

## **8.2. MM02: Diverse and Affordable Housing - Memorandum of Understanding with Homes NSW**

On 14 November 2022 this Council considered a Mayoral Minute seeking to find further ways for Council to address the housing and affordable rental housing crisis within the North Sydney LGA. The Minute detailed how the North Sydney local government area remains amongst the most expensive areas in the Greater Sydney region for both housing rental and purchase, and that low income and larger moderate-income households (such as families with children) are effectively excluded from the rental market. In recognition of the urgent housing and rental crisis Council resolved:

- 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.*

Since that time, the housing and rental crisis continues unabated.

A number of regional and metropolitan councils, over recent years, have sought to explore opportunities for affordable housing in partnership with Homes NSW (formerly the Land and Housing Corporation) by way of a Memorandum of Understanding to formalise a model to work together to deliver improved outcomes, particularly in relation to the provision of social and affordable housing. For example, in 2021 the City of Newcastle signed a MOU with LAHC to establish a collaborative approach “to work together on housing issues; and specifically to expedite the delivery of new, more suitable social and affordable housing, including the exploration of a "Make Room Project" in Newcastle, while supporting urban renewal in the Newcastle LGA by renewing older social housing.”

Homes NSW owns much of the social and affordable housing in the North Sydney LGA – from Greenway to smaller holdings throughout Cremorne, Crows Nest, Waverton, Wollstonecraft, Cammeray, and beyond. Much of this housing stock requires renewal. Homes NSW has been tasked by the Minister for Housing “with turbocharging the construction, maintenance and repair of social and affordable homes across our state.”

On 11 December 2023, in considering the Planning Proposal for the Metro site at 52 McLaren Street, North Sydney, Council relevantly resolved:

*7. THAT, in circumstances in which the subject land is public land, the proponent is a State Government agency (Sydney Metro) and the recent pronouncements from the State Government promoting a minimum of 15% affordable housing in perpetuity on private development around transport hubs and 30% affordable and social housing in perpetuity on government owned land, Council write to the Ministers for Planning and Transport urging the*

*State Government to amend the VPA offer on this Metro site to provide affordable housing (at a minimum of 30% but ideally 100%) and the provision of appropriate community spaces in perpetuity as part of any Gateway Determination.*

This Council is taking every opportunity to identify and advocate for new affordable housing on State Government owned land and, where possible, delivering upgraded and new affordable housing on Council owned sites.

Council's affordable housing portfolio, established over many decades, is currently at 131 units, and managed by Community Housing Providers. Without a more creative approach and partnerships with other levels of government, Council alone cannot significantly address the crisis. It is vital that we seek to explore all options to ameliorate the crisis and to take advantage of significant Commonwealth and State funding for new affordable housing.

**I therefore recommend:**

- 1. THAT** Council seek to develop a Memorandum of Understanding (MoU) with Homes NSW to expedite the delivery of new and refurbished social and affordable housing within the North Sydney LGA.
- 2. THAT** a report on funding options for the Parraween Street park / community centre / affordable housing project be provided to Council.

**COUNCILLOR ZOË BAKER  
MAYOR**