

October 22, 2017

MEDIA RELEASE

GSC vision for more affordable rental housing in greater Sydney

The Greater Sydney Commission's proposal to mandate affordable housing targets on rezoned land in Sydney is an important step in addressing the pressing need for many more affordable housing options for the city's residents now and over the next 40 years.

NSW Federation of Housing Associations CEO, Wendy Hayhurst said the Commission's Draft Greater Sydney Region Plan released today should ensure that when land is rezoned between 5-10% of additional floor space is used to build affordable rental housing for households earning up to \$68,000 a year.

Many of these households pay well above 30% of their income on housing costs.

Ms Hayhurst said the GSC had recognised that affordable rental housing is vital economic infrastructure that has the potential to have as much impact on Sydney's future productivity as investment in transport.

"If we develop more great quality affordable housing and build it close to transport routes, jobs and services, then not only do we provide safe and secure places for people to live we also cut their weekly expenditure on energy, transport and rent. That leaves more to spend in other Sydney businesses," Ms Hayhurst said.

"This vital step by the GSC is recognition that the planning system can play a central role in delivering affordable housing, as it already does in other successful global cities such as New York, San Francisco and Vancouver.

"We would like to have seen additional targets to address moderate income earner's needs too, but the important thing is that the principle is established."

Ms Hayhurst said that mandating well designed affordable housing on rezoned land means the whole community shares with the land owner in the unexpected windfall gain created from a planning decision.

She said the biggest single challenge for community housing providers in providing more social and affordable homes was the cost of land.

"In September the Commonwealth Government published its plans for a Bond Aggregator, which will reduce our sector's borrowing costs and attract large scale institutional investors into affordable housing.

"To make it work we need a long term bipartisan affordable housing expansion plan supported by all levels of government. Inclusionary zoning is part of that plan as it 'generates' a pipeline of opportunities for development.

Ms Hayhurst said she was confident the NSW Government would respond to the GSC's calls for action and adopt the targets.

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