

19 December 2022

Attention of:  
NSW Department of Planning and Environment  
Via online submission form

### **Submission: Greater Macarthur Growth Area—Gilead Stage 2 and Appin (part) Precinct planning proposals**

The Community Housing Industry Association NSW (CHIA NSW) welcomes the opportunity to make a submission on the proposed Planning proposals for Gilead Stage 2 and Appin. Noting these are separate proposals, the issues for affordable and social housing are common and this submission covers both proposals.

CHIA NSW is the peak body representing registered, not-for-profit community housing providers (CHPs) in NSW. Our members currently own or manage more than 54,000 homes across NSW for individuals and families who cannot afford to rent or purchase a home on the private market. This includes people in low to moderate income jobs that are essential to supporting the economy, such as health and childcare workers, retail and hospitality staff, and other essential service workers. Since 2012, CHPs have delivered more than 5,800 new homes across NSW, representing an investment of over \$1.82 billion. Critically, these are new homes that the private sector cannot – or will not – deliver in response to housing need.

CHIA NSW welcomes the inclusion of affordable housing commitments in the Gilead Stage 2 Planning Proposal and the Appin (part) Draft Planning Proposal. CHIA NSW strongly supports the proposal to introduce requirements for affordable rental housing contributions in these locations.

As recognised in the planning proposals, the Region Plan, and local strategic planning documents, there is a growing need for affordable rental housing in these locations. As development of the Growth Area proceeds, local housing costs will increase along with amenity and infrastructure upgrades. These large developments provide a critical opportunity to secure a diversity of housing to meet the full range of needs of the community, including for housing available at a price point affordable to lower income and moderate income households.

#### **Scope of affordable housing contribution requirements**

Under the proposals, the requirement for affordable housing contributions will only be applied to medium-density developments. Limiting the contribution requirement in this way will reduce the scale of affordable housing delivered, particularly in Gilead where only 15 affordable housing units are expected to be delivered under the proposed planning settings.

CHIA NSW strongly recommends that a contribution requirement is extended to all residential development, including low-density housing. In this regard we note that the Penrith City Council has recently exhibited a planning proposal that demonstrates how such a contribution requirement could be feasibly delivered in greenfield context. Penrith City Council is proposing an initial low initial rate with a moderate increase in requirements over time.

Affordable housing contributions are an efficient, effective measure for supporting housing outcomes. They reduce the burden on local councils seeking to negotiate requirements and provide certainty to developers and the community.

Internationally, as well as in NSW, it has been demonstrated that a broad-based contribution requirement does not impede development, as developers incorporate the contribution into the land purchase price.<sup>i</sup> The Centre for International Economics, in its evaluation of infrastructure contributions reforms, also concluded that, over time, infrastructure costs will be factored into lower land values, rather than higher housing prices.<sup>ii</sup> A higher target is therefore likely to be supported if sufficient notice is provided to the market.

### **Maximising housing outcomes**

Given the quantum of affordable housing likely to be delivered in these locations, and noting that housing costs in the area are anticipated to rise over time, it is imperative that the planning framework requires these dwellings to be secured as affordable housing in perpetuity.

Similarly, CHIA NSW recommends that a requirement be put in place to require any affordable housing delivered to be owned by a not-for-profit registered CHP. Not-for-profit registered CHPs can maximise the housing outcomes from affordable housing contributions as a result of:

- CHP expertise in the provision and management of affordable housing, with a long-term focus.
- Savings in construction and operating costs due to CHPs' not-for-profit status and GST exemptions. Not-for-profit CHPs also do not have large development margins.
- Efficiencies in operating costs from CHPs operating a portfolio of properties.
- Regulatory framework governing CHPs, which ensures ongoing positive outcomes from affordable housing stock.
- CHPs are flexible partners and can bring in other subsidies, grants, and funding which will enable contributions to go further.
- Through ownership of dwellings, CHPs can further leverage to deliver more affordable housing.

The combination of these benefits means that working with CHPs from the outset and ensuring CHPs own dwellings will significantly increase the long-term impact of any affordable housing contributions, particularly in areas with low initial housing potential. CHIA NSW recently commissioned independent analysis of the financial benefits of working with CHPs<sup>iii</sup>. It found that CHPs can deliver a minimum of 27% more affordable housing units as a result of owning the dwellings.

CHIA NSW appreciates the opportunity to provide feedback on the planning proposals. We would be happy to discuss further opportunities to secure long-term affordable housing outcomes in the Greater Macarthur Growth Area through partnership with CHPs.

Kind regards,



Michael Carnuccio  
**Senior Policy Officer**

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<sup>i</sup> Gurrán, N., Gilbert, C., Gibb, K., van den Nouweland, R., James, A. and Phibbs, P. (2018) *Supporting affordable housing supply: inclusionary planning in new and renewing communities*, AHURI Final Report No. 297, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/297>, doi: 10.18408/ahuri-7313201.

<sup>ii</sup> The Centre for International Economics, (2020) *Evaluation of infrastructure contributions reform in New South Wales - Final Report*, prepared for the NSW Productivity Commission.

<sup>iii</sup> Paxon Group, *Local Council Partnerships for Provision of Affordable Housing*, October 2022. Commissioned by CHIA NSW.

# Political donations disclosure statement



NSW GOVERNMENT  
Department of Planning

Office use only:

Date received: \_\_\_\_/\_\_\_\_/\_\_\_\_

Planning application no. \_\_\_\_\_

This form may be used to make a political donations disclosure under section 147(3) of the *Environmental Planning Assessment Act 1979* for applications or public submissions to the Minister or the Director-General.

Please read the following information before filling out the Disclosure Statement on pages 3 and 4 of this form. Also refer to the 'Glossary of terms' provided overleaf (for definitions of terms in *italics* below). Once completed, please attach the completed declaration to your planning application or submission.

## Explanatory information

### Making a planning application or a public submission to the Minister or the Director-General

Under section 147(3) of the Environmental Planning and Assessment Act 1979 ('the Act') a person:

- (a) who makes a *relevant planning application* to the Minister or the Director-General is required to disclose all *reportable political donations* (if any) made within the *relevant period* to anyone by any *person with a financial interest* in the application, or
- (b) who makes a *relevant public submission* to the Minister or the Director-General in relation to the application is required to disclose all *reportable political donations* (if any) made within the *relevant period* to anyone by the person making the submission or any *associate of that person*.

### How and when do you make a disclosure?

The disclosure to the Minister or the Director-General of a *reportable political donation* under section 147 of the Act is to be made:

- (a) in, or in a statement accompanying, the relevant planning application or submission if the donation is made before the application or submission is made, or
- (b) if the donation is made afterwards, in a statement of the person to whom the relevant planning application or submission was made within 7 days after the donation is made.

### What information needs to be included in a disclosure?

The information requirements of a disclosure of reportable political donations are outlined in section 147(9) of the Act.

Pages 3 and 4 of this document include a Disclosure Statement Template which outlines the information requirements for disclosures to the Minister or to the Director-General of the Department of Planning.

Note: A separate Disclosure Statement Template is available for disclosures to councils.

**Warning:** A person is guilty of an offence under section 125 of the *Environmental Planning and Assessment Act 1979* in connection with the obligations under section 147 only if the person fails to make a disclosure of a political donation or gift in accordance with section 147 that the person knows, or ought reasonably to know, was made and is required to be disclosed under section 147.

The maximum penalty for any such offence is the maximum penalty under Part 6 of the *Election Funding and Disclosures Act 1981* for making a false statement in a declaration of disclosures lodged under that Part.

Note: The maximum penalty is currently 200 penalty units (currently \$22,000) or imprisonment for 12 months, or both.

## Glossary of terms (under section 147 of the *Environmental Planning and Assessment Act 1979*)

**gift** means a gift within the meaning of Part 6 of the *Election Funding and Disclosures Act 1981*. Note. A gift includes a gift of money or the provision of any other valuable thing or service for no consideration or inadequate consideration.

Note: Under section 84(1) of the *Election Funding and Disclosures Act 1981* gift is defined as follows:

**gift** means any disposition of property made by a person to another person, otherwise than by will, being a disposition made without consideration in money or money's worth or with inadequate consideration, and includes the provision of a service (other than volunteer labour) for no consideration or for inadequate consideration.

**local councillor** means a councillor (including the mayor) of the council of a local government area.

**relevant planning application** means:

- a) a formal request to the Minister, a council or the Director-General to initiate the making of an environmental planning instrument or development control plan in relation to development on a particular site, or
  - b) a formal request to the Minister or the Director-General for development on a particular site to be made State significant development or declared a project to which Part 3A applies, or
  - c) an application for approval of a concept plan or project under Part 3A (or for the modification of a concept plan or of the approval for a project), or
  - d) an application for development consent under Part 4 (or for the modification of a development consent), or
  - e) any other application or request under or for the purposes of this Act that is prescribed by the regulations as a relevant planning application,
- but does not include:
- f) an application for (or for the modification of) a complying development certificate, or
  - g) an application or request made by a public authority on its own behalf or made on behalf of a public authority, or
  - h) any other application or request that is excluded from this definition by the regulations.

**relevant period** is the period commencing 2 years before the application or submission is made and ending when the application is determined.

**relevant public submission** means a written submission made by a person objecting to or supporting a relevant planning application or any development that would be authorised by the granting of the application.

**reportable political donation** means a reportable political donation within the meaning of Part 6 of the *Election Funding and Disclosures Act 1981* that is required to be disclosed under that Part. Note. Reportable political donations include those of or above \$1,000.

Note: Under section 86 of the *Election Funding and Disclosures Act 1981* reportable political donation is defined as follows:

### 86 Meaning of "reportable political donation"

- (1) For the purposes of this Act, a reportable political donation is:
  - (a) in the case of disclosures under this Part by a party, elected member, group or candidate—a political donation of or exceeding \$1,000 made to or for the benefit of the party, elected member, group or candidate, or
  - (b) in the case of disclosures under this Part by a major political donor—a political donation of or exceeding \$1,000:
    - (i) made by the major political donor to or for the benefit of a party, elected member, group or candidate, or
    - (ii) made to the major political donor.
- (2) A political donation of less than an amount specified in subsection (1) made by an entity or other person is to be treated as a reportable political donation if that and other separate political donations made by that entity or other person to the same party, elected member, group, candidate or person within the same financial year (ending 30 June) would, if aggregated, constitute a reportable political donation under subsection (1).
- (3) A political donation of less than an amount specified in subsection (1) made by an entity or other person to a party is to be treated as a reportable political donation if that and other separate political donations made by that entity or person to an associated party within the same financial year (ending 30 June) would, if aggregated, constitute a reportable political donation under subsection (1). This subsection does not apply in connection with disclosures of political donations by parties.
- (4) For the purposes of subsection (3), parties are associated parties if endorsed candidates of both parties were included in the same group in the last periodic Council election or are to be included in the same group in the next periodic Council election.

**a person has a financial interest** in a relevant planning application if:

- a) the person is the applicant or the person on whose behalf the application is made, or
- b) the person is an owner of the site to which the application relates or has entered into an agreement to acquire the site or any part of it, or
- c) the person is associated with a person referred to in paragraph (a) or (b) and is likely to obtain a financial gain if development that would be authorised by the application is authorised or carried out (other than a gain merely as a shareholder in a company listed on a stock exchange), or
- d) the person has any other interest relating to the application, the site or the owner of the site that is prescribed by the regulations.

**persons are associated with each other** if:

- a) they carry on a business together in connection with the relevant planning application (in the case of the making of any such application) or they carry on a business together that may be affected by the granting of the application (in the case of a relevant planning submission), or
- b) they are related bodies corporate under the *Corporations Act 2001* of the Commonwealth, or
- c) one is a director of a corporation and the other is any such related corporation or a director of any such related corporation, or
- d) they have any other relationship prescribed by the regulations.

# Political Donations Disclosure Statement to Minister or the Director-General

If you are required under section 147(3) of the Environmental Planning and Assessment Act 1979 to disclose any political donations (see Page 1 for details), please fill in this form and sign below.

<b>Disclosure statement details</b>				
Name of person making this disclosure  Community Housing Industry Association NSW	Planning application reference (e.g. DA number, planning application title or reference, property address or other description)  PP-2021-3265 Waterloo Estate (South)			
Your interest in the planning application (circle relevant option below)				
You are the APPLICANT      YES / <input checked="" type="checkbox"/> NO      OR      You are a PERSON MAKING A SUBMISSION IN RELATION TO AN APPLICATION <input checked="" type="checkbox"/> YES / NO				
<b>Reportable political donations made by person making this declaration or by other relevant persons</b>				
<small>* State below any reportable political donations <b>you have made</b> over the 'relevant period' (see glossary on page 2). If the donation was made by an entity (and not by you as an individual) include the Australian Business Number (ABN).</small>				
<small>* If you are the <b>applicant</b> of a relevant planning application state below any reportable political donations that you know, or ought reasonably to know, were made by any persons with a financial interest in the planning application, OR</small>				
<small>* If you are a <b>person making a submission</b> in relation to an application, state below any reportable political donations that you know, or ought reasonably to know, were made by an associate.</small>				
Name of donor (or ABN if an entity)	Donor's residential address or entity's registered address or other official office of the donor	Name of party or person for whose benefit the donation was made	Date donation made	Amount/ value of donation
Community Housing Industry Association NSW ABN 86 488 945 663	Suite 5, 619 Elizabeth Street Redfern, NSW 2016	NSW Liberal Party	7/2/22	\$3,000
<i>Please list all reportable political donations—additional space is provided overleaf if required.</i>				
By signing below, I/we hereby declare that all information contained within this statement is accurate at the time of signing.				
Signature(s) and Date -				
Name(s)				
Michael Carnuccio, Senior Policy Officer, Community Housing Industry Association NSW				

