

8.1. MM01: Diverse and Affordable Housing

There is an urgent housing crisis in NSW. Low income and, increasingly, middle income workers within much of the State, including within the North Sydney local government area and community, are unable to access housing that is affordable and/or appropriate to their needs.

The North Sydney local government area is one of the more expensive areas in Greater Sydney and continues to be so for both rental and purchase.

Whilst some affordable rental is available for moderate income households, this largely consists of studio and one-bedroom apartments. Low income and larger moderate-income households (such as families with children) are effectively excluded from the rental market.

North Sydney Council was a pioneer in affordable housing contributions and provision in NSW. Since 1984, when the first scheme began, the affordable housing stock has significantly reduced notwithstanding the excellent work of this council over nearly 40 years to contribute to diverse and affordable housing for our community.

In 2019 Council commissioned Judith Stubbs & Associates to prepare the “North Sydney Council Affordable Housing Study: Background Report” which found that:

“North Sydney Council has a long-standing commitment to affordable housing in its Local Government Area. This has included research and advocacy, partnerships with local social housing providers, and redeployment of its own resources for affordable housing for 35 years. ...Since the affordable housing program began in 1984, at least 2,400 affordable bed spaces have been lost in the LGA. Over the years, through contribution of land, partnerships with State Government authorities and funds levied, Council has been able to mitigate this loss through its partial or full ownership of 25 properties comprised of multi-unit dwellings and houses, and boarding houses used for affordable housing. These properties include partial ownership of a nursing home and two services offering emergency accommodation to youth. Council has been unable to meet its stated goal of 5% of replacement of affordable housing stock lost due to the high cost of replacement.

Despite some excellent initiatives...only a small number of bed spaces and/or dwellings have been created.”

On 27 October 2022 I attended the Sydney Mayoral Summit on Diverse and Affordable Housing to discuss how Council may contribute to solving the housing crisis. That is, how councils may contribute to housing that is owned or managed by a community housing provider and rented to low-income households for a proportion of their household income.

The Sydney Mayoral Summit was convened by Southern Sydney Regional Organisation of Councils on behalf of Resilient Sydney Diverse and Affordable Housing Steering Committee in delivery of Action 7 of the Resilient Sydney Strategy 2018.

We heard from community housing providers about projects where councils partnered with them to deliver affordable housing in their local areas. In addition, we heard about a project

to help councils introduce affordable housing contribution schemes to increase the amount of affordable housing. The project includes a template contribution scheme and a proposed optional standard clause for local environmental plans that will be launched later this year.

Delivery

Council has a “shovel ready” affordable housing project with the Parraween Street Carpark redevelopment consent. This project is of regional significance as it provides Early Childhood Health services, Key Worker and Affordable Housing, a new public park and underground public car parking.

Recently the Commonwealth Government announced that it will create a \$10 billion fund through the National Housing Finance Infrastructure Corporation (NHFIC) which will build 30,000 new social and affordable housing properties in its first 5 years utilising the Community Housing Sector.

It is anticipated that the fund will build around:

- 20,000 **social housing** properties – 4,000 allocated for women and children fleeing domestic and family violence and older women on low incomes at risk of homelessness;
- 10,000 **affordable homes** for frontline workers.

The State Government has also committed to increasing supply of key worker and affordable housing.

I therefore recommend:

1.THAT Council urgently prioritise seeking funding partners (including State and Federal Governments) to deliver the Parraween Street affordable housing/early childhood health centre/public park project and take all steps necessary to ensure the project can proceed as soon as possible.

2.THAT Council undertake a review of Council landholdings and identify whether there is land that has potential for affordable housing provision in partnership with a community housing provider.

3.THAT once such land is identified, Council consider community needs and who Council ought to work with to deliver more diverse and affordable housing.

4.THAT Council review whether the work undertaken by Resilient Sydney, including data being collated, may require Council to amend any planning controls and development contributions schemes to increase affordable housing within the North Sydney local government area.

5.THAT Council work with Resilient Sydney to jointly advocate to the Federal and State Governments to establish effective policies and programmes for the delivery of more affordable housing.

**COUNCILLOR ZOË BAKER
MAYOR**

