



ANGEL PLACE
LEVEL 8, 123 PITT STREET
SYDNEY NSW 2000

URBIS.COM.AU
Urbis Pty Ltd
ABN 50 105 256 228

30 July 2019

Sydney Eastern City Planning Panel
320 Pitt Street
Sydney NSW 2000
via email: enquiry@planningpanels.nsw.gov.au

Dear Panel Chair,

2018SCL034; DA/183/2018 1 COWPER STREET, RANDWICK: REQUEST TO DELETE SECTION 7.12 CONTRIBUTION

In the course of our discussions with Council's Officers, it has come to light that Council is insisting upon imposing Condition 5 contained in the Assessment report- ie relating to the payment of Section 7.12 contributions. On behalf of UNSW, we seek for the Panel to delete this condition as part of its determination at today's Panel meeting.

Clause 25J(3) of the Environmental Planning and Assessment Regulation 2000 sets out how the cost of development is to be determined for a levy to be applied under s7.12. It expressly requires that the cost of any development provided as affordable housing is not to be included in any estimate or determination of the proposed cost of carrying out development. The Council assessment report uses a development cost of \$25,380,640 to calculate the levy. Clause 25J(3) correctly applied would give a development cost of \$0 and therefore no levy would be payable under the provisions of Council's Section 94A Plan.

In respect of the proposal being classified as affordable housing, we note the relevant definition of affordable housing is in s1.4 of the Act:

"affordable housing means housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument."

State Environmental Planning Policy (Affordable Rental Housing) 2009, which applies to the proposal and is specifically referenced within Council's Assessment Report, provides:

6 Affordable housing

(1) In this Policy, a household is taken to be a very low income household, low income household or moderate income household if the household:

(a) has a gross income that is less than 120 per cent of the median household income for the time being for the Greater Sydney (Greater Capital City Statistical Area) (according to the Australian Bureau of Statistics) and pays no more than 30 per cent of that gross income in rent, or

(b) is eligible to occupy rental accommodation under the National Rental Affordability Scheme and pays no more rent than that which would be charged if the household were to occupy rental accommodation under that scheme.

(2) In this Policy, residential development is taken to be for the purposes of affordable housing if the development is on land owned by the Land and Housing Corporation.

Relevant to this matter is Clause 6(1)(a) which, by applying the ABS figures, translates to a maximum weekly rent of \$525 in being able to be defined as affordable housing (ie \$1750 as per ABS x 0.3 = \$525). UNSW's Director of Student Accommodation has confirmed that the weekly rent expected for this project will be less than \$300/week, thereby meeting this threshold.

On this basis alone, we believe the Council does not have the legal power to impose Condition 5 and would ask for the Panel to consider this matter as part of today's deliberations. Further information can be provided in support of this matter if required.

If you have any questions please don't hesitate to contact me on 8233 9900.

Yours sincerely,

A handwritten signature in black ink, appearing to read "P. Strudwick".

Peter Strudwick
Director