates to both Central Barangaroo and Barangaroo Reserve. The responsibility for delivering Barangaroo Mod 9 has been transferred from the Barangaroo Delivery Authority to INSW.

Key issue No.13 of the DGRs requires an amended Housing Strategy to be provided as part of the Environmental Assessment for MOD 9.



Key implications of Concept Plan Modification 9

INSW are required to update the Housing Strategy as part of Concept Plan Modification 9. This document - the *Barangaroo Housing Strategy 2021* - fulfils that requirement.

2.2 Barangaroo in the broader policy context

To inform the updated *Barangaroo Housing Strategy 2021*, a review of the broader strategic planning policy context has been undertaken. The key directions that have implications for Barangaroo are provided in this section. Detailed responses as to how the *Barangaroo Housing Strategy 2021* aligns with the strategic planning framework are provided in the appendices, particularly in regard to the final precinct to be developed, Central Barangaroo.

2.2.1 A Metropolis of Three Cities

The *Metropolis of Three Cities* is the latest strategic planning document released for Greater Sydney. The key strategic directions that have informed the priorities and land use approach are summarised in **Table 3**. Detailed responses as to how the *Barangaroo Housing Strategy 2021* aligns with the *A Metropolis of Three Cities* is provided in Appendix A.

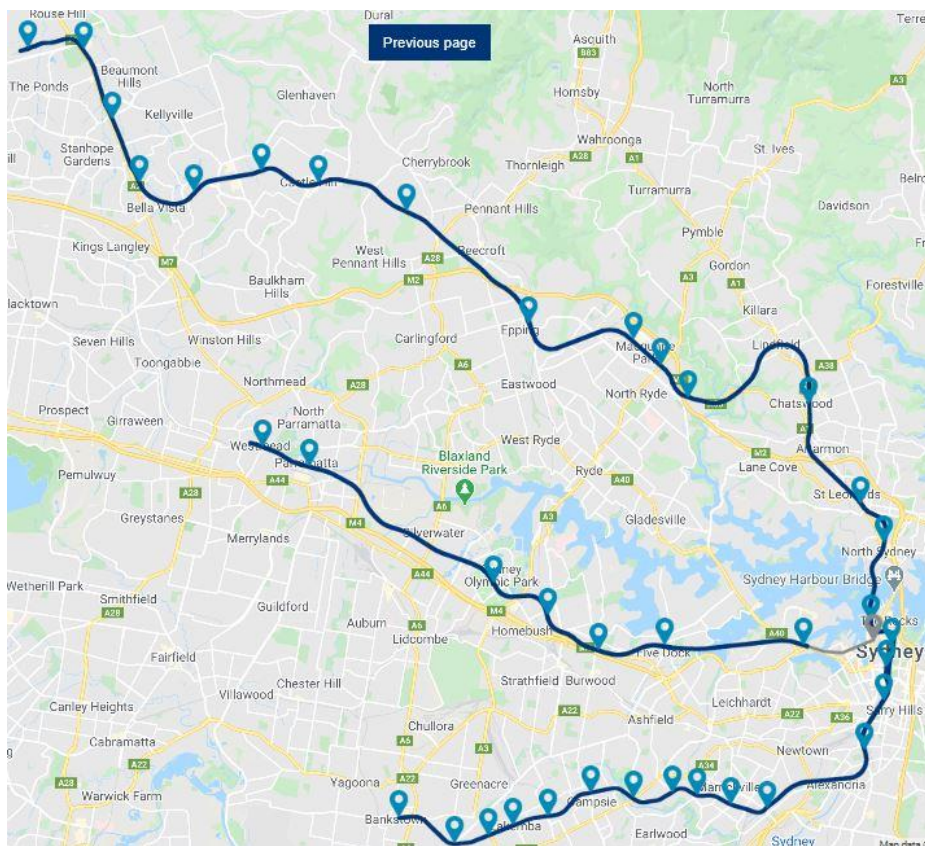
Table 3 Summary of key objectives and strategies in *A Metropolis of Three Cities* and the implications for the *Barangaroo Housing Strategy 2021*

Objectives	Strategies	Implications for the Housing Strategy
High level direction: Productivity		
<p>Objective 18 Harbour CBD is stronger and more competitive</p> <p>Objective 14 – <i>A Metropolis of Three Cities</i> – integrated land use and transport creates walkable and 30-minute cities</p>	<p>Strategy 18.2 Develop and implement land use and infrastructure plans which strengthen the international competitiveness of the Harbour CBD and grow its vibrancy by:</p> <ul style="list-style-type: none"> · further growing an internationally competitive commercial sector to support an innovation economy · providing residential development without compromising commercial development · providing a wide range of cultural, entertainment, arts and leisure activities · providing a diverse and vibrant night-time economy, in a way that responds to potential negative impacts. <p>Strategy 14.1 - Integrate land use and transport plans to deliver the 30-minute city.</p>	<p>The land use approach at Barangaroo should prioritise commercial uses that increase global competitiveness, particularly with the integration of Barangaroo Station. This will make the precinct directly accessible to large areas of Greater Sydney. See Figure 2.</p> <p>Residential development should not compromise commercial uses. Public benefits should include cultural, arts and social benefits.</p>

Liveability

Objectives	Strategies	Implications for the Housing Strategy
<p>Objective 12 Great places that bring people together</p>	<p><i>"Through place-based planning the mechanisms for delivering public benefits can be agreed early in the planning process...so places provide social infrastructure and opportunity."</i></p>	<p>Provision of social infrastructure servicing local residents and those of Greater Sydney, should be priority. Creating a distinctive and socially inclusive place should be a key goal at Barangaroo.</p>
<p>Objective 11 Housing is more diverse and affordable</p>	<p>Strategy 11.2 State agencies, when disposing or developing surplus land for residential or mixed-use projects include, where viable, a range of initiatives to address housing diversity and/or affordable rental housing.</p>	<p>Affordable housing should be part of the public benefits provided at Barangaroo, where viable.</p>
Sustainability		
<p>Objective 31 Public open space is accessible, protected and enhanced</p>	<p>Strategy 31.1 Maximise the use of existing open space and protect, enhance and expand public open space</p>	<p>High-quality public open space should be a priority public benefit provided at Barangaroo.</p>

Figure 2 Future Metro connections to Barangaroo Station



Source: www.sydneymetro.info/map/Sydney-metro-interactive-train-map

2.2.2 Eastern City District Plan

The *Eastern City District Plan* refines the broader objectives and strategies outlined in the *Metropolis of Three Cities*. The *Eastern City District Plan* was first released in 2016 and most recently updated in 2018. The key strategic directions that inform the Barangaroo land use approach and priorities are summarised in **Table 4**. Detailed responses as to how the *Barangaroo Housing Strategy 2021* aligns with the *Eastern City District Plan* is provided in Appendix B.

Table 4 Eastern City District Plan Directions and Key Objectives related to Barangaroo and the implications for the Barangaroo Housing Strategy

Directions / Priorities	Objectives / Actions	Implications for the Housing Strategy
Infrastructure and Collaboration		
<p>Planning Priority E1 Planning for a city supported by infrastructure</p>	<p>Action 1 Prioritise infrastructure investments to support the vision of <i>A Metropolis of Three Cities</i>.</p>	<p>Major infrastructure delivery has been scheduled to support Barangaroo – the Barangaroo Station. This in turn has an impact on the most appropriate land uses, further increasing the imperative to have a focus on employment-generating land uses.</p>
Productivity		
<p>Planning Priority E10 Delivering integrated land use and transport planning and a 30-minute city</p> <p>Planning Priority E7 Growing a stronger and more competitive Harbour CBD</p> <p>Planning Priority E11 Growing investment, business opportunities and jobs in strategic centres</p>	<p>Action 38 Provide access to jobs, goods and services in centres by:</p> <ul style="list-style-type: none"> c. creating vibrant, safe places and quality public realm d. focusing on a human-scale public realm and locally accessible open space h. improving public transport services to all strategic centres i. conserving and interpreting heritage significance k. providing for a diverse and vibrant night-time economy in a way that responds to potential negative impacts l. creating the conditions for residential development within strategic centres and within walking distance (10 minutes), but not at the expense of the attraction and growth of jobs, retailing and services; where appropriate, strategic centres should define commercial cores informed by an assessment of their need. 	<p>The public benefit approach at Barangaroo support land uses that are economic-generators. Providing open space should be a public benefit priority.</p> <p>Public benefits should include cultural, arts and social benefits. There should be a strong linkage to the cultural heritage of Barangaroo (indigenous and post-European settlement).</p> <p>Residential development should not compromise commercial uses. However, residential development should activate precincts.</p>

Directions / Priorities	Objectives / Actions	Implications for the Housing Strategy
Liveability		
<p>Planning Priority E4 Fostering healthy, creative, culturally rich and socially connected communities</p>	<p>Action 9 Optimise the use of available public land for social infrastructure.</p>	<p>Barangaroo should optimise social infrastructure delivery to become a cultural destination to create inclusive communities.</p>
<p>Planning Priority E5 Providing housing supply, choice and affordability with access to jobs, services and public transport</p>	<p>Objective 10 Greater housing supply</p> <p>Objective 11 Housing is more diverse and affordable.</p>	<p>Barangaroo should assist deliver housing supply but not at the expense of economic-generating land uses as previously outlined.</p> <p>Barangaroo should maximise the diversity of housing within the constraints of what is economically viable.</p> <p>Barangaroo should deliver of a suite of public benefits, including affordable housing..</p>
<p>Planning Priority E6 Creating and renewing great places and local centres, and respecting the District’s heritage</p>	<p>Action 18. Using a place-based and collaborative approach throughout planning, design, development and management, deliver great places by:</p> <ul style="list-style-type: none"> a. prioritising a people-friendly public realm and open spaces as a central organising design principle b. recognising and balancing the dual function of streets as places for people and movement d. integrating social infrastructure to support social connections and provide a community hub e. recognising and celebrating the character of a place and its people. 	<p>The delivery of Barangaroo as a distinctive place should be a key public benefit priority.</p>
Sustainability		
<p>Planning Priority E14 Protecting and improving the health and enjoyment of Sydney Harbour and the District’s waterways</p> <p>Planning Priority E16</p>	<p>Action 59 - Enhance sustainability and liveability by improving and managing access to waterways, foreshores and the coast for recreation, tourism, cultural events and water-based transport.</p> <p>Action 61 - Work towards reinstating more natural conditions in highly modified urban waterways.</p> <p>Action 63 and 64</p>	<p>Barangaroo should have a key objective of delivering an interconnected harbour waterfront increasing accessibility for all. It should work to re-instate a naturalistic waterfront where appropriate.</p> <p>It should enhance the scenic and cultural landscape.</p>

Directions / Priorities	Objectives / Actions	Implications for the Housing Strategy
<p>Protecting and enhancing scenic and cultural landscapes</p> <p>Planning Priority E18</p> <p>Delivering high quality open space</p>	<p>Identify and protect scenic and cultural landscapes. Enhance and protect views of scenic and cultural landscapes from the public realm.</p> <p>Action 67</p> <p>Provide opportunities to expand a network of diverse, accessible, high quality open spaces that respond to the needs and values of communities as populations grow.</p>	<p>It should deliver diverse and adaptable open spaces.</p>
<p>Planning Priority E19</p> <p>Reducing carbon emissions and managing energy, water and waste efficiently</p>	<p>Action 68</p> <p>Support initiatives that contribute to the aspirational objective of achieving net-zero emissions by 2050, especially through the establishment of low-carbon precincts in Planned Precincts, Collaboration Areas, State Significant Precincts and Urban Transformation projects.</p>	<p>As one of the most strategically important urban renewal precincts, Barangaroo should be an exemplar of zero net emissions development.</p>

2.2.3 Draft Housing Diversity SEPP and predecessor policies



The changing housing policy context

There has been a significant policy shift in encouraging diverse housing supply and tenure types since the conception of Barangaroo.

Barangaroo operates under a different legislative framework, particularly in regarding to the delivery a diverse range of public benefits through development contributions. Housing and commercial development will fund and deliver world-class open space resources, social infrastructure and other public benefits. Different housing tenures are to be provided at Barangaroo South, the key focus of housing supply at Barangaroo.

Since the conception of Barangaroo, there have been a number of new initiatives to encourage diverse housing across NSW through State Environmental Planning Policies. More recently, these initiative are proposed to be combined into one environmental planning instrument - the draft *Housing Diversity State Environmental Planning Policy* (Housing Diversity SEPP).

The key features of instruments and the key changes are:

- » *State Environmental Planning Policy (Affordable Rental Housing) 2009*
 - > made provisions for Boarding Houses in zones with the new draft Housing Diversity SEPP making provision for these to be affordable (as per a prescribed definition) and is managed by a registered not-for-profit community housing provider (CHP), and
 - > provided for floorspace bonuses for affordable housing with different rates according to floorspace ratios. The new Housing Diversity SEPP will have a flat 20% maximum over existing FSR
 - > provided for other planning requirement reductions, such as parking, to improve the feasibility of affordable housing provision.

The SEPPs provisions for additional floorspace are not relevant to the Barangaroo context as the scale of development is determined through a modifications process. This process negotiates the outcomes of particular development sites. Particularly for Central Barangaroo, the scale of development is limited by protecting views and vistas from key iconic locations in the city, and the provision of significant open space.

- » *State Environmental Planning Policy (Housing for Seniors and People with a Disability) 2004 – 2009* the key objectives of this SEPP are to encourage quality housing for the aging population and people with a disability – there are no major changes that impact the Barangaroo context
- » *State Environmental Planning Policy No 70 – Affordable Housing (Revised Schemes)* – works as an inclusionary zoning mechanism to deliver affordable housing. It enables locations that are subject to an upzoning to require a contribution to Affordable Housing under the *Environmental Planning and Assessment Act 1979*. Under the Barangaroo Act No 2 Clause 34, the contributions provisions of the EP&A Act planning Acts does not apply. The Barangaroo contributions and developer agreements framework is utilised to deliver a suite of public benefits, suited to the context of each of its precincts, instead.

The new *Housing Diversity SEPP* has provisions for new types of housing as provided outlined in Table 5 with the key applicable requirements. Some of these may be applicable to Barangaroo context should the Housing Diversity SEPP be legislated, there is sufficient demand and such development is also viable.

Table 5 New forms of housing identified in the draft *Housing Diversity SEPP*

	Build-to-rent	Student housing	Co-living
Definition	Build-to-rent housing A building or place that: contains at least 50 self-contained dwellings that are offered for long term private rent; is held within a single ownership; is operated by a single management entity; and includes on-site management	Student housing A building that: provides accommodation and communal facilities principally for students enrolled to study at an education establishment during teaching periods; and may incorporate some fully self-contained dwellings	Co-living A building held in single ownership that: provides tenants with a principal place of residence for 3 months or more; includes on-site management; includes a communal living room and may include other shared facilities, such as a communal bathroom, kitchen or laundry; and has at least 10 private rooms, some or all of which may have private kitchen and/or bathroom facilities, with each private room accommodating not more than two adults.
Locational requirements	Mandated as permissible in the following zones: R3 Medium Density Residential where residential flat buildings (RFBs) are permitted R4 High Density Residential, B3 Commercial Core, B4 Mixed Use B8 Metropolitan Centre	Not currently specified	
State Significant Development	Capital Investment Value of \$100 million or more (>\$50 million in Regional Areas)	N/A	

2.3 City of Sydney policy context

2.3.1 Local Strategic Planning Statement

The City of Sydney is not the consent authority for Barangaroo. However, it is useful to compare the strategic framework to further understand the Barangaroo context and strategic alignment. The City of Sydney *City Plan 2036, Our Local Strategic Planning Statement* contains a number of relevant priorities and actions, relevant to Barangaroo.

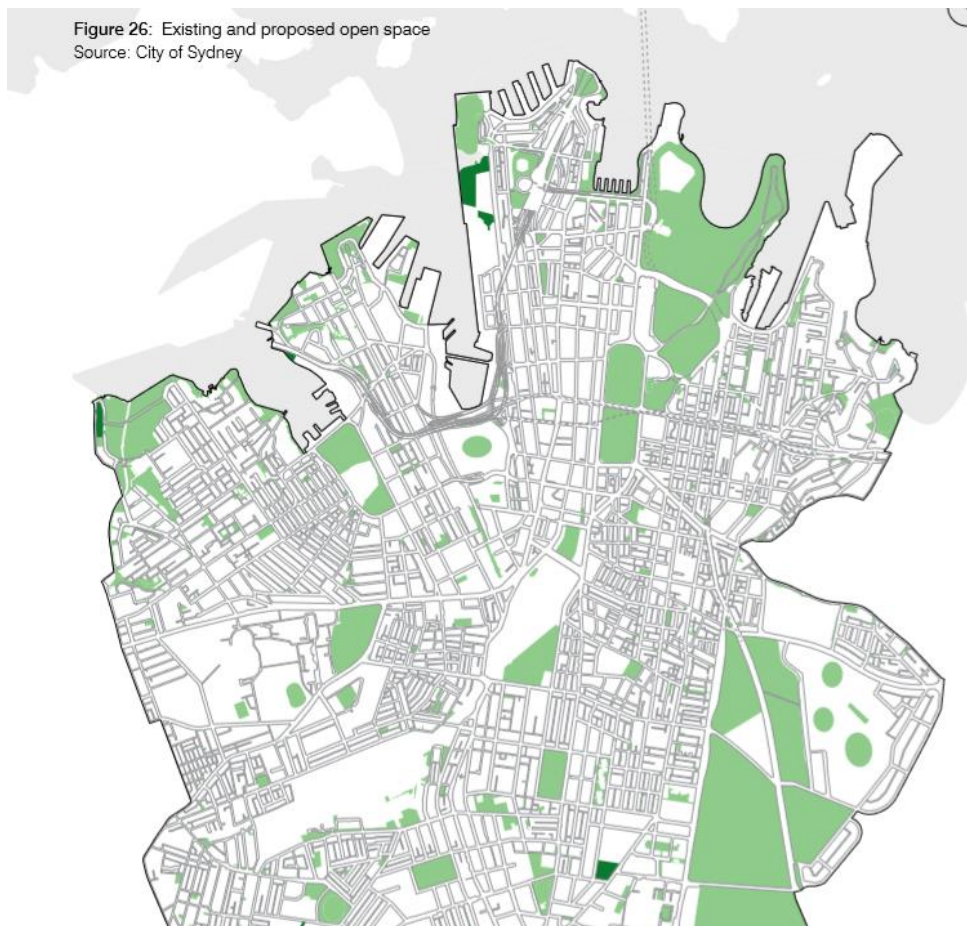
Table 6 outlines the Priorities, Actions and Implications for the *Barangaroo Housing Strategy 2021*.

Table 6 City of Sydney Local Strategic Planning Statement key priorities and actions relevant to the Barangaroo context and housing strategy implications

Priority	Key actions relevant to Barangaroo	Housing Strategy implications
Infrastructure and collaboration		
No specific actions related to Metro North West and South West Stations included in Central Sydney Planning Framework but does contain the key directions for Metro Precincts provided right	Land use Response to Metro Station Precincts key statements included: <i>"In Central Sydney, to maximise the economic advantage of additional rail capacity and the connectivity provided by new metros, job growth is the priority. This will support the 30-minute city vision"</i> <i>"Genuine mixed-use development in station precincts increases the 24/7 activity in that location, providing a more efficient use of transport systems than purely residential and commuter catchments do" (LSPS, p.70)</i>	Barangaroo should prioritise economic-generating land uses over residential where possible. The City of Sydney LSPS identifies Barangaroo as the key opportunity to extend economic agglomerations in Central Sydney. Barangaroo should be a mixed use 24/7 precinct.
I3 Supporting community wellbeing with social infrastructure	No specific actions relevant to Barangaroo	Barangaroo should prioritise the delivery of social infrastructure public benefits.
Liveability		
L1 A creative and socially connected city	L1.1 Provide public and publicly accessible spaces that are inclusive, good quality, accessible and activated for diverse people and communities and contribute to the social life of the city L1.7 Encourage proponents to incorporate appropriate cultural infrastructure and creative workspaces into new developments, for example through the use of planning agreements and plan for the inclusion of such spaces in NSW Government projects and major urban renewal precincts	Barangaroo should have a public benefit focus of delivering inclusive, good quality, accessible and activated spaces for diverse people and communities. Barangaroo should have a public benefit focus on the delivery of cultural infrastructure.
L2 Creating great places	L2.3 Work with others to create and maintain a continuous publicly accessible harbour foreshore edge that is wide enough to support a range of recreational activities, except in areas required for productive working harbour function	Barangaroo should have a focus on the delivery of quality public realm that creates a continuous waterfront foreshore. It

Priority	Key actions relevant to Barangaroo	Housing Strategy implications
		<p>should be augmented to provide outstanding experiences.</p> <p>Barangaroo is one of the few opportunities to achieve significant augmentation of open space as illustrated in Figure 3 from the City of Sydney LSPS.</p>
<p>L3 New homes for a diverse community</p>	<p>L3.2 Increase the mix of dwelling types, tenures and sizes to support a diverse community</p> <p>L3.4 Increase the diversity and number of affordable rental homes for lower income households</p>	<p>Barangaroo should appropriately augment housing supply.</p> <p>Barangaroo should deliver affordable housing, balanced with other public benefits outlined in the LSPS.</p>

Figure 3 Existing and proposed open space in the City of Sydney



Source: City of Sydney, LSPS

2.3.2 Draft Central Sydney Planning Strategy 2020

The draft *Central Sydney Planning Strategy 2020* recognises that previous strategies have successfully expanded residential floor space in Central Sydney since the early 1990s through a planning incentives-based approach. With residential development, there has been growth in supporting services and an injection in vitality that continues to benefit visitors, tourists and businesses.

The Draft *Central Sydney Planning Strategy 2020* is designed to protect and grow employment floor space to maintain the CBDs economic vitality and resilience, and to respond to the changing needs of commercial markets. The draft Strategy recognises Central Sydney's role as the economic, social and cultural heart of the nation, of which Barangaroo is a key extension.

The draft Strategy recognises that the NSW Government has outlined three mandatory objectives for Central Sydney:

- » To recognise and provide for the pre-eminent role of business, office, retail, entertainment, and tourist premises in Australia's participation in the global economy
- » To provide opportunities for an intensity of land uses commensurate with Sydney's global status
- » To permit a diversity of compatible land uses characteristic of Sydney's global status and that serve the workforce, visitors and the wider community.

While Barangaroo is not under the jurisdiction of City of Sydney in terms of planning controls, many of the principles outlined in the draft Strategy are relevant in terms of the key land uses at Barangaroo. An assessment of these objectives against the land use approach at Barangaroo is provided at Appendix D.

The refocus as it relates to Barangaroo include:

- » **A resilient and diverse economy growing employment and critical industries** that is competitive, high yielding, high value and innovative.
- » **A city for people** recognises that the city is of benefit for everyone, the Strategy seeks to facilitate spaces for public life.
- » **Strong community and service infrastructure accompanying growth** including libraries, childcare and cultural facilities, transport and affordable rental housing.

While mapping in the draft *Contributions Plan for Central Sydney* indicates that Barangaroo is included in the land to which the contributions plan is proposed to apply, this is over-ridden by a Clause 34 in the *Barangaroo Act 2009 No2* which states:

The development contributions provisions of the Environmental Planning and Assessment Act 1979 and the City of Sydney Act 1988 (the planning Acts) do not apply to or in respect of any development for which a development contribution is payable under the Barangaroo contributions plan.

Barangaroo has its own contributions regime as outlined in **Section 2.1.2**.

2.3.3 City of Sydney Housing Strategy

Housing for all - City of Sydney Local Housing Strategy projects a need for an additional 50,000 dwellings between 2016 to 2036 in the LGA³.

Yet the strategy also acknowledges that it is "a city where economic competitiveness is supported and where the need for space for productive uses is not ignored in the face of the high demand for housing"⁴.

The technical document for the Housing Strategy notes that there are areas in the City of Sydney where economic and employment uses must be prioritised over housing delivery. Strategically located areas close to

³ Table 1: Housing Provision between 2016 to 2036, draft *Housing for all - City of Sydney Local Housing Strategy*

⁴ As above, page 12.

Sydney Airport, Port Botany and Sydney CBD are identified as requiring protection from residential development, to preserve their vital economic function.

As Barangaroo is a key extension of the CBD, prioritising economic-generating land uses is a priority.

The City of Sydney housing strategy also notes **Priority H1 – Facilitating more homes in the right location, Action 1.2 that the principles for growth must ensure that Planning Proposal for residential development are of public benefit, for example, they contribute to addressing the critical undersupply of affordable rental housing or public open space.**

This clearly indicates that the range of public benefits, appropriate to the location must be assessed. **Priority H2 – Co-ordinating housing growth with the delivery of infrastructure identifies the types of social infrastructure that needs to be delivered to provide liveable environments, particularly in high-density environments such as the CBD and Harbour Village area.** This includes infrastructure directly relevant to Barangaroo's context and overall public benefit offering including:

- » **Community and Cultural** - A city should encourage social life with well-functioning community services such as libraries, and cultural and creative spaces. This liveability in turn supports the city's ongoing competitiveness in the global economy, attracting and retaining talent, business and investment
- » **Open space and recreation** - Open space is essential infrastructure needed to achieve great places, and provides extensive social, environmental and economic benefits for the community.
- » **Affordable housing** addressing the affordability of housing in the LGA that results in pushing low and moderate income workers out of the area, leaving behind relatively wealthy households and very low income households in the city's social housing.



Implications for the Housing Strategy

The Housing for all - City of Sydney Local Housing Strategy acknowledges that housing delivery is important, but this should not be at the expense of economic-generating land uses. It identifies the City and Harbour Village as one of the key economic-generating locations, of which Barangaroo is an extension.

There is acknowledgement that a variety of public benefits can accompany housing development, most appropriate to the context. The two key public benefits that are identified are affordable rental housing and public open space.

2.3.4 City of Sydney Planning Proposal: Affordable Housing Strategy Review

The high cost of housing is an important economic and social issue in Sydney, particularly in the city where housing prices are among the highest in Australia.

The City of Sydney housing strategy states an additional 11,000 affordable rental housing dwellings and almost 2,000 social housing dwellings will be required to 2036.

There is an aspirational target of 7.5% social and 7.5% affordable housing delivery across the LGA, but Council recognises there are significant limitations to achieving this. However, to assist in moving towards this target, the City of Sydney has prepared a draft *Planning Proposal: Affordable Housing Strategy Review*.

An affordable housing contribution rate is proposed for Central Sydney, adjacent to Barangaroo. The contribution rate will be 1.5% between 1 June, 2020 and 31 May 2021 then rising to 3% thereafter for residential floor area. For non-residential floor area, it is proposed rate first rises to 0.5% then 1% over the same time periods.

This does not apply to Barangaroo as Clause 34 of the *Barangaroo Act 2009* prohibits the imposition of contributions from other planning instruments. The planning framework for Barangaroo, like various City of Sydney strategies, identifies that appropriate public benefits must be provided to promote the vital social and economic functions of the Sydney CBD.



Implications for the Housing Strategy

The *City of Sydney Planning Proposal: Affordable Housing Strategy Review* acknowledges that there is a significant need for affordable housing. It proposes a long-term affordable housing contribution rate for the CBD and Harbour Village of 3%, which equates to the percentage of provision at Barangaroo South.

2.4 Summary of the policy context and the implications for the *Barangaroo Housing Strategy 2021*

An assessment of the strategic policy context has the following implications that need to inform the housing strategy for Barangaroo. Barangaroo should:

- » Maximise employment land delivery increasing the competitiveness of the globally significant Sydney CBD, particularly in locations with premium public transport
- » Maximise the delivery of social infrastructure and quality publicly-accessible open space, benefitting local residents and workers as well as all residents of Greater Sydney and the visitor economy
- » Ensure the delivery of housing adds to the activation and vibrancy of the precinct, but not at the expense of economic-generating land uses, with the delivery of affordable housing balanced with other key public benefit objectives.

Public benefits delivery at Barangaroo should:

- » Be a reasonable share of the development potential
- » Deliver an optimised mix of social, economic and environmental benefits
- » Be appropriate to the key functions and core focus of each of the precincts at Barangaroo.

Section 4 outlines the priorities, land use and public benefit approach at the three precincts at Barangaroo to achieve this.

3 The Evidence

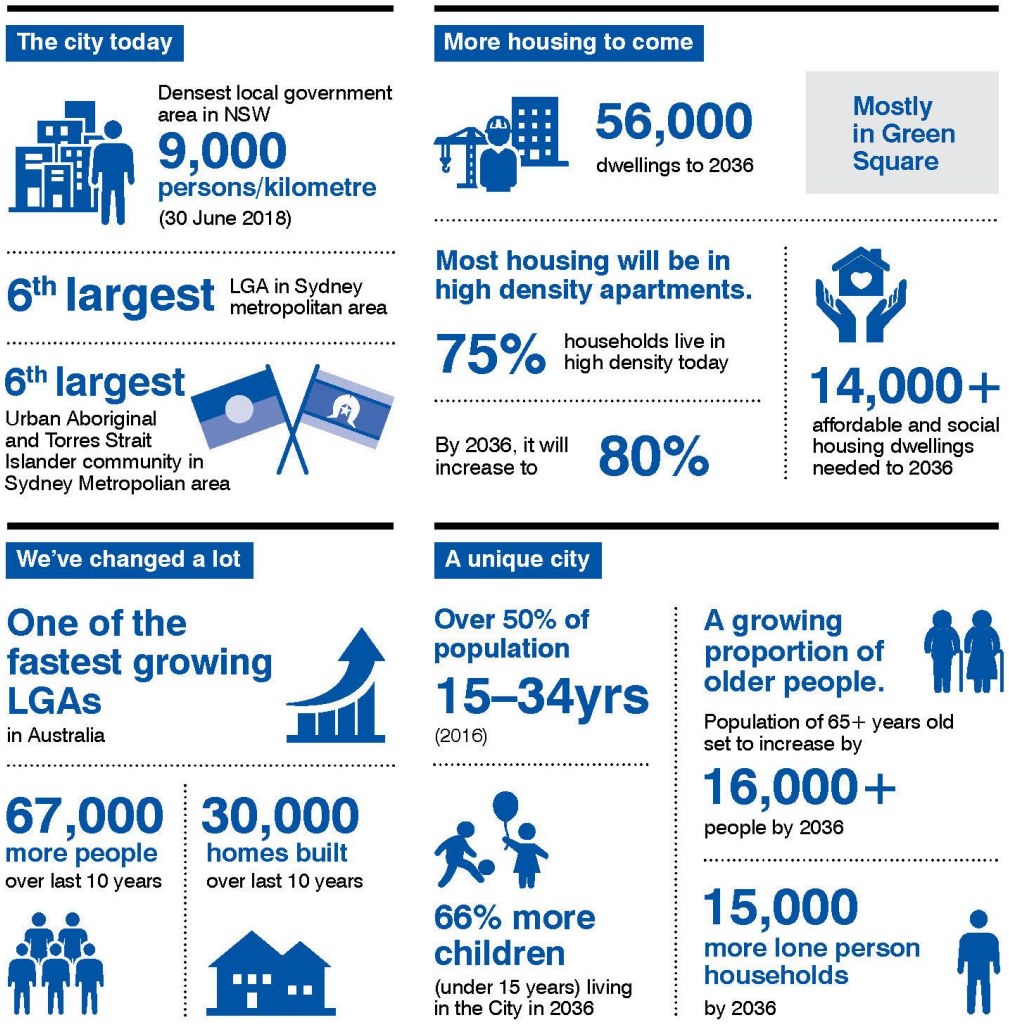
3.1 City of Sydney demographic snapshot and implications for Barangaroo

Demographic change and its relationship to housing

Figure 4 provides the snapshot of the key population trends in the City of Sydney LGA that are driving housing demand from *Housing for all - City of Sydney Local Housing Strategy*.

Figure 4 City of Sydney Population and Housing Snapshot in the LGA’s local housing strategy

Population and housing snapshot



Source: City of Sydney, Local Housing Strategy

Key demographic characteristics and changes identified in *Housing for all - City of Sydney Local Housing Strategy* are:

- » A significant growth in lone person households
- » Growth in households with children
- » A very young population (over 50% 15-34 years)
- » A significantly increasing older population.

The technical document accompanying the City of Sydney housing strategy drew the following key conclusions regarding the LGAs demographic trends and implications for housing delivery in the LGA and more specifically the CBD and Harbour Village which Barangaroo is integrated with:

- » Of the ten nominated villages in the City of Sydney LGA, the CBD and Harbour Village will have one of the highest rates of population change between 2016 and 2036 of all the villages (4% annual change) only marginally behind Green Square (4.4%).
- » An additional 10,570 people are expected to reside in the CBD and Harbour Village between 2016 and 2036.
- » This is a result of utilisation of planning capacity under existing controls enabling the delivery of an expected 5,665 dwellings in the CBD and Harbour Village during the 2016 – 2036 timeframe – nearly doubling the dwelling capacity in the village (97.4% increase).
- » This is expected to increase the number of households in the CBD and Harbour Village by 5,426 (134% increase).
- » The increase in households is generally on par with the increase in dwellings (considering a factor of vacancy) and therefore, this would indicate an expected low average household size.
- » Between 2006 – 2016 in the City of Sydney LGA, the dwelling typology that experienced the most growth was 0-1 bedroom dwellings representing nearly 44% of all new dwelling stock during that time. This would indicate demand generated by smaller household types.
- » Renting is the dominant tenure type in the City of Sydney (62.5%) with approximately 20% owned with a mortgage and 14% owned outright. See **Figure 7**.
- » The median rent in the City of Sydney as at 2016 was \$565 per week.
- » The percentage of people that walk to work (24%) or catch public transport in the LGA is high at over 75% as at 2016.

Comparison with Barangaroo as at 2016

The data for this section is from the 2016 ABS Quickstats for the Barangaroo suburb. It must be noted that in 2016, there were only 90 dwellings in Barangaroo, 38 of which were unoccupied. However, the data does provide some indication of trends. A summary is provided below.

As at 2016:

- » 284 people lived in Barangaroo (suburb), which largely equates to the Barangaroo precinct
- » A similar trend in smaller households has been evident at Barangaroo with as shown in **Figure 5**. It shows that as of 2016 that the current household formations are dominated by single person and couples without children households. While recognising Barangaroo is a premium location, it is catering to the increased demand in generated from smaller household types.
- » Barangaroo also had a relatively high percentage of single parent families.
- » In Barangaroo (suburb), of the occupied private dwellings as at 2016, 26.7% had 1 bedroom, 58.3% had 2 bedrooms and 15.0% had 3 bedrooms. The average number of bedrooms per occupied private dwelling was 1.9. This is in contrast to the broader trend in the CBD and Harbour village with 44% being 0-1-bedroom dwellings

- » Like the City of Sydney, there is a relatively high proportion of younger people with 42% of residents between 15 - 34 at Barangaroo. The age group most highly represented was the 25 – 29 (13.9%) and 30-34 age groups (14.4%), closely followed by the 55- 59 year age group (12.8%). This would indicate a quite diverse range of ages attracted to the location.
- » The dominant tenure type at Barangaroo at that time was renting (over 70% of dwellings) with about 8% owned outright and similar rates of owned with a mortgage (approximately 20%) as the City of Sydney. See **Figures 6 and 7.**
- » The median rent as at 2016 at Barangaroo was over double that of the City of Sydney at \$1,200 per week, but other evidence outlined later indicates Barangaroo is an important source of accommodation for talent supporting the global competitiveness of the Sydney CBD.
- » Over 44% of Barangaroo’s resident population walked to work but with a higher overall rate of people that drive or a passenger in a car for trips to work (approximately 34%) than the City of Sydney LGA. However, this does indicate a high number of people live in Barangaroo and work in nearby city locations.

Figure 5 Household types at Barangaroo (ABS 2016)

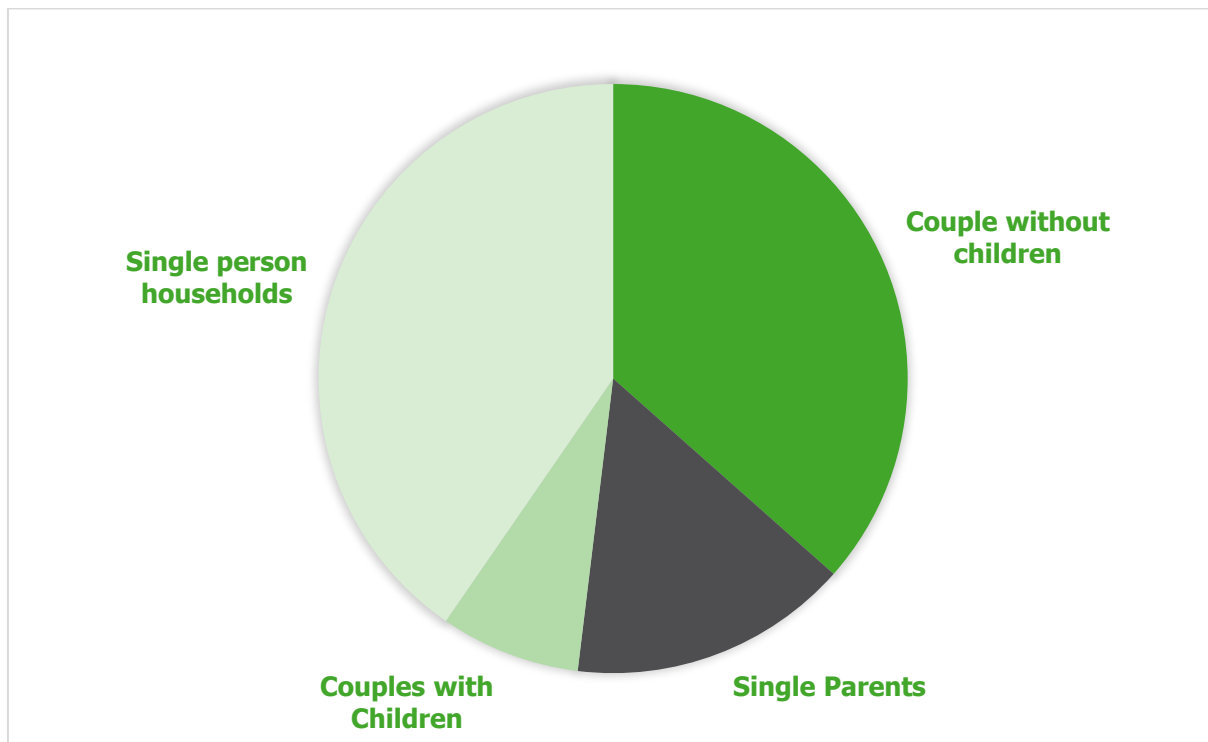


Figure 6 Tenure type Barangaroo suburb (ABS, 2016)

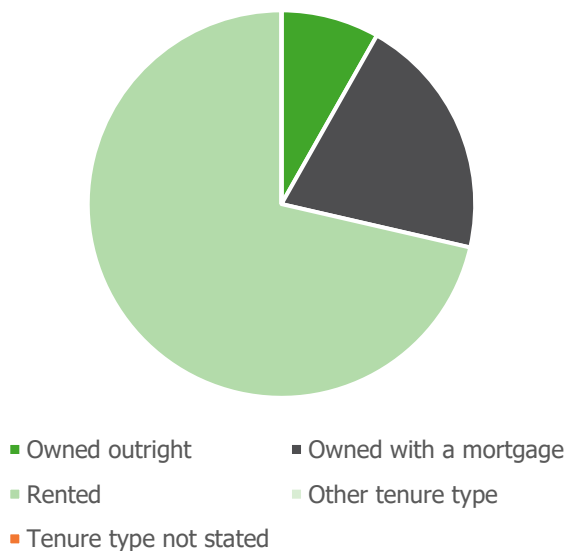
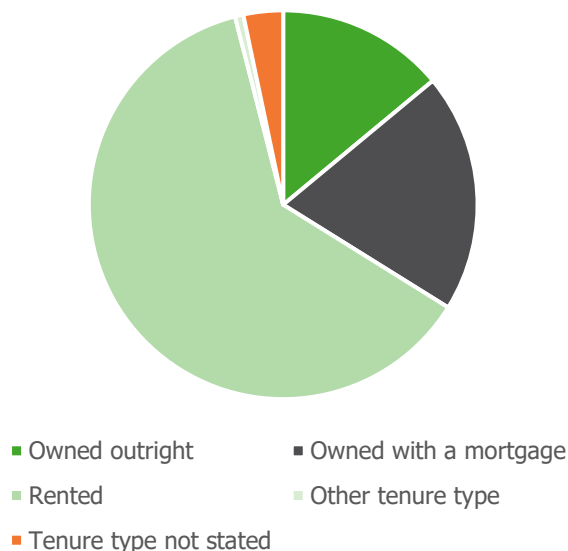


Figure 7 Tenure type City of Sydney LGA (ABS, 2016)



Income and employment

Growth in residents that are professionals (+15,735) and managers (+7,351) experienced the greatest increase in the City of Sydney from 2006 to 2016. Professionals accounted for 38.4% of the total resident workforce with managers at 17.3%. The Barangaroo suburb, as at 2016, had lower rates of professionals (35.6%) but higher rates of managers (30.1%). Overall, Barangaroo has approximately 10% more resident managers and professionals than the City of Sydney average, as one may expect from Barangaroo’s premium accessibility to the CBD.

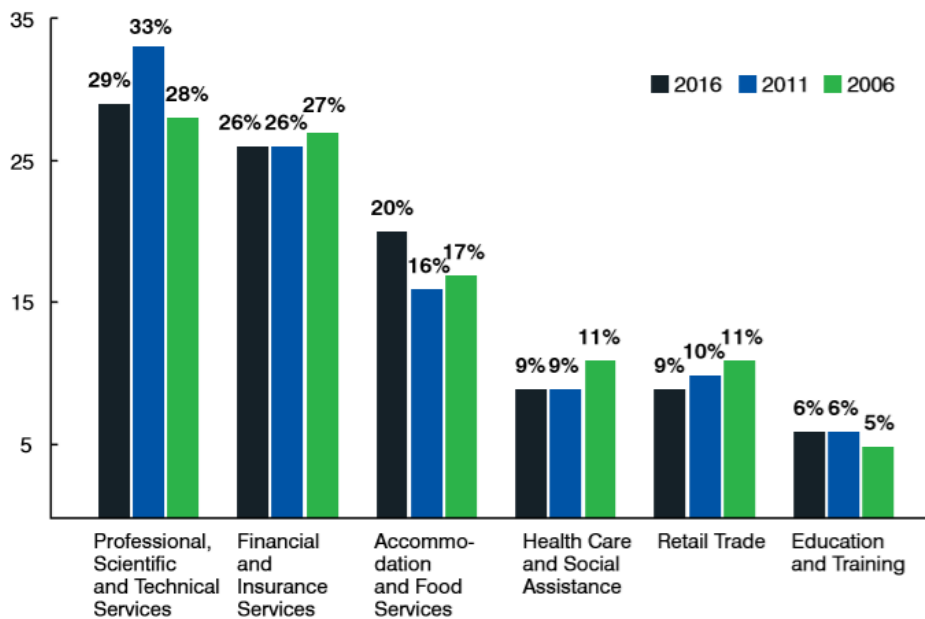
The technical data to support the City of Sydney Housing Strategy examined the change in residents working in key industry categories. The CBD Harbour village and Green Square are compared in **Figures 8 and 9**. These two village areas have been compared due to the significant growth at Green Square and the expected similar rates of growth expected between 2016 and 2036 as outlined in **Section 3.1** in the two villages.

There is a greater dominance of residents working in the financial and professional sectors in the CBD and Harbour Village compared to the Green Square village. This not unexpected considering the concentration of jobs in those sectors in the CBD and the higher cost of housing.

However, the Harbour CBD village increased the percentage of residents in some typically lower paid segments (Education and Training and Accommodation and Food Service), while the percentages in Retail Trade and Health Care and Social Assistance declined between 2006 – 2016. However, some percentage of residents in typically higher paid industry categories (Financial and Insurance Services) also experienced a percentage decline while Professional, Scientific and Technical Services remained relatively steady.

Comparative locations like Green Square experienced similar trends but in some cases were more pronounced such as a greater fall in the percentage of residents employed in retail trade.

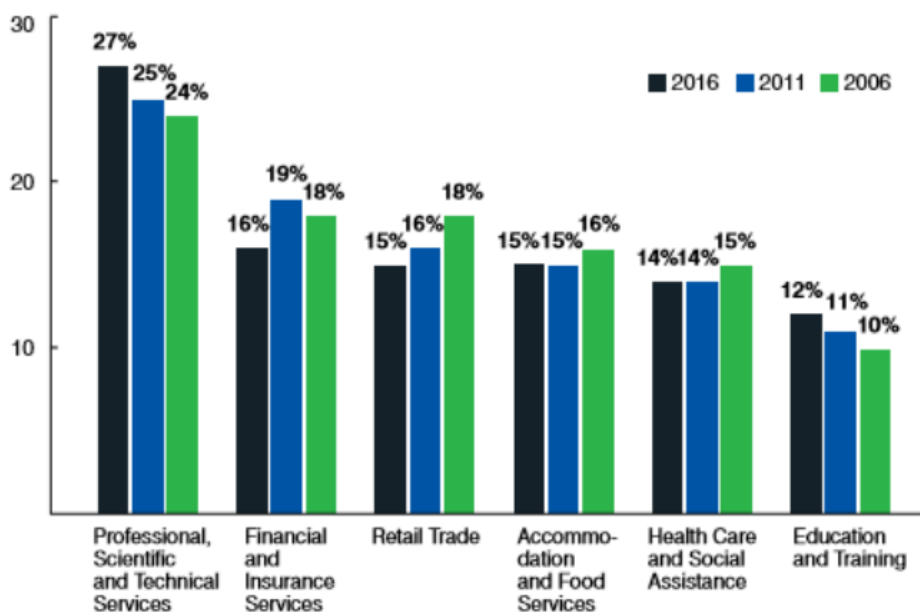
Figure 8 Proportion of industry sector of employment, CBD and Harbour village residents 2006 – 2016 from the technical documents accompanying the LGA’s housing strategy



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 and 2016

Source: City of Sydney, *Housing for all - City of Sydney Local Housing Strategy* accompanying technical document

Figure 9 Proportion of industry sector of employment, CBD and Harbour village residents 2006 – 2016 from the technical documents accompanying the LGA’s housing strategy



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 and 2016

Source: City of Sydney, *Housing for all - City of Sydney Local Housing Strategy* accompanying technical document

Median household income was significantly higher at Barangaroo⁵ than the City of Sydney, the suburb of Sydney, NSW and Australia as illustrated in **Table 7**.

Table 7 Median household income comparison (2016)

Location	Median Household Income / week (2016)
City of Sydney LGA	\$1,926
Barangaroo (suburb)	\$3,661
Sydney (suburb)	\$1,949
NSW	\$1,486
Australia	\$1,486

Source: ABS, Quickstats 2016



Key implications for the Housing Strategy

Barangaroo has historically attracted a more diverse range of age groups than the City of Sydney as a whole.

Preliminary trends indicate Barangaroo is serving an important function of providing rental accommodation.

Barangaroo does attract households of a high income bracket. There is likely a strong correlation between talent attraction increasing the global competitiveness of the Sydney CBD and the demographic profile of Barangaroo.

There has been a fall in some lower paid employment sectors in the CBD and Harbour Village. However, in some instances, this fall has not been as pronounced as other high growth locations like the Green Square Village.

⁵ It must be noted that only 52 dwellings had were occupied at Barangaroo in 2016.

3.2 Housing supply in the City of Sydney

Baseline and future housing supply in each of the villages

The City of Sydney *Housing for all - City of Sydney Local Housing Strategy* provides data on current housing provision in each of the LGA's villages. **Figure 10** provides a breakdown of the housing supply as at 2016 per village area in the City of Sydney with projected future growth to 2036⁶.

The CBD and Harbour village area of which Barangaroo is a part of:

- » provided approximately 5.25% of housing supply in the LGA as at 2016
- » is projected to nearly double housing supply between 2016 - 2036
- » is forecast to provide approximately 7% of the housing supply in the LGA by 2036.

This growth is expected to be delivered through existing capacity under current planning controls and Planning Proposal submitted by other parties⁷. The acceptance of these Planning Proposals will be based on the principles outlined in the LGA's housing strategy. Barangaroo will also be a major source of housing delivery in the CBD and Harbour Village⁸ in the 2016 – 2026 period.

Despite being projected to be one of the key housing growth areas in the City of Sydney, the draft *Central City Planning Strategy*, as outlined in **Section 2.3.2**, recognises that residential housing growth is of lower priority in the CBD and Harbour Village compared to promoting economic-generating land uses. The draft Strategy, in response, proposes to eliminate floorspace incentives for residential development in Central Sydney. Nevertheless, the CBD and Harbour village is projected to have the second highest rates of residential dwelling growth forecast of all the City of Sydney Villages after Green Square.

Continued augmentation of supply will assist control of purchase price and rents in Central Sydney.

⁶ City of Sydney, draft *Housing for all - City of Sydney Local Housing Strategy*.

The methodology employed by the City of Sydney to calculate future housing supply is described below:

Dwelling demand forecasts have been developed with consideration of the impact of trend dwelling preferences on overall housing demand, forecast to 2026 and 2036. The assumptions that underpin the forecasts factor in current planning decisions and infrastructure commitments. Underlying dwelling demand used in the modelling has been based on total dwelling forecasts produced by Forecast ID for each of the villages, and analysis of trends in dwelling preferences. The methodology can be summarised as follows:

- Australian Standard Geographical Classification (ASGC) data from the 2011 and 2016 Censuses that best fits the City's village geographies, is used to provide a representation of the dwelling typology observed within each village.
 - Trend-based dwelling preference data is identified to be applied across the forecast period.
 - These trended shares are applied to the projected village dwelling totals (provided by .id consulting) for each time period.
- Given that the dwelling forecasts generated for each village type have already been based on population changes, the expected change in population has been incorporated into the model. Importantly, this identifies future demand for dwelling types based on the City's population and dwelling forecasts.

⁷ City of Sydney, draft *Housing for all - City of Sydney Local Housing Strategy*.

⁸ It is assumed that a housing delivery estimate is include in the total from Barangaroo but the assumptions in the data are not explicit. Profile id at <https://profile.id.com.au/sydney/about?WebID=290>

Figure 10 Current and projected supply of housing in the City of Sydney (2016 – 2036)

Village area	2016	2021	2026	2031	2036
CBD and Harbour	5,792	7,660	9,876	10,832	11,457
Chinatown and CBD South	7,983	10,478	12,014	13,096	13,896
Crown and Baptist Streets	11,855	12,459	13,519	14,326	14,976
Glebe Point Road	11,782	13,345	13,642	13,792	13,942
Green Square and City South	15,312	24,156	29,507	32,992	35,790
Harris Street	8,957	9,352	10,018	10,983	11,358
King Street	10,160	11,543	12,528	13,278	14,028
Macleay Street and Woolloomooloo	13,023	13,344	13,601	13,776	13,951
Oxford Street	10,928	11,234	11,460	11,685	11,910
Redfern Street	14,347	16,056	19,189	21,152	22,761
City of Sydney	110,139	129,627	145,354	155,912	164,069

Source: Population and household forecasts, 2016-2036, prepared by .id consulting

Source: Source: City of Sydney, *Housing for all - City of Sydney Local Housing Strategy* accompanying technical document

Projected Affordable Housing

The draft *Central City Planning Strategy* recommends the imposition of a contribution for Affordable Housing in Central Sydney. The provision escalates over a timeframe of two years to a 3% contribution rate, with a further 1% provided by other types of development.

Should this produce the full 3% contribution from the forecast dwelling growth between 2021 – 2036, this would produce approximately 114 dwelling from residential development within the CBD and Harbour Village if delivered as part of developments with some further augmentation from other types development.

This would be in addition to the 50 affordable dwellings to be provided at Barangaroo South.

Therefore, it is likely that Barangaroo South will deliver over 30% of the total project affordable housing for the CBD and Harbour Village from residential development.



Key implications for the Housing Strategy

Barangaroo will contribute to the 5,000+ additional dwellings in the CBD and Harbour Village. However, the commodity of large floorplate commercial development, increasingly in demand from high-end commercial tenant, with premium access to the Metro system is a rare opportunity in Central Sydney. Other locations in the CBD are typically smaller lot sizes and present difficulties in amalgamation inhibiting the ability to achieve the large floorplate outcome. A key objective is to utilise Barangaroo to maximise the delivery of this type of development.

Barangaroo South will also provide a significant share of the affordable housing provision in the CBD and Harbour Village of City of Sydney.

Typologies of housing

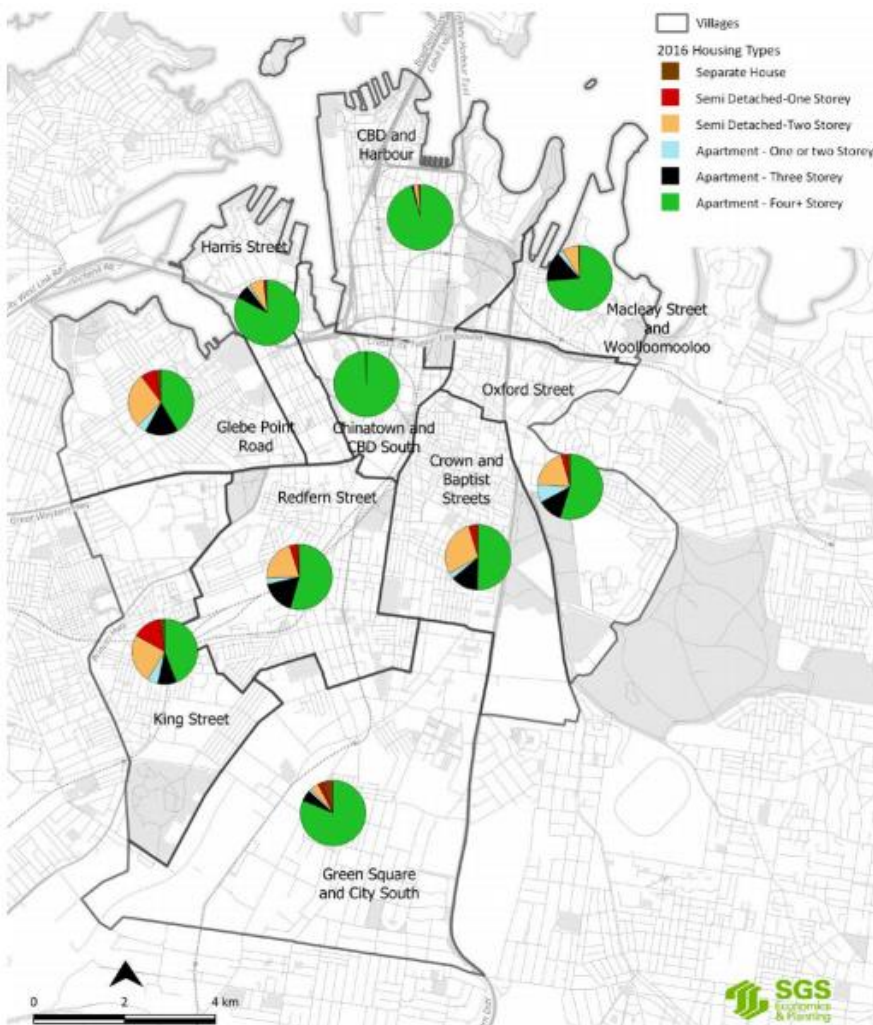
The typologies of housing the City of Sydney LGA are very much driven by two key factors – high land values and heritage/heritage conservation areas. This is illustrated in **Figure 11**.

The most diversity of housing types is located in areas that have high levels of heritage / heritage conservation areas, offering medium density housing through to low-rise and high-rise housing where appropriate.

For locations like the CBD and Harbour Village, high land values have driven a dominance in high-density housing provision. There is little opportunity for diversity of housing types in the CBD and Harbour Village, with the exception of housing stock that is protected under heritage /heritage conservation. High density housing is appropriate considering the accessibility to the largest employment centre in Australia and the amenity of the location.

There is an opportunity to deliver a range of size of apartments, price points and tenure types at Barangaroo.

Figure 11 Housing types across the City of Sydney village areas



Source: SGS Economics and Planning

Source: City of Sydney *Housing for all - City of Sydney Local Housing Strategy*

3.2.1 Projected supply in Barangaroo – typologies and price points

Barangaroo's contribution toward housing supply in terms of floor area (already delivered and projected), typology and tenure type is provided below for Barangaroo South and Central Barangaroo. Most of this supply has or will be delivered in the 2016 – 2036, contributing to the City of Sydney housing targets. Only 90 dwellings had were identified in the 2016 Census of the approximate 2,000 dwellings to be delivered at Barangaroo.

Residential development is building the vitality and activation of the Barangaroo precincts, as they are developed.

Approximately 80% of all the housing in Barangaroo will be delivered at Barangaroo South.

Barangaroo South

Table 8 provides an estimate summary of the dwelling types, sizes and indicative price points (2020) for Barangaroo South. Much of the housing at Barangaroo South has been delivered.

Table 8 Dwelling types, sizes and price points for Barangaroo South⁹

Dwelling Type	Mix	Internal Area	Indicative average of sale prices (2019 – 2020)
1 Bedroom	10% to 30%	60m ² to 80m ²	\$1,300,000 based on 50sqm apartment
2 Bedroom	40% to 60%	100m ² to 120m ²	\$1,950,000 based 70sqm apartment
3 Bedroom	10% to 40%	125m ² to 160m ²	\$2,731,000 based on 105sqm apartment
Skyhome/Premium Residences	less than 10%	150m ² to 500m ²	Insufficient data

A table of sales is provided in Appendix E with a description of the applied methodology to calculate an indicative average price.

The average per sqm price for Barangaroo between August 2019 and October 2020 was approximately \$26,000 per sqm. There was not enough data to indicate a per sqm by dwelling types (number of bedrooms). When data is added for the whole of Central Sydney including the sales at Barangaroo for the same period (only dwellings constructed in the last 10-years to get a reasonable comparison), the average per sqm sale price was \$22,848. The breakdown per dwelling types for Central Sydney is:

- » 1 bedroom \$21,457/sqm
- » 2 bedroom \$22,417/sqm
- » 3 bedroom+ \$30,346

Barangaroo, considering that many dwellings have significant amenity attributes and predominance of very new stock, is therefore relatively comparable to the rest of Central Sydney. A total of 162,031 sqm of residential GFA has been delivered at Barangaroo South.

⁹ An average sqm price for Barangaroo South residential has been calculated based on available sales data from Corelogic between October 2019 and August 2020

Affordable housing provision at Barangaroo South

In addition to the market dwelling, the following provides a summary of Affordable Housing delivery at Barangaroo South.

50 affordable key worker dwellings will be delivered at Barangaroo South in Building R5. The arrangements for this are further described in **Section 5.1** Implementation Plan of this housing strategy. A development consent was issued for this building in October 2019.

Housing at Central Barangaroo

The estimated mix of housing at Central Barangaroo is provided in **Table 9**.

Table 9 Mix of dwellings, internal area ranges and indicative sale prices

Dwelling Type	Mix	Internal Area
1 Bedroom	5% to 15%	60m ² to 70m ²
2 Bedroom	40% to 60%	75m ² to 100m ²
3 Bedroom	20% to 30%	100m ² plus

The exact number of dwellings will only be determined through individual State Significant Development Applications.

The number of dwellings will be a maximum of 280 dwellings¹⁰ (based on a GFA of 100sqm per apartment). Therefore, a maximum of 20% of dwellings to be delivered at Barangaroo will be in Central Barangaroo. Further discussion is provided regarding the land use and public benefit approach (of which affordable housing is a public benefit) in **Section 4**.

3.3 Projected housing growth and the implications for Barangaroo

The residential dwelling growth projected across the CBD and Harbour Village (99% increase between 2016 – 2036) highlights the increasing need increased open space, accessible to CBD and Harbour Village residents (including those residing at Barangaroo) as well as for workers and visitors.

It also highlights the need for increased social infrastructure to promote vibrant, socially connected communities.

Central Barangaroo is one of the few opportunities to deliver augmented open space that can be configured to provide a range of scalable outdoor events to promote increased social inclusion.

¹⁰ The total residential GFA for Central Barangaroo is proposed as 28,000sqm. This has been divided by 80sqm as the average apartment size with an efficiency rate of 80% to provide an estimated range.

3.4 Housing Demand in the City of Sydney

Housing demand in the City of Sydney has been historically high, particularly over the last 10 years.

There are several indicators of housing demand which are outlined here including:

- » Vacancy rates
- » Rental yield
- » Escalation in property purchase price
- » Rent increases.

Below provides a summary of these factors. All data is from SQM Research unless otherwise noted. No data has been utilised beyond January 2020 due to the impacts of COVID-19.

Data is provided for postcode 2000, with some comparisons as noted. Postcode 2000 provides the best representation of the market conditions in Central Sydney.

Rent

Only median rents for all units is examined as part of this Housing Strategy for comparisons as this is the typology relevant to Barangaroo. Rents for Postcode 2000 have escalated over the last 10 year illustrated at **Figure 12**. Median rents for all units were \$653/week in January 2010 rising to \$846/per week in January 2020, some of which would be accounted for with the higher price of new stock in the market during that time. This represents a 29.5% increase over that time or a growth rate of approximately 2.6% per annum. This is above the estimated 23.2% inflation rate¹¹ over the same period.

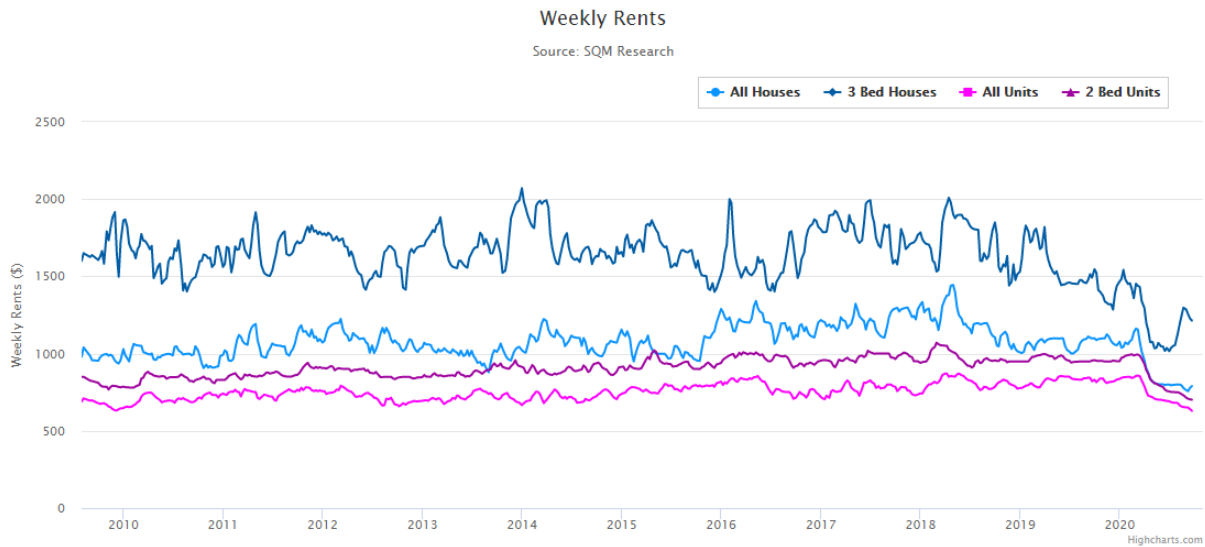
However, Green Square experienced a 37.5% increase (significantly higher than the inflation rate) while the overall LGA experienced only a 21% increase for the same period (lower than the inflation rate). **See Figure 13**. Neighbouring LGA Inner West experienced a 26% increase and Bayside experienced a 28% increase.

There has been a significant increase in rent in postcode 2000 compared to the average for the LGA, likely due to the increase in amenity, increasing preference for inner city as a lifestyle choice and the greater predominance of newer stock. It has not been as pronounced as Green Square though and is of similar rates to surrounding LGAs.

¹¹ Calculated via the RBA inflation calculator at <https://rba.gov.au/calculator/quarterDecimal.html>

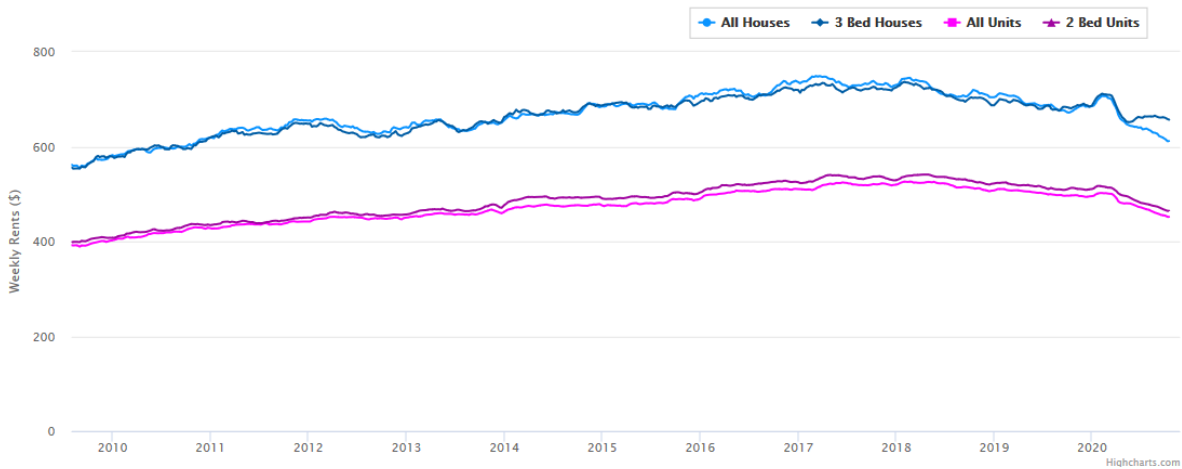
Figure 12 Postcode 2000 Weekly asking rents

WEEKLY RENTS POSTCODE 2000



Source: SQM Research

Figure 13 City of Sydney asking rents



Source: SQM Research

Vacancy rates

The vacancy rates have been historically low in the Postcode 2000¹². See Figure 14. A minimum vacancy rate of around 3% is generally considered to be an equilibrium between demand and supply. Before significant housing supply came on to the market in postcode 2000, there were vacancy rates of between 1.3% and 2% in 2007 -2008 period.

Between 2011 to 2019, vacancy rates were generally between 2 - 3%, indicating significant demand but not at the previous critical levels. In 2019 – 2020, high vacancy rates are being experienced due to specific and unprecedented factors related to COVID-19.

¹² Vacancy rate data from sqm Property research at <https://sqmresearch.com.au/>

Low vacancy rates have been experienced at Green Square (2017 postcode) (see **Figure 15**), which has historically been on average less than 1.5%. Green Square has had an approximate 50% lower vacancy rate than postcode 2000 since the COVID-19 epidemic. This would suggest that postcode 2000 is maintaining a greater equilibrium between demand and supply.

Figure 14 Vacancy rates postcode 2000

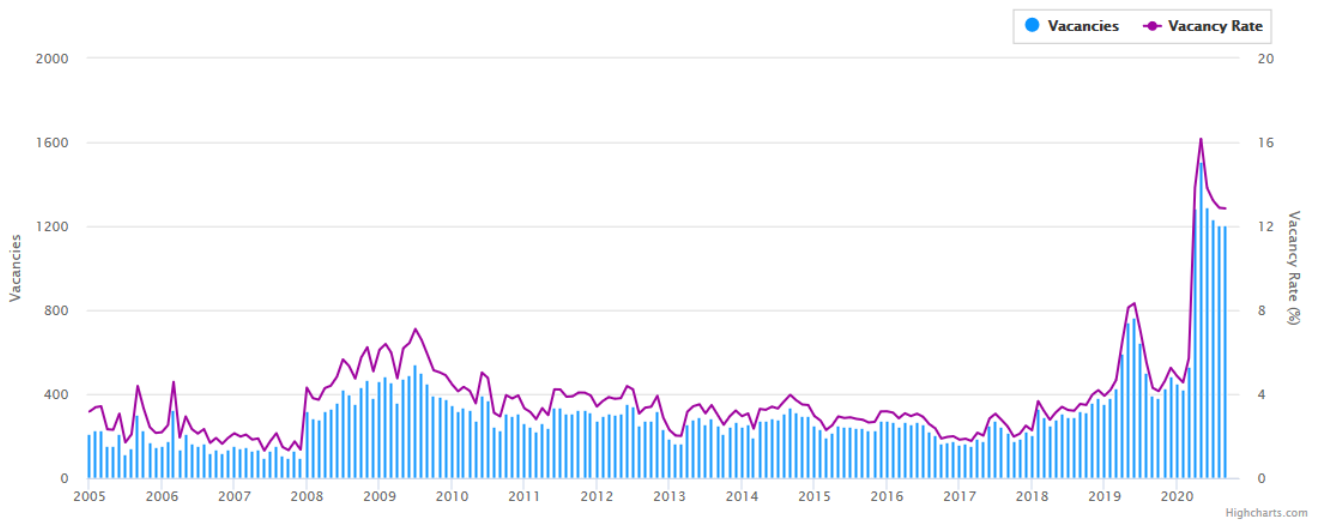
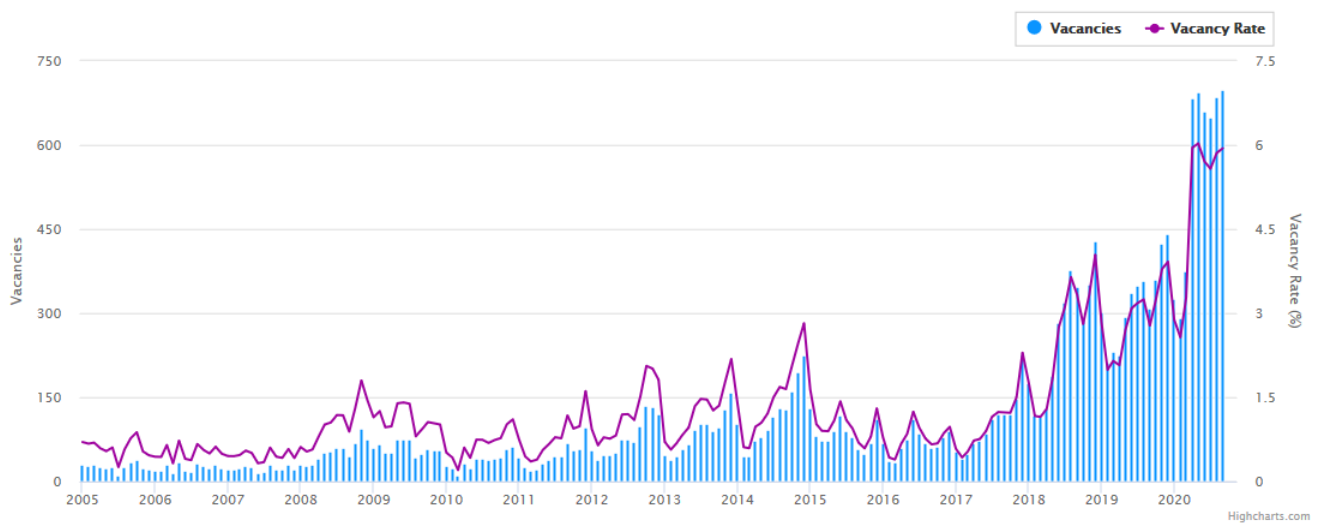


Figure 15 Vacancy rates postcode 2017



Source: SQM Research

Gross rental yield

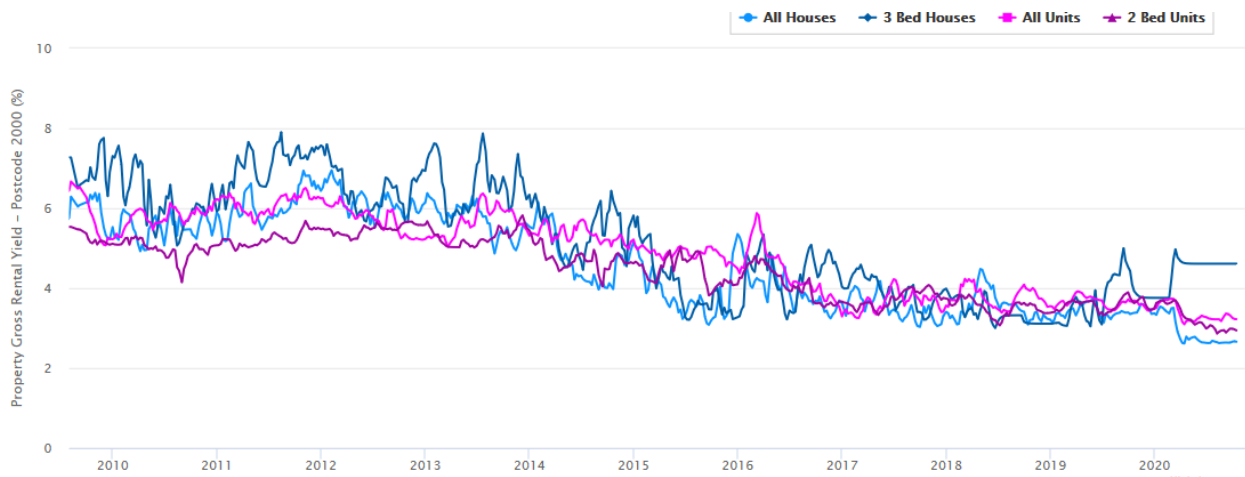
The implied gross rental yield generally provides a good indicator of how much demand there is for rental property. Landlords can attract higher yields when there is strong competition for rental properties. Historically, there was an implied rental yield of around 5-6% for all units in postcode 2000. This is high and indicates a strong demand for rental. See **Figure 16**.

From 2016 onwards, this has dropped to rental yields around 3-4%. This is likely a result of two factors:

- » Property sale prices have become more reflective of rents achievable and
- » There has been a stabilising effect from more rental stock coming on to the market.

Generally, Green Square has experienced more stable gross rental yields (4 – 5%) for all units.

Figure 16 Implied gross rental yields postcode 2000



Source: SQM Research

Property Prices (units)

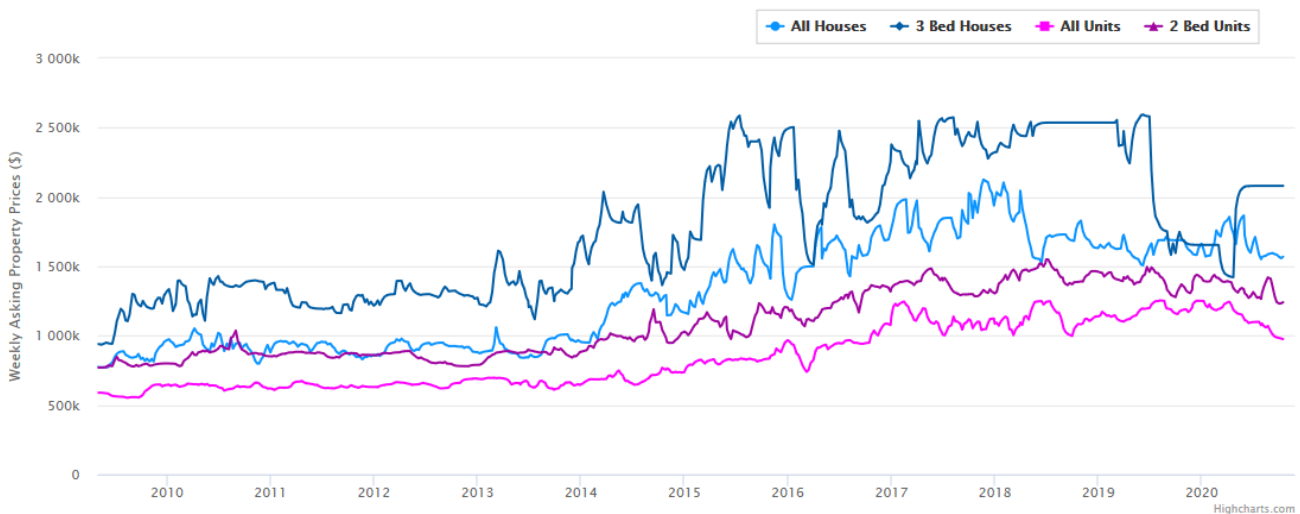
The price of units in Postcode 2000 has almost doubled since 2010 (\$627,000 in January 2010 to \$1,250,000 in January 2020). See **Figure 17**.

In comparison, all units at Green Square (postcode 2017) have had more modest median sale price gains – from \$575,000 in January 2010 to \$895,000 in January 2020 (55% gain in 10 years compared to 99% in postcode 2000). See **Figure 18 and 19**.

Property prices have significantly escalated more in postcode 2000 than other areas of City of Sydney.

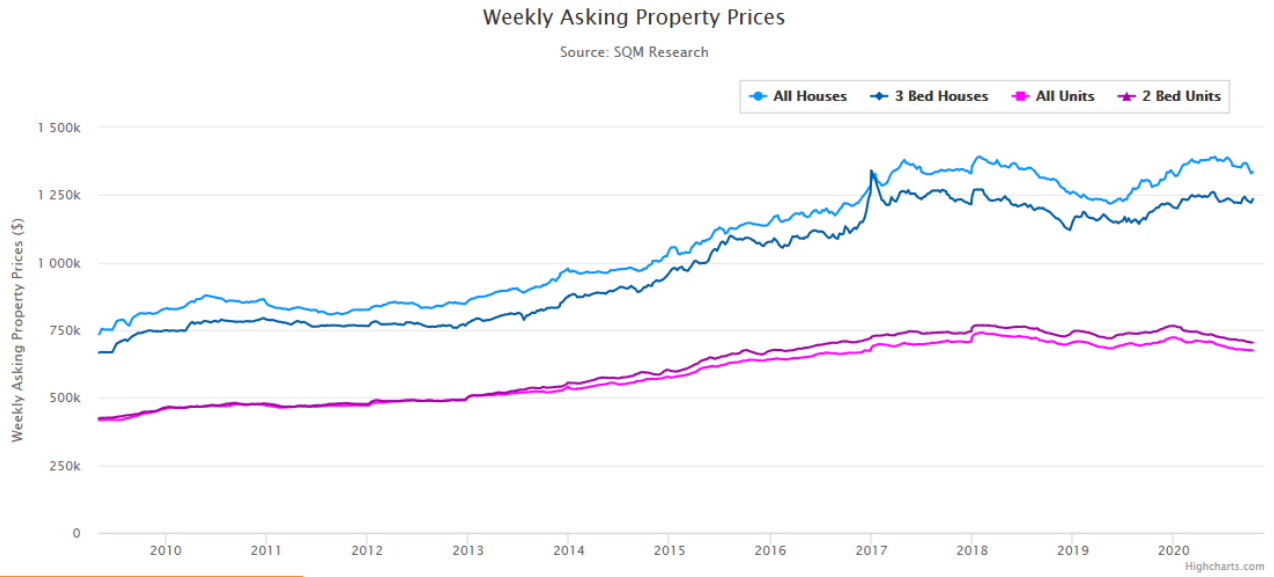
City of Sydney, however, has seen lower price escalation compared to some surrounding LGAs as illustrated in **Figure 20**. This is likely due to the concerted effort of the City of Sydney to increase supply.

Figure 17 Property asking price postcode 2000



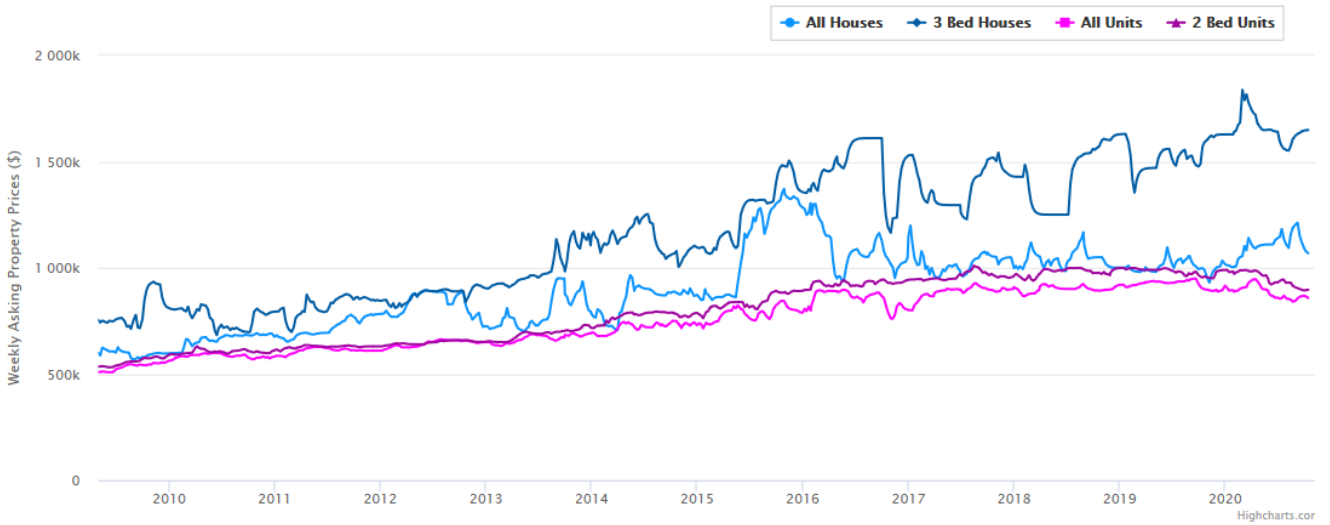
Source: SQM Research

Figure 18 City of Sydney asking property prices



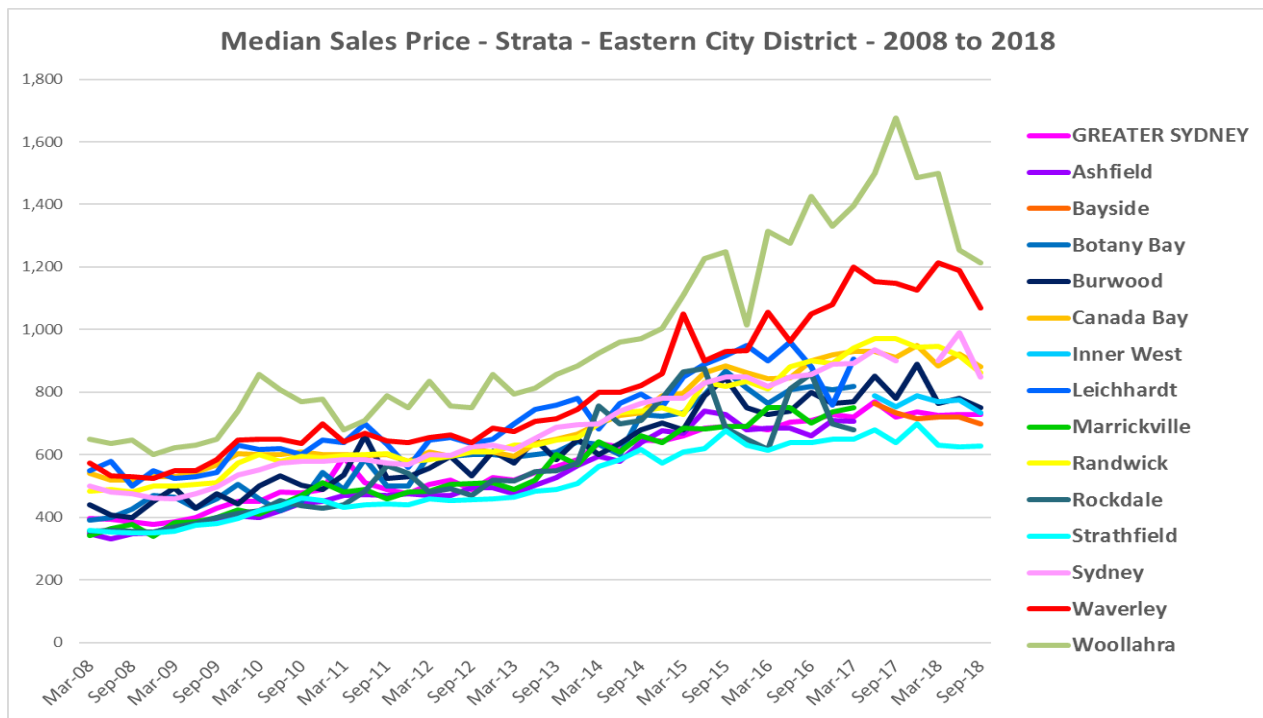
Source: SQM Research

Figure 19 Property asking price postcode 2017



Source: SQM Research

Figure 20 Median Sale Prices (Strata) Eastern City District – 2008 -2018



Source: FACS¹³

¹³ FACS, Eastern City District – What’s Happening in the Housing Market at based on 2016 data



Implications for the Housing Strategy

There is evidence that housing demand in central Sydney is strong. Rent increases in postcode 2000 have been more significant than the City of Sydney LGA as a whole, but implied rental yields have dropped in central Sydney. The data shows that the concerted effort by City of Sydney in increasing supply is having more of a stabilising effect in the City of Sydney than other surrounding LGAs.

However, there is a strong recognition from all strategic frameworks that economic-generating development should be prioritised in Central Sydney over residential development as outlined in Section 2 of this housing strategy.

The market reaction to Covid-19 in terms of rental vacancy rates indicates how strongly linked the location is to the global links of the Sydney CBD and the importance of this housing for talent attraction, global competitiveness and vitality of the CBD economy.

Maintaining supply as the City of Sydney is planning (doubling housing capacity in the CBD and Harbour Village) will further assist in stabilising rent and purchase price as much as possible. However, it also highlights the importance of delivering increase open space and social infrastructure resources. **Central Barangaroo will deliver one of the most significant world-class embellished public space resources in the LGA. Refer to Figure 3.**

3.4.1 Affordable Housing Demand

As at 2016, the *Housing for All – City of Sydney Local Housing Strategy Technical Report* identified that 15,462 households were in technical housing stress with over 30% of their incomes being spent on housing cost (rent or mortgage).

Of these households, 2,163 were in mortgage stress.

Therefore, the City of Sydney indicates that 14,000+ additional affordable housing dwellings are required in the LGA to 2036 to cater to this latent demand for those households in rental stress.



Implications for the Housing Strategy

It is recognised that affordable housing tenure types are becoming increasingly important.

However, there is a strong recognition by the City of Sydney that other public benefits are also important, such as public open space and social infrastructure as outlined in **Section 2.**

This is particularly important considering the significant growth in the LGA, and the CBD and Harbour Village in particular. This needs to be considered in the context of public benefits being provided at Central Barangaroo.

4 Barangaroo Priorities and Land Use Approach

Barangaroo is the most important urban renewal projects to happen in Sydney's CBD in decades, transforming a once neglected and inaccessible area of the city into a dynamic cultural, residential, business and retail hub.

Covering 22 hectares at the old East Darling Harbour docklands, Barangaroo is made up of three distinct and interconnected precincts with over half the site to be set aside as dedicated public open space. Each precinct has a core focus, providing a mix of economic, social and environmental benefits of significance not only to the people of inner Sydney but also greater Sydney and NSW.

Barangaroo South is fully planned while MOD 9 modified further cultural space at Barangaroo Reserve. Therefore, Central Barangaroo is the key remaining opportunity to consolidate land use objectives, of which housing is one.

4.1 Strategy Objectives and Priorities

The *Barangaroo Housing Strategy 2021* must be seen within its context and the broad range of objectives for Barangaroo. This includes encouraging land uses to provide the best economic, social and environmental outcomes for the broader State, considering the importance of the strategic location, particularly in the context of the public benefit Central Barangaroo will provide.

A key objective of the NSW Government for Barangaroo has always been to deliver a broad range of public benefits. Public Benefits are defined as the benefit enjoyed by the public as a consequence of development contributions¹⁴.

As central is the largest area, the public benefit can only be achieved with the correct balance between the competing land uses and with innovative solutions for the delivery of Affordable Housing.

The Barangaroo priorities, as they relate to the Housing Strategy and the latest strategic planning frameworks, are provided below.

Priority 1: Maximise employment land and other economic generator delivery in locations with premium transport accessibility

The key strategic frameworks - *A Metropolis of Three Cities* (Greater Sydney Commission), the *Eastern District Plan* (Greater Sydney Commission) and the draft *Central City Strategy* (City of Sydney) - all recognise that greater priority on delivering economic and employment-generating uses in Central Sydney should be a key goal as outlined in **Section 2**.

The direct accessibility delivered by Barangaroo Station to large extent of Greater Sydney, increases the attractiveness to this premium employment land use and the jobs it will generate.

The remaining development potential at Central Barangaroo is one of the few locations that can readily deliver large floorplate commercial environments desired by globally-connected businesses.

The correct mix of land uses is critical to ensuring the Central Barangaroo development can viably deliver the desired public benefits.

¹⁴ Adapted from the DPIE, Draft Planning agreements practice note, April 2020.

Priority 2: Deliver appropriate levels of diverse housing at Barangaroo without compromising the potential for globally-significant economic opportunity

All the strategic frameworks acknowledge some residential development should be encouraged to promote activation of precincts, but that housing delivery should not compromise the global competitiveness of the CBD.

Employment land uses (commercial, retail and tourism) should be prioritised.

Priority 3: Deliver a broad range of public benefits suited to the context of the three precincts within Barangaroo

All the strategic frameworks concur that a range of public benefits should be delivered with development. There is also a key principle within the NSW planning framework that public benefits should be a viable share of development return (see **Section 2.1.3**).

The type of public benefits delivered should be reflective of a range of priorities such as accessible open space that promotes inclusiveness and social vitality, social infrastructure and affordable housing. In addition to the significant public benefit being provided by the Central Barangaroo Developer, a contribution to affordable housing will be made associated with the sale of each residential development through the innovative Homes for Homes scheme. The mechanisms to deliver the public benefits are outlined in **Section 4.5. A detailed assessment of how the public benefits comply with the key strategic frameworks are provided in the appendices – A Metropolis of Three Cities (Appendix A), the Eastern City District Plan (Appendix B) and the City of Sydney Local Strategic Planning Statement (Appendix C).**

Each of the precincts at Barangaroo make them more suitable for delivering certain types of public benefit.

The interaction of these three priorities is provided in **Section 4.2**.

Priority 4: Deliver social and environmental sustainability

Sustainability Initiatives

Barangaroo South has become Australia's first carbon neutral precinct. The developer, in partnership with the NSW Government, received the certification awarded by the Commonwealth Government¹⁵ and this is a core objective of Central Barangaroo.

The key learnings will offer a blueprint for achieving carbon neutrality in other locations. The development team and its partners work with sustainability leaders from around the world to help Barangaroo achieve its sustainability goals.

Established under the Clinton Climate Initiative, the program later became part of C40 Cities. Barangaroo is one of only 19 projects around the world participating in the [C40 Cities Climate Positive Development Program](#).

Being climate positive under the C40 program has four key requirements:

1. Reducing and then offsetting all the energy used on the site

¹⁵ Lendlease media release at <https://www.lendlease.com/au/media-centre/media-releases/barangaroo-south-named-australias-first-carbon-neutral-precinct/>

There will also be significant contributions by the Central Barangaroo Developer to cultural and arts facilities, extending and augmenting the cultural ribbon of central Sydney.

Commercial development at Barangaroo is also levied 1% of development cost for public arts in the precinct.

4.2 The Land Use Planning and Public Benefit Approach

To achieve the priorities, there have been specific land use approaches that shape the direction of market housing and affordable housing delivery at Barangaroo. These are outlined in this section.

4.2.1 Deliver world-class, interconnected publicly-accessible open space

Key principle: Strong focus on publicly-accessible open space in the northern precincts of Barangaroo.

Barangaroo Reserve has a focus on social and environmental benefits and provides 55% of the open space resources at Barangaroo. The six-hectare harbour parkland offers spectacular views, extensive walking and cycling trails, idyllic coves, unique event spaces and peaceful picnic spots offering one of the most significant open space additions to Central Sydney in decades.

This transitions to Central Barangaroo that will provide approximately 50% the precincts land area for world-class open space integrated with low-scale biophilic building design (see **Figure 22**).

Approximately 27% of all Barangaroo open space is provided in Barangaroo South, but the developers contributed to the create of 50% of all open space at Barangaroo. Combined with Central Barangaroo and the Barangaroo Reserve, it provides a key harbourfront linkage between Woolloomooloo and Anzac Bridge.

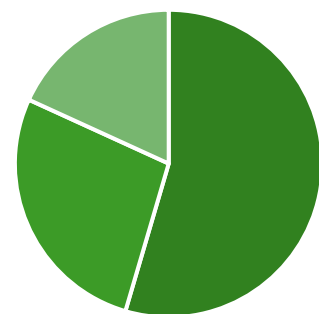
Development rights for both Barangaroo South and Central fund both the open space within each precinct and ultimately the Barangaroo Reserve.

Approximately 3 hectares of public open space will be provided at Central Barangaroo.

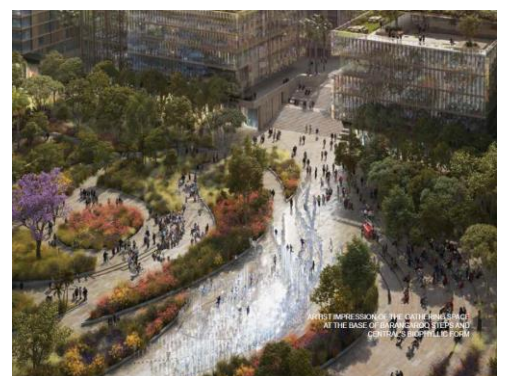
Barangaroo South has approximately 5.5 times the developable floor area to fund each square metre of embellished open space compared to Central Barangaroo¹⁶.

Figure 22 (right) An artistic impression of the publicly-accessible open space at Central Barangaroo

% of public open space share in the three precincts at Barangaroo



- Barangaroo Reserve
- Central Barangaroo
- Barangaroo South



¹⁶ Approximate open space (3 ha at Central Barangaroo and 2 ha at Barangaroo South) divided by total gross floor area for each precinct then compared as a ratio.



Implications for the housing strategy

The amount of public space being delivered at Central Barangaroo is higher than Barangaroo South, both in raw quantity and a significantly higher ratio compared to developable floorspace.

Significant public benefit in delivering world-class standard open space, offering scalable event spaces, at Central Barangaroo. It is the only significant opportunity in the City of Sydney LGA to do so.

4.2.2 Development of each precinct responds to the existing context

Figure 23 illustrates the significant difference in the scale of floorspace development in Barangaroo South compared with what is projected for Central Barangaroo.

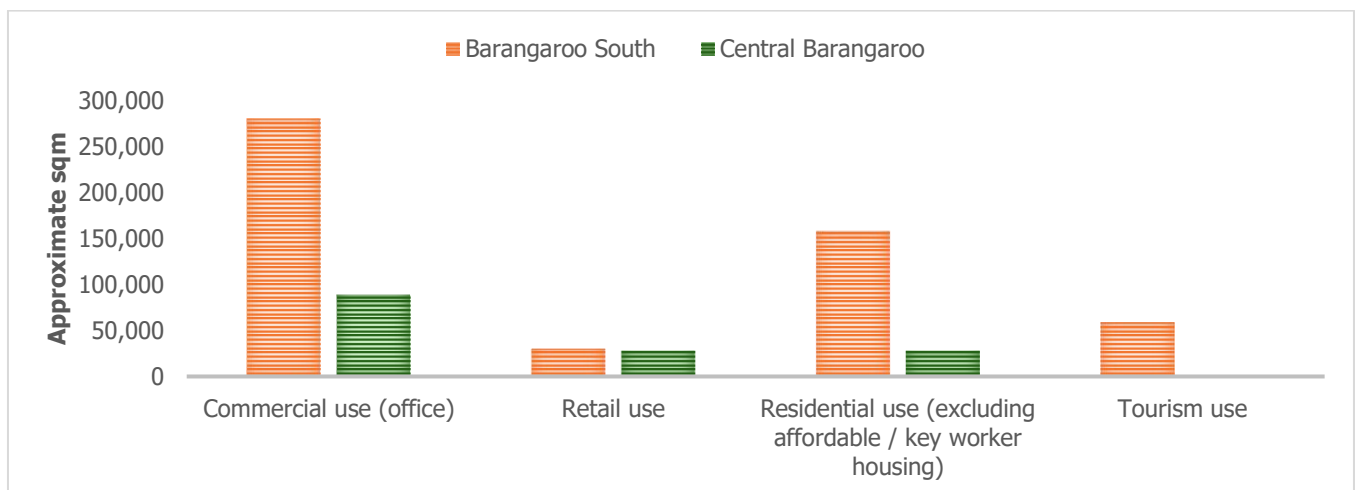
This is a result of a combination of:

- » a greater percentage of land area provided as open space and
- » the building height limit response to the significant views and vistas adjacent to Central Barangaroo, while Barangaroo South is adjacent to large-scale built form.

Central Barangaroo has approximately 26% of the total floorspace capacity of Barangaroo South.

The maximum allowable residential floorspace under MOD 9 for Central Barangaroo is 28,000sqm.

Figure 23 Comparison of the approximate of gross floor area land uses at Barangaroo South and Central Barangaroo (projected) not associated with public benefits



Implications for the Housing Strategy

There has been a significantly greater volume of development approved at Barangaroo South to fund a range of public benefits, including affordable housing. The public benefits provided at Central Barangaroo are comparable and significant considering the lower scale of development. See **Section 4.3**.

4.2.3 Increased focus on employment-generating uses at the future Barangaroo Station in Central Barangaroo

Figures 24 and 25 provide a breakdown of the likely percentages of land uses at Central Barangaroo compared to Barangaroo South, including the maximum available floorspace for residential use (28,000sqm) at Central Barangaroo.

Figure 24 Projected approximate percentages of land uses at Central Barangaroo

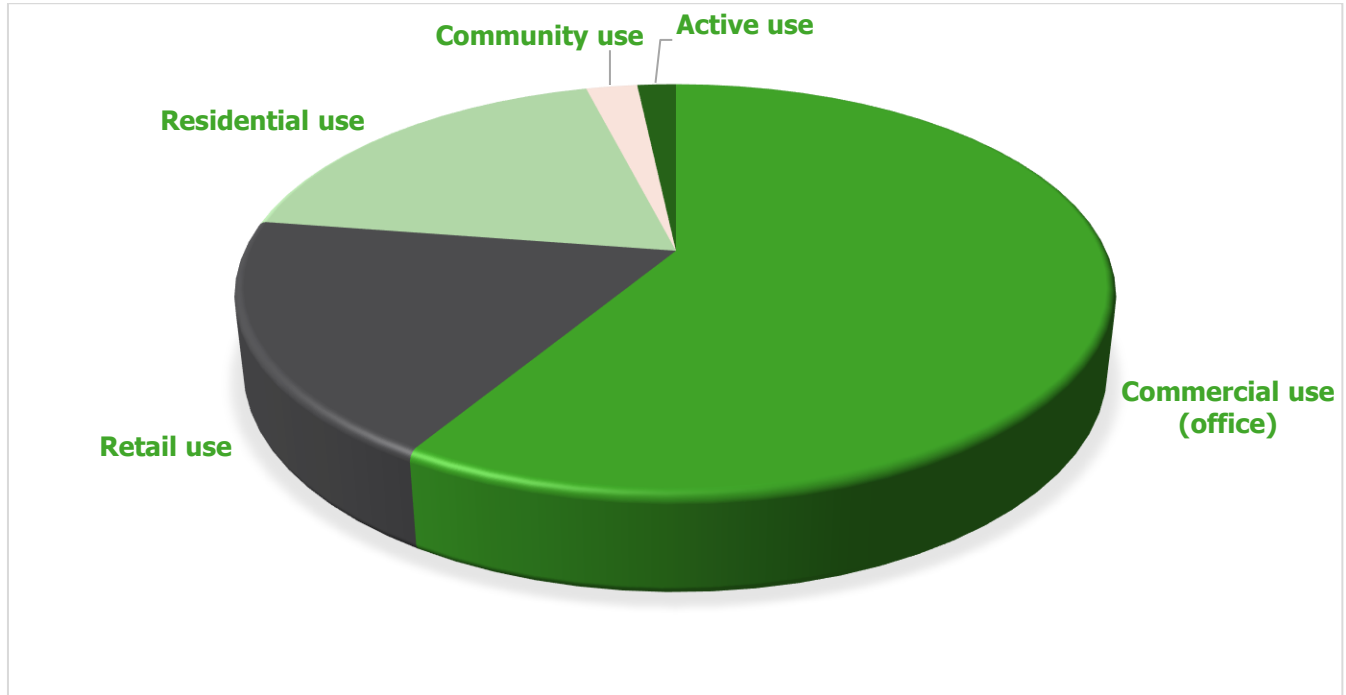
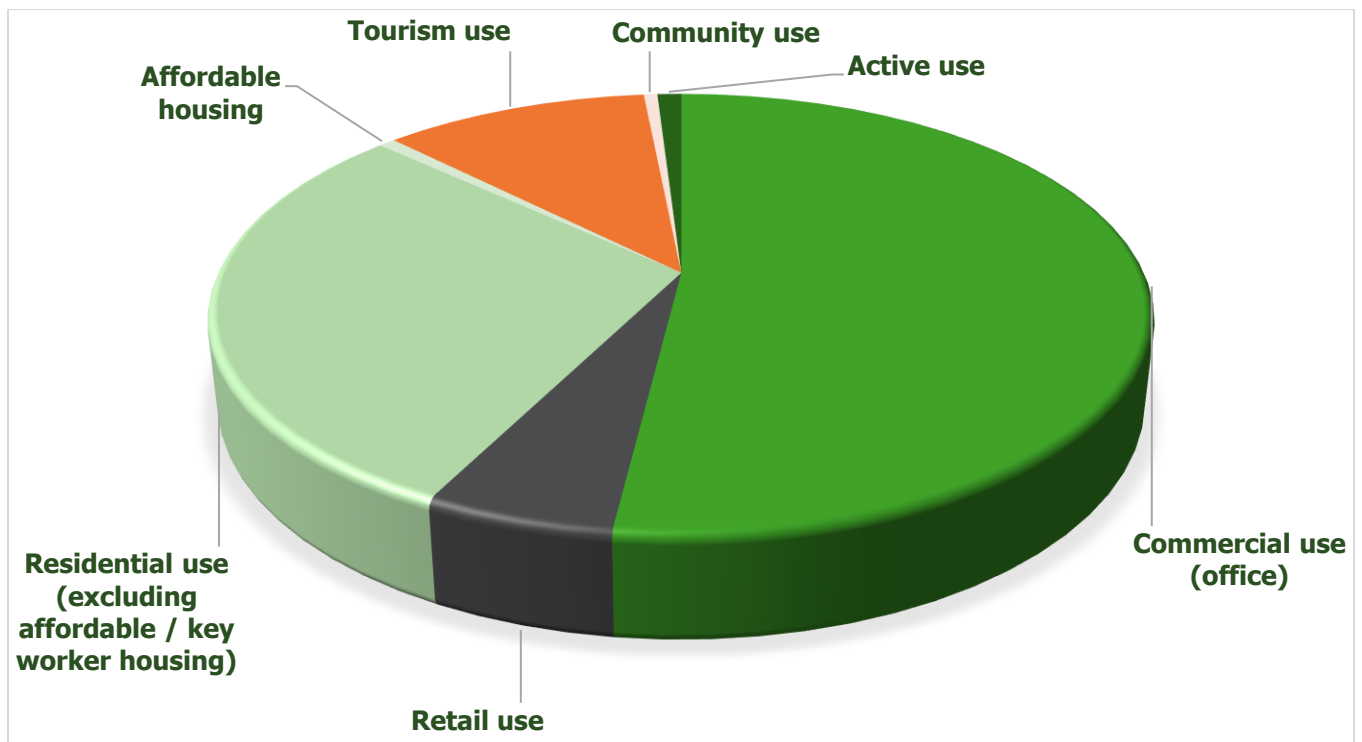


Figure 25 Approximate percentages of land uses at Barangaroo South



The Central Barangaroo has approximately 26% of the total floorspace capacity of Barangaroo South and the precinct will have a strong focus on delivering employment-generating land uses. Central Barangaroo will capitalise on the future Barangaroo Station to deliver high levels of employment-generating uses (especially commercial offices and retail). It is one of the few readily-developable opportunities for large floorplate commercial space remaining adjacent to the Sydney CBD. Ensuring adequate levels of this type of development will assist Sydney maintain its globally-competitive advantage.



Implications for the Housing Strategy

Not only will Central Barangaroo be lower-scale built form and deliver far less revenue-generating floorspace, a significant proportion of the land area will be highly-embellished open space funded by the developer. It will also have a strong focus on employment-generating land uses.

4.2.4 Public benefits delivery suited to the context and opportunities of each precinct in Barangaroo

According to the strategic framework, public benefits can take a variety of forms including:

- » Public open space
- » Significant cultural and arts facilities
- » Affordable housing (otherwise referred to as intermediate or key worker housing)
- » Other community benefits offsetting the impacts of development. This can include resolving legacy issues such as contamination.

Appropriate public benefits are being provided at Barangaroo and according to the context of each precinct in the development as follows:

Barangaroo Reserve – open space and cultural significance

Barangaroo Reserve is a key recipient of public benefits with the embellishment cost of open space funded by the other precincts, with the opportunity to receive cultural contributions. There is an opportunity to extend the cultural ribbon of significant cultural and arts facilities that extends from the Opera House, Sydney Cove and Walsh Bay to further augment the cultural vitality of the city at The Cutaway.

Central Barangaroo – a commercial, civic and cultural focus

Key public benefits include:

- » approximately 50% of the precinct is dedicated to public open space designed and embellished to cater for a range of cultural activities (approximately 3 hectares)
- » contributions for the embellishment of open space at Barangaroo Reserve and
- » arts and cultural facilities delivery
- » 1% levy on commercial development for the Barangaroo Public Art and Cultural Plan
- » site remediation resolving legacy contamination issues
- » 2,800 sqm of community space
- » Homes for Homes commitment where 0.1% of the sale price of residential property is donated to deliver affordable housing in a variety of locations

Barangaroo South – a commercial, residential and tourism focus

Key public benefits include:

- » a shared contribution to the remediation of land to resolve legacy issues and enabling the redevelopment of Barangaroo for a variety of social and economic benefits
- » public open space (2 hectares and significantly proportionally less compared to gross commercial, tourism and residential floorspace than Central Barangaroo)
- » 1% levy on commercial development for the Barangaroo Public Art and Cultural Plan ¹⁷
- » contributions for the embellishment of open space at Barangaroo Reserve and
- » affordable key worker housing at 2.3% of residential floorspace on site, and the equivalent of 0.7% off site.

4.3 Public benefit delivery value

An overview of the land use approach for each precinct and the delivered public benefits are provided at **Figure 26**.

Barangaroo South are delivering 50 affordable housing units on site, equating to 2.3% of the residential floorspace of the precinct and has completed the delivery of a further 0.7% offsite.

Public benefit is being delivered in a different way at Central Barangaroo compared to Barangaroo South with a focus on highly-embellished public open space and scalable event spaces within the precinct as well as substantial monetary contributions towards cultural and arts facilities for Barangaroo as a whole.

Central Barangaroo will be providing a substantial and comparable level of monetary contributions toward cultural and arts facilities to the value of affordable housing contribution made at Barangaroo South, especially considering the relative scale of the development at Central Barangaroo.

The level of contributions has been assessed as being appropriate by INSW.

In addition to the significant public benefit provision provided by Central Barangaroo, the developer has also committed to an innovative market-driven affordable housing initiative – Homes for Homes. This places a caveat on the title of each dwelling sold, and 0.1% of the gross realisation is donated to the Homes for Homes charity that delivers affordable housing in a variety of locations. This will also encourage market contribution to affordable housing on an on-going basis each time the residential properties at Central Barangaroo are sold.



Implications for the Housing Strategy

Appropriate public benefits are being provided by each of the Barangaroo precincts to provide the range identified requirements in relevant strategic frameworks.

The level of public benefit being offered at Central Barangaroo is significant, especially when considering the lower-scale of development.

¹⁷ <https://www.barangaroo.com/the-project/arts-and-public-program/>

Figure 26 The land use and public benefit summary of each of Barangaroo’s precincts

Concept Plan	Land use approach	Public Benefit Focus
<p>The map shows three precincts along the Sydney Harbour waterfront. The northernmost area is colored green and labeled 'BARANGAROO RESERVE'. The middle area is colored pink and labeled 'CENTRAL BARANGAROO'. The southernmost area is colored orange and labeled 'BARANGAROO SOUTH'. The map shows the coastline and some building footprints.</p>	<p>Barangaroo Reserve</p>	
	<p>Recreation / open space “The Cutaway” cultural space (6,000 – 18,000sqm)</p>	<p>Re-naturalised, world-class public open space funded by development at Barangaroo South and Central Missing link in creating a continuous 14 km harbour-side walk Cultural and arts space</p>
	<p>Central Barangaroo</p>	
<p>Lower-scale built form Flexible zoning with a focus on employment uses in close proximity to the future Barangaroo Station Lower numbers of high-end residential development compared to Barangaroo South to fund public benefit (28,000 sqm) 2,800 sqm of community use space</p>	<p>Cultural infrastructure facilities / funding, strengthening and extending the central Sydney cultural ribbon Embellished open space resources to a world-class standard (50% of the precinct) including event spaces Community uses to deliver the civic heart of Barangaroo Funding for Barangaroo Reserve and 1% levy on commercial development for the Barangaroo Public Art and Cultural Plan Carbon neutral precinct Missing link in creating a continuous 14 km harbour-side walk</p>	
<p>Barangaroo South</p>		
<p>Larger scale commercial, residential and tourist accommodation (approximately 70% employment-generating and 30% residential - 158,305sqm) Lower levels of public domain compared to developable floor area than Central Barangaroo 5,300 sqm of space for mainly privately provided community use e.g. childcare, gyms, medical services</p>	<p>Affordable Housing (2.3% of residential development on-site and 0.7% off-site) Embellishment of public domain including Watermans Cove Missing link in creating a continuous 14 km harbour-side walk Funding for Barangaroo Reserve and 1% levy on commercial development for the Barangaroo Public Art and Cultural Plan Carbon neutral precinct</p>	

*The maximum allowable residential floorspace under MOD 9 for Central Barangaroo is 28,000sqm.

4.3 Mechanisms to deliver market housing and affordable housing

The key mechanism that determines the level of market housing at Barangaroo are the Concept Plan and subsequent Modifications (MODs) as outlined in **Section 2.1.1** of this strategy.

Barangaroo South

The Barangaroo Concept Plan has been modified (MODs) a number of times since 2007 as outlined in **Section 2.1.3**. MOD 10 relates specifically to Barangaroo South and was approved on 2 September 2020 and has replaced MOD 8. MOD 11 is a minor modification and relates specifically to Barton Street and Hickson Park and does not change GFA or building height. MOD 11 supercedes MOD 10 but the implications for housing delivery are contained within MOD 10 in that it increases gross floor area by 8,030sqm (Block 4A and 4B). This is now the subject of a State Significant development application.

Barangaroo South affordable housing delivery

In addition to the market dwellings, the following provides a summary of affordable housing (called key worker housing in the Project Development Agreement) delivery at Barangaroo South.

The delivery of key worker housing is included in the Barangaroo South Project Development Agreement (PDA) with Lendlease. The PDA defines Key Worker Housing as follows:

Key Worker Housing means any nurse, teacher, child-care worker, ambulance officer, member of the police force, member of the fire brigade or retirees with an income of +/- 50% of the median household income for the Sydney (Statistical Division) (as that division is defined for the purposes of the Australian Bureau of Statistics).

The PDA committed the developer of Barangaroo South to provide 2.3% of all approved residential gross floor area as key worker housing to satisfy Statement of Commitments item 34.

Following the approval of Modification 8, condition B11 was amended to provide an increase in key worker Housing from 2.3% to 3% in total, with 0.7% delivered offsite.

In September 2016, a State Significant Development Application 6966 (SSDA 6966) was submitted to seek approval to construct and use the residential building known as R5 at Barangaroo South. An Environmental Impact Statement (EIS) was prepared as part of the application and publicly displayed for comment between 29 September 2016 and 14 November 2016. Issues raised in submissions included key worker housing. Following the display of the EIS the Barangaroo South dwelling mix was amended to provide:

- An increase in the number of overall dwellings comprising of:
 - 50 on-market dwellings to a total of 162;
 - 11 Key Worker Housing dwellings to a total of 48, which has since been revised to 50 dwelling in a further modification of the development consent.
- A revised key worker housing dwelling mix comprising of:
 - 72% 1 bedroom dwelling;
 - 28% 2 Bedroom dwelling.

Modifications to the proposed communal open space also provided new key worker communal open space with the building. A development consent was issued for this building in October 2019.

MOD 10 aligns the timeframe for the delivery of key worker housing such that the total of 3% (both onsite in Barangaroo South and offsite) will be completed by the later of the practical completion of Building R5 or the last

occupation certificate of Building R5. This will complete the developer's on-site commitment to delivery of affordable housing.

Central Barangaroo and housing delivery

To achieve the focus on employment land with more limited market housing for activation purposes at Central Barangaroo, INSW is preparing the Barangaroo Concept Plan Modification 9.

The overall key objectives for Central Barangaroo to be delivered by MOD 9 are to:

- » Deliver an innovative, creative and dynamic waterfront destination that is permeable and connected within the precinct and connected with the city
- » Ensure the delivery of design excellence in the planning and built form of the precinct, creating a diverse community of architectural expression within an overall coherent urban structure
- » Deliver diversity of products and uses integrating commercial, residential, retail, community, education, civic, cultural and entertainment activities which contribute to a vibrant and active identity
- » Create and deliver a public domain that is distinct, unique and innovative and allows for range of passive and active outdoor spaces and uses that together create a new iconic visitor attraction, consistent with the INSW's Activation Framework
- » Deliver a balance of financial return and public benefit and amenity across the precinct
- » Deliver a culturally distinctive, locally relevant, and internationally appealing canvas for appropriate facilities, experiences and public art
- » Ensure high levels of public attraction, operational serviceability, amenity, and security across the precinct and during staging and
- » Extend the principles and networks of the climate positive promise in line with current world's best practice to deliver a whole of Barangaroo outcome and create projects that respond visibly to the sustainable needs of people and the planet.

The proposed modifications will increase in total GFA permissible on the Central Barangaroo site to allow for the development of a maximum of:

- » up to 116,189sqm of above ground GFA within Blocks 5, 6 and 7;
- » 24,753 sqm of below ground GFA, primarily within the B4 Mixed Use zone of Blocks 5, 6 and 7
- » 2,800 sqm of community uses.

The mixed use zone will enable 28,000sqm of residential development. However, the actual delivery of residential development will only likely equate to 10-15,000sqm given the importance of the location for employment-generating land uses.

The key intent of the MOD 9 is to maximise the employment-generating land uses and social opportunities offered by community uses, while maintaining the extensive scalable event spaces in the approximate 3ha of public open space to be developed in the precinct.

As part of the bid process, the Central Barangaroo Developers made a commitment to the Homes for Homes scheme comprising 0.1% of the gross realisation achieved in respect of the initial sale of the leasehold interest in each residential premises delivered at Central Barangaroo. This will be achieved through a caveat on each property title. As previously outlined in this strategy, affordable housing is not the primary public benefit being provided by the precinct, but this commitment supports an innovative market-based scheme that not only delivers an initial donation toward affordable housing but also encourages further donations each time the property is sold.

The mechanisms to deliver the other public benefits are provided in **Section 4.5. A detailed assessment of how the public benefits comply with the key strategic frameworks are provided in the appendices – A Metropolis of Three Cities (Appendix A), the Eastern City District Plan (Appendix B) and the City of Sydney Local Strategic Planning Statement (Appendix C).**

4.4 **Mechanisms to deliver other public benefits**

The mechanisms to achieve other public benefits such as contributions towards arts and cultural facilities and delivery of world-class embellished open space at Central Barangaroo, will be developed subsequent to the approval of Modification 9.

5 Actions

The following provides a summary of the remaining actions to deliver the market housing and affordable housing at Barangaroo.

5.1 Implementation and delivery plan

Barangaroo South affordable housing implementation is outlined in **Table 10**.

Table 10 Barangaroo South affordable housing implementation and delivery

Mechanism – Affordable Housing	Status	Stakeholder
The PDA committed Lendlease (the developer of Barangaroo South) to provide 2.3% of all approved residential gross floor area as Key Worker Housing to satisfy Statement of Commitments item 34	Statement of Commitment signed	Lendlease Barangaroo Delivery Authority (now controlled by INSW)
MOD 8 Condition B11 was amended to provide an increase in Key Worker Housing from 2.3% to 3% in total, with 0.7% delivered offsite	Modification approved	Lendlease Barangaroo Delivery Authority (now controlled by INSW)
State Significant Development Application 6966 (Block R5) (SSDA 6966) including 48 on-site affordable housing units (note a modification has since been submitted to raise this to 50 due to additional floorspace at Barangaroo South)	SSDA 6966 approved	Lendlease INSW
MOD 10 – formalise arrangements for the delivery of affordable housing	Modification approved	Lendlease INSW
Delivery of key worker housing to be completed prior to the issue of the first occupational certificate for the residential component of Building R5 delivered	The 2.3% on-site component of key worker housing will be delivered as part of the delivery and completion of Building R5 Units leased to CHP	Lendlease
0.7% contribution toward off-site residential accommodation	Yet to be determined	Lendlease INSW Australian Affordable Housing Partnership

Central Barangaroo

As outlined in **Section 4**, the core public benefit focus of Central Barangaroo has been the delivery of world-class public spaces that deliver the civic heart of Barangaroo. In addition, there will be a significant investment in cultural infrastructure for Barangaroo – which will be subject to a process to be identified by the NSW Government. This is in lieu of contribution towards affordable housing. The implementation and delivery plan for this is provided below.

In addition, there will be a caveat on each residential property sold at Central Barangaroo providing a donation of 0.1% of the gross realisation to be donated to Homes for Homes.

Table 11 Central Barangaroo key public benefit implementation and delivery

Mechanism – Cultural and Arts facilities	Status	Stakeholder
Statement of Commitments (2015/16) as part of the bid process- A minimum of 10,000m ² or 10% of the total GFA of which a minimum of 5,000m ² must be for cultural, community or civic uses. Note bidders may propose delivery of all or part of this 5,000m ² requirement either within the development zone, waterfront public domain area or other adjacent spaces Minimum of 50% land area dedicated and embellished as world-class open space resources with a cultural events focus	On target	Bid won by Grocon, Aqualand and Scentre Group Barangaroo Delivery Authority (now controlled by INSW)
MOD 9 up to 12,000sqm GFA within the Barangaroo Reserve RE1 Zone to allow for the future development of a multi-function cultural and exhibition facility in the Cutaway, accessed from Nawi Cove and located beneath Barangaroo Reserve, having no impact on overall provision of public open space in the development.	In preparation	Aqualand and Scentre Group INSW
Project development agreements to deliver contributions to arts and cultural facilities in lieu delivery at Barangaroo Renewed commitment to the delivery of approximately 50% of the site embellished for world-class cultural events	Subsequent to the MOD 9 process	Aqualand and Scentre Group INSW
Project Development Agreement to deliver the public benefit commitments	Subsequent to the MOD 9 process	Aqualand and Scentre Group INSW

A Assessment of the Barangaroo land use and public benefit approach against the *A Metropolis of Three Cities* strategic framework

The following provides a detailed assessment of the Barangaroo land use and public benefit approach against the key over-arching planning framework plan, *A Metropolis of Three Cities*, produced by the Greater Sydney Commission. The Plan was last updated in 2018. This assessment is largely focused on Central Barangaroo as the other precincts are complete or nearing completion and the planning framework is in place for them.

Table 12 A Metropolis of Three Cities Objectives, Strategies and assessment of the Barangaroo land use and public benefit approach

Objectives	Strategies	Assessment of the Barangaroo land use and public benefit approach
High level direction: Productivity		
<p>Objective 18 Harbour CBD is stronger and more competitive</p> <p>Objective 14 – <i>A Metropolis of Three Cities</i> – integrated land use and transport creates walkable and 30-minute cities</p>	<p>Strategy 18.2 Develop and implement land use and infrastructure plans which strengthen the international competitiveness of the Harbour CBD and grow its vibrancy by:</p> <ul style="list-style-type: none"> · further growing an internationally competitive commercial sector to support an innovation economy · providing residential development without compromising commercial development · providing a wide range of cultural, entertainment, arts and leisure activities · providing a diverse and vibrant night-time economy, in a way that responds to potential negative impacts. <p>Strategy 14.1 - Integrate land use and transport plans to deliver the 30-minute city.</p>	<p>Central Barangaroo will be one of the most connected locations in the Greater Sydney basin via the Barangaroo Metro Station. It will be directly linked to 30 stations across Sydney including broad areas of the north and south-west regions and Eastern Harbour City locations. It will benefit from close linkages with the Metro West project (city location of station yet to be determined).</p> <p>In addition, Barangaroo enjoys ferry connections and the existing City Rail network via Wynyard Walk.</p> <p>There will be 30-minute access to the locations from a hugely diverse range of housing stock, at a variety of price points for key workers through to professionals.</p> <p>This premium connectivity suggests that maximising other uses that provide benefits for Greater Sydney (employment, cultural etc) at the location is preferable as per outlined in <i>A Metropolis of Three Cities</i>.</p> <p>Central Barangaroo will have a key focus on employment-generating uses through MOD9 of the Barangaroo Concept Plan.</p>
Liveability		
Objective 9	Strategy 9.1	

Objectives	Strategies	Assessment of the Barangaroo land use and public benefit approach
<p>Greater Sydney celebrates the arts and supports creative industries and innovation</p>	<p>Facilitate opportunities for creative and artistic expression and participation, wherever feasible with a minimum regulatory burden, including:</p> <ul style="list-style-type: none"> · arts enterprises and facilities and creative industries · interim and temporary uses · appropriate development of the night-time economy. 	<p>Central Barangaroo will be centre point of social opportunity at Barangaroo, not only for local residents and workers and visitors from broad areas of Greater Sydney. The planning for Barangaroo includes many of the great place elements identified in the <i>A Metropolis of Three Cities</i>.</p> <p>Central Barangaroo will be the community and civic heart of Barangaroo, complementing its broader context. It will establish its own distinct identity as a memorable public waterfront that delivers diverse and rich experiences for all.</p>
<p>Objective 12 Great places that bring people together</p>	<p><i>"Through place-based planning the mechanisms for delivering public benefits can be agreed early in the planning process...so places provide social infrastructure and opportunity."</i></p>	<p>Considerable investment is being made as part of the development agreements to deliver public benefits at Central Barangaroo including:</p> <ul style="list-style-type: none"> » Significant contributions to the provision of cultural and arts facilities » Embellishment of three hectares of world-class open space on the harbour foreshore and other public open space » Open-air cultural facilities
<p>Objective 11 Housing is more diverse and affordable</p>	<p>Strategy 11.2 State agencies, when disposing or developing surplus land for residential or mixed-use projects include, where viable, a range of initiatives to address housing diversity and/or affordable rental housing.</p>	<p>It is inappropriate to deliver diverse types of housing at Barangaroo, due to the value of land. However, there is diversity in the size, bedroom numbers and price points within Barangaroo.</p> <p>The Central Barangaroo Developers have demonstrated their commitment to Affordable Housing by committing to the innovative Homes for Homes funding tied to the delivery of Affordable Housing. The cultural and arts contributions at Central Barangaroo, as well as the significant embellished open space, are in lieu of affordable housing contributions and is of significantly greater value as outlined in Section 4.2.4 of this housing strategy. These public benefits, along with affordable housing are outlined in as being of importance in all the relevant strategic planning frameworks.</p>
Sustainability		
<p>Objective 31 Public open space is accessible, protected and enhanced</p>	<p>Strategy 31.1 Maximise the use of existing open space and protect, enhance and expand public open space</p>	<p>Delivering significantly publicly accessible and interconnected open spaces and public domain is a key objective of the Barangaroo Concept Plan and subsequent Modifications.</p> <p>Particularly in Central Barangaroo, public benefit will be directed towards significant embellishment of 3 hectares of public space, in addition to contributions to the open space at Barangaroo Reserve.</p>

B Assessment of the Barangaroo land use and public benefit approach against the *Eastern City District Plan*

The following provides a detailed assessment of the Barangaroo land use and public benefit approach against the *Eastern City District Plan* priorities, directions, objectives and actions. This Plan was produced by the Greater Sydney Commission and was last updated in 2018.

This assessment is largely focused on Central Barangaroo as the other precincts are complete or nearing completion and the planning framework is in place for them.

Table 13 Eastern City District Plan Directions and Key Objectives related to Barangaroo and the implications for the *Barangaroo Housing Strategy 2021*

Directions / Priorities	Objectives / Actions	Central Barangaroo's compliance with key priorities, objectives and actions
Infrastructure and Collaboration		
<p>Planning Priority E1</p> <p>Planning for a city supported by infrastructure</p>	<p>Action 1</p> <p>Prioritise infrastructure investments to support the vision of <i>A Metropolis of Three Cities</i>.</p>	<p>Major infrastructure improvements have been identified with a Metro Station at Central Barangaroo. Premium accessibility by a large percentage of Greater Sydney means that the development outcomes must leverage and maximise the benefits of this key infrastructure improvement. Therefore, in alignment with planning priorities listed below, Central Barangaroo is focused on delivering employment land and cultural public benefits as well as highly-embellished public open space. A key focus of the development will be to deliver high quality active transport connections to the new Metro station at Barangaroo.</p>
Productivity		
<p>Planning Priority E10</p> <p>Delivering integrated land use and transport planning and a 30-minute city</p> <p>Planning Priority E7</p> <p>Growing a stronger and more competitive Harbour CBD</p> <p>Planning Priority E11</p>	<p>Action 24</p> <p>Strengthen the international competitiveness of the Harbour CBD and grow its vibrancy by:</p> <p>a. further growing an internationally competitive commercial sector to support an innovation economy</p> <p>b. providing residential development without compromising commercial development</p>	<p>As outlined in the District Plan:</p> <ul style="list-style-type: none"> » The Sydney CBD office market is larger than all the other major metropolitan office markets combined (5 million sqm). In 2014, the Sydney CBD generated \$68 billion worth of Australia's Gross Domestic Product, compared to Melbourne CBD's \$39 billion. » There is limited capacity available to attract the investment that will support expansion of Sydney CBDs footprint and increase the supply of premium and A-grade office space

Directions / Priorities	Objectives / Actions	Central Barangaroo’s compliance with key priorities, objectives and actions
<p>Growing investment, business opportunities and jobs in strategic centres</p>	<p>c. providing a wide range of cultural, entertainment, arts and leisure activities</p> <p>d. providing a diverse and vibrant night-time economy, in a way that responds to potential negative impacts.</p> <p>Action 38</p> <p>Provide access to jobs, goods and services in centres by:</p> <p>a. attracting significant investment and business activity in strategic centres to provide jobs growth</p> <p>c. creating vibrant, safe places and quality public realm</p> <p>d. focusing on a human-scale public realm and locally accessible open space</p> <p>h. improving public transport services to all strategic centres</p> <p>i. conserving and interpreting heritage significance</p> <p>k. providing for a diverse and vibrant night-time economy in a way that responds to potential negative impacts</p> <p>l. creating the conditions for residential development within strategic centres and within walking distance (10 minutes), but not at the expense of the attraction and growth of jobs, retailing and services; where appropriate, strategic centres should define commercial cores informed by an assessment of their need.</p>	<ul style="list-style-type: none"> » Barangaroo South has provided a much-needed supply increase; however, new sites are required to expand Greater Sydney’s competitive tradable export services. » Opportunities for large floorplate office space is limited by smaller lots in the core of the CBD and amalgamation in a long a protracted process that often results in conversion to other land uses to achieve the required return on investment. <p>Therefore, maximising the delivery of large floorplate commercial floorspace at Central Barangaroo, with premium Metro connectivity, is the best outcomes for the productivity of the State¹⁸.</p> <p>Central Barangaroo also complies with the other actions such as diversifying the range of activity with a focus on significant cultural and arts activities, delivering quality public realm with high walkability from the Metro, is of a lower scale than Barangaroo South and has direct connection to future transport networks.</p> <p>It will provide a smaller percentage of residential accommodation than Barangaroo South due to these factors.</p> <p>Central Barangaroo complies with the objective of creating the conditions for residential development but not at the expense of the attraction and growth of jobs, retailing and socially-significant infrastructure.</p>
Liveability		
<p>Planning Priority E4</p> <p>Fostering healthy, creative, culturally rich and socially connected communities</p>	<p>Objective 7</p> <p>Communities are healthy, resilient and socially connected.</p> <p>Objective 8</p> <p>Greater Sydney’s communities are culturally rich with diverse neighbourhoods.</p>	<p>Central Barangaroo will deliver approximately 3 ha (50% of the precinct) as world-class open space resources, configured to hold cultural events of varying scale. The development will fund significant cultural and arts facilities.</p>

¹⁸ Data and words adapted from the *Eastern City District Plan*

Directions / Priorities	Objectives / Actions	Central Barangaroo's compliance with key priorities, objectives and actions
	<p>Objective 9 Greater Sydney celebrates the arts and supports creative industries and innovation.</p> <p>Action 9 Optimise the use of available public land for social infrastructure.</p> <p>Action 14 Facilitate opportunities for creative and artistic expression and participation, wherever feasible with a minimum regulatory burden, including:</p> <ul style="list-style-type: none"> a. arts enterprises and facilities, and creative industries b. interim and temporary uses c. appropriate development of the night-time economy. 	<p>This achieves the Planning Priority. It will create a 24/7 precinct.</p>
<p>Planning Priority E5 Providing housing supply, choice and affordability with access to jobs, services and public transport</p>	<p>Objective 10 Greater housing supply</p> <p>Objective 11 Housing is more diverse and affordable.</p> <p>Action 16 Prepare local or district housing strategies</p> <p>Action 17 Prepare Affordable Rental Housing Target Schemes following development of implementation arrangements.</p>	<p>This Housing Strategy is in response to the requirement in the Statement of Commitments for Barangaroo delivering appropriate levels of market and diverse housing consistent with strategic planning principles.</p> <p>It is acknowledged in the District Plan that other public benefit priorities may be more appropriate in certain location (e.g. arts and cultural facilities etc).</p> <p>The Housing Strategy is consistent with other priorities in the District Plan in delivering a range of public benefits appropriate to each precinct.</p> <p>In addition, Central Barangaroo will contribute to the Homes for Homes initiative.</p>
<p>Planning Priority E6 Creating and renewing great places and local centres, and respecting the District's heritage</p>	<p>Objective 12 Great places that bring people together.</p> <p>Objective 13 Environmental heritage is identified, conserved and enhanced.</p> <p>Action 18. Using a place-based and collaborative approach throughout planning, design, development and management, deliver great places by:</p>	<p>The Housing Strategy should be consistent with the District Plan in delivering public benefits most suited to the context. Other parts of Central Sydney have limited ability to provide significant open and cultural spaces.</p> <p>Central Barangaroo has a focus on delivering a range of social infrastructure and world-class open space consistent with these objectives and actions.</p> <p>It should be noted that INSW has determined that a significant contribution to</p>

Directions / Priorities	Objectives / Actions	Central Barangaroo’s compliance with key priorities, objectives and actions
	<p>a. prioritising a people-friendly public realm and open spaces as a central organising design principle</p> <p>b. recognising and balancing the dual function of streets as places for people and movement</p> <p>d. integrating social infrastructure to support social connections and provide a community hub</p> <p>e. recognising and celebrating the character of a place and its people.</p>	<p>arts and cultural facilities would be of greater public benefit than the Central Barangaroo developer providing them on-site, with the exception of the scalable social event spaces in the open space at Barangaroo.</p> <p>The linkage of the historic Agar Steps with the proposed Barangaroo Steps, will connect old and new, celebrating the history and future of Central Barangaroo.</p>
Sustainability		
<p>Planning Priority E14 Protecting and improving the health and enjoyment of Sydney Harbour and the District’s waterways</p> <p>Planning Priority E16 Protecting and enhancing scenic and cultural landscapes</p> <p>Planning Priority E18 Delivering high quality open space</p>	<p>Action 59 Enhance sustainability and liveability by improving and managing access to waterways, foreshores and the coast for recreation, tourism, cultural events and water-based transport.</p> <p>Action 61 Work towards reinstating more natural conditions in highly modified urban waterways.</p> <p>Action 63 Identify and protect scenic and cultural landscapes</p> <p>Action 64 Enhance and protect views of scenic and cultural landscapes from the public realm.</p> <p>Action 67 Maximise the use of existing open space and protect, enhance and expand public open space by:</p> <p>a. providing opportunities to expand a network of diverse, accessible, high quality open spaces that respond to the needs and values of communities as populations grow.</p>	<p>The key sustainability benefits of the combined Barangaroo development include:</p> <ul style="list-style-type: none"> » The re-use and remediation site enabling access by the broader community with benefits of increasing economic and social uses » Embellishment of over half the site for world-class public open space » Creating linkages to deliver over 14km of continuous waterfront harbour walkway » Reinstating a more naturalistic waterfront in locations » Creating a new scenic / cultural landscape for all Sydneysider and visitors to enjoy. <p>Central Barangaroo will have a pivotal role in achieving this objective through world-class embellishment of open space and appropriately scaled development to protect existing scenic and cultural landscapes.</p>
<p>Planning Priority E19</p>	<p>Action 68</p>	<p>In 2019, Barangaroo South achieved full carbon neutrality.</p>

Directions / Priorities	Objectives / Actions	Central Barangaroo's compliance with key priorities, objectives and actions
<p>Reducing carbon emissions and managing energy, water and waste efficiently</p> <p>Planning Priority E20</p> <p>Adapting to the impacts of urban and natural hazards and climate change</p>	<p>Support initiatives that contribute to the aspirational objective of achieving net-zero emissions by 2050, especially through the establishment of low-carbon precincts in Planned Precincts, Collaboration Areas, State Significant Precincts and Urban Transformation projects.</p>	<p>Initiatives include:</p> <ul style="list-style-type: none"> » On-site water recycling » Solar panels to offset energy usage in the public domain » Built-form cooling using water from Sydney Harbour » And working toward aspiration of a zero waste precinct. <p>Central Barangaroo will meet the same ambitious sustainability objectives for the precinct, as well as adopting new, innovative approaches to offset energy and water use.</p>

C Assessment of the Barangaroo land use and public benefit approach against the City of Sydney Local Strategic Planning Statement

The following provides a detailed assessment of the Barangaroo land use and public benefit approach against the City of Sydney Local Strategic Planning Statement. This document was produced in 2019.

Table 14 City of Sydney Local Strategic Planning Statement key priorities and actions relevant to the Barangaroo context and housing strategy implications

Priority	Key actions relevant to Barangaroo	Central Barangaroo's compliance with key priorities, objectives and actions
Infrastructure and collaboration		
No specific actions related to Metro North West and South West Stations included in Central Sydney Planning Framework but does contain the key directions for Metro Precincts provided right	Land use Response to Metro Station Precincts key statements included: <i>"In Central Sydney, to maximise the economic advantage of additional rail capacity and the connectivity provided by new metros, job growth is the priority. This will support the 30-minute city vision"</i> <i>"Genuine mixed-use development in station precincts increases the 24/7 activity in that location, providing a more efficient use of transport systems than purely residential and commuter catchments do" (LSPS, p.70)</i>	Central Barangaroo will prioritise economic-generating land uses over residential where possible. The land use approach will deliver a mixed use 24/7 precinct.
I3 Supporting community wellbeing with social infrastructure	No specific actions relevant to Barangaroo	Central Barangaroo will prioritise the delivery and contribution towards social infrastructure public benefit for the whole of Sydney, considering the accessibility of the location as well as local residents and workers.
Liveability		
L1 A creative and socially connected city	L1.1 Provide public and publicly accessible spaces that are inclusive, good quality, accessible and activated for diverse people and communities and contribute to the social life of the city	The development of Barangaroo has had a public benefit focus, with half the formerly inaccessible site being dedicated to high-quality accessible open space. It is one of the few new

Priority	Key actions relevant to Barangaroo	Central Barangaroo’s compliance with key priorities, objectives and actions
	<p>L1.7 Encourage proponents to incorporate appropriate cultural infrastructure and creative workspaces into new developments, for example through the use of planning agreements and plan for the inclusion of such spaces in NSW Government projects and major urban renewal precincts</p>	<p>open space resources as identified in the LSPS.</p> <p>A key focus of public benefit for Central Barangaroo is a contribution towards cultural and arts facilities as an extension of the Walsh Bay Precinct creative industry cluster as well as contributions to the Homes for Homes scheme.</p>
<p>L2 Creating great places</p>	<p>L2.3 Work with others to create and maintain a continuous publicly accessible harbour foreshore edge that is wide enough to support a range of recreational activities, except in areas required for productive working harbour function</p>	<p>The remediation and development of public open space, funded by contribution from development, will achieve the objective of a continuous waterfront pathway from Woolloomooloo. Along the waterfront in Central Barangaroo, significant scalable events spaces are being planned.</p>
<p>L3 New homes for a diverse community</p>	<p>L3.2 Increase the mix of dwelling types, tenures and sizes to support a diverse community</p> <p>L3.4 Increase the diversity and number of affordable rental homes for lower income households</p>	<p>With escalating purchase and rental prices of housing in the City of Sydney LGA and Greater Sydney, more diverse housing types and tenures are required to support key works. This is identified as a public benefit, ensuring that inner areas of the CBD function well. There is a percentage of Affordable Housing delivery and Barangaroo South, the key location for more general housing delivery, and the Homes for Homes initiative at Central Barangaroo.</p> <p>The key focus of Central Barangaroo is delivery of other public benefits (also identified as priorities in the City of Sydney LSPS) such as cultural facilities and world-class open space.</p>

D Residential sales data – Barangaroo South

The following methodology was applied to understand the indicative average sale price of dwellings at Barangaroo from October 2019 to August 2020.

- » The following sales data was sourced from Corelogic. Each sale was categorised into 1, 2 or 3(+) dwellings
- » The average per sqm sale price was calculated
- » This was divided by the most prevalent size (50sqm for 1-bedroom, 70sqm for 2-bedroom and 105 sqm for 3-bedroom dwellings).

Table 15 Sale prices of residential apartments at Barangaroo August 2019- October 2020

Address	Sale date	Sale price (\$)	sqm	Price/ sqm (\$)
303/31 Barangaroo Avenue Barangaroo, NSW, 2000	25-Aug-20	1,730,000.00	70	24,714.29
103/19 Barangaroo Avenue Barangaroo, NSW, 2000	05-Aug-20	1,565,000.00	70	22,357.14
502/27 Barangaroo Avenue Barangaroo, NSW, 2000	23-Mar-20	3,275,000.00	113	28,982.30
303/33 Barangaroo Avenue Barangaroo, NSW, 2000	07-Feb-20	1,950,000.00	unknown	
103/29 Barangaroo Avenue Barangaroo, NSW, 2000	05-Dec-19	1,565,000.00	70	22,357.14
503/31 Barangaroo Avenue Barangaroo, NSW, 2000	15-Nov-19	1,900,000.00	unknown	
503/15 Barangaroo Avenue Barangaroo, NSW, 2000	05-Sep-19	\$3,800,000	unknown	
502/17 Barangaroo Avenue Barangaroo, NSW, 2000	20 Jul 2019	3,150,000.00	unknown	
202/27 Barangaroo Avenue Barangaroo, NSW, 2000	12-Jul-19	3,200,000.00	101	31,683.17
Average per sqm price				26,018.81
Estimated price for dwelling types				
1 bedroom @ 50 sqm				1,300,940.41
2 bedroom @ 75 sqm				1,951,410.61
3 bedroom @105 sqm				2,731,974.85

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