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MEDIA RELEASE

Inner West housing plan shows leadership for local communities

Proposals by the Inner West Council to introduce a 15 per cent affordable housing target on large developments will help maintain a thriving inner city community threatened by rising rents and house prices, the state's peak community housing body said today.

NSW Federation of Housing Associations CEO Wendy Hayhurst said the council draft housing policy passed by the council last night also proposes an affordable housing target of 30 per cent on government owned land in regeneration areas such as The Bays Precinct.

"Gentrification of the Inner West is pushing house prices and rents way beyond the artists, hospitality workers, teachers, pensioners, emergency services staff and ordinary working families who create a real sense of community," Ms Hayhurst said.

"According to the council, low income earners and younger key workers have been pushed out of once affordable areas such as Tempe, St Peters, Ashfield, and Lewisham at a rate four times higher than the rest of the Greater Sydney. The Inner West also has much lower levels of social housing than the rest Greater Sydney.

"The NSW Government has proposed affordable housing targets of between 5 and 10 per cent in its draft district plan for the area. The Council has shown real leadership in recognising that those targets need to be higher."

Ms Hayhurst said urban renewal in The Bays Precinct, along Parramatta Road and Sydenham to Bankstown rail corridor were an opportunity to generate affordable housing on a reasonable large scale through inclusionary zoning measures such as affordable housing targets.

She said affordable housing targets would mean the whole community would share in the benefits from windfalls created when land is rezoned, not just the development sector – particularly if those windfalls are a result of public planning policy and infrastructure funding.

In 2012 the Lewisham Estate Site it bought for \$8.5 million was sold to developers for 48.5 million after it was rezoned for higher density - a 471 per cent profit.

"When land has been zoned to enable higher-density development, landholders reap the profits without delivering any new housing or infrastructure," Ms Hayhurst said.

"Developers have said they would not oppose affordable housing targets if the rules were clear up front so that costs can be factored into the purchase price of land up front without making developments unprofitable or housing more expensive.

"Targets should be even higher on Urban Growth renewal projects such as the Bays Precinct where much of the land is government owned – where treasury profits should not come at the cost of community good."

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