

Budget housing target

Paddy Manning

The City of Sydney has targeted 18 per cent of new residential development to be designated affordable housing, under a draft strategy to be approved for public exhibition last night.

Achieving the target would require 7959 affordable rental dwellings to be built between now and 2030, as well as 653 social housing dwellings.

The target stems from the Sustainable Sydney 2030 strategy, which aims to ensure 7.5 per cent of all housing in the municipality will be affordable housing, while another 7.5 per cent will be social housing.

According to the draft strategy, the City of Melbourne already sets a target for at least 20 per cent of new housing to be affordable or social housing. London, Vancouver and San Francisco have set targets of between 20 per cent and 50 per cent.

As at 2006, the City of Sydney had 90,000 dwellings of which 9397 were social housing (public, community and Aboriginal housing) and 2091 were affordable – rented to very low and low income earners with annual wages between \$31,600 and \$51,600.

These so-called “key workers”, the draft strategy states, “are typically our baristas, cleaners, clerical workers, shop assistants, and their loss represents a direct risk to the city’s economy”.

By 2030 Sydney plans to have 134,000 dwellings, of which 10050 will be affordable – rented for no more than 30 per cent of the tenant’s income – and the same number again will be social housing.

The strategy proposes that the city will directly facilitate or provide 2959 affordable housing dwellings, mostly by introducing an affordable housing levy such as the 3 per cent levy applied at Green Square and Pymont, which is collected by the City Council but administered by City West Housing.

“It would be good if we could levy that everywhere,” Greens

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councillor Chris Harris told *The Australian Financial Review* yesterday.

Cr Harris said Sydney had the highest density of social housing of any local government area in Australia but did not have an affordable housing strategy.

He said the city could not legally require, as a condition of development approval, a portion of new projects to be set aside as either affordable or social housing.

But it could establish developer incentives under voluntary planning agreements, similar to the Canada Bay and Waverley coun-

cils, which allowed developers to achieve higher floorspace ratios if they transferred of a number of dwellings to the council, to be rented out as affordable housing.

“The best models are the ones that mix people up, so not everyone in the whole block is desperate,” he said. “We’ve already got a couple of good examples in Pymont.”

Cr Harris also said the city could use council-owned land to do joint venture deals with developers and state and federal governments.

Last year the council blocked proposals to sell off the Reg Murphy Centre in Elizabeth Bay and the old South Sydney Hospital site at Zetland.

The South Sydney Hospital site was to be sold to the Hillsong Church for a reported \$25 million.

“This site and undoubtedly others may have potential for the construction of affordable apartments that would be owned and managed by the city,” Cr Harris said.

“I think there’s an opportunity now – if we do an audit now, if we could identify some decent property – we should approach the federal government and say, ‘What do you need there?’”

For example, Cr Harris said, there were very few aged care facilities at Green Square and the area would be ideal for a joint venture with the federal government.