



Urban Living Network covers news about new homes and apartment developments, retail trends, job locations, density related to railway stations, urban projects on city fringes, strata and planning reforms. We aim to provide real data on trends, housing supply and demographic change. ULN is essential reading for all those involved in urban living including politicians, councils, planners, architects, developers, financiers, legal firms, real estate agents and strata bodies.

Tom Forrest CEO - Urban Taskforce Australia

12 AUGUST 2022

Urban Taskforce – heralded as a strong voice for the Property Industry



The Sydney Morning Herald, along with the NSW Greens, this week acknowledged the critical role played by Urban Taskforce in overturning the former Minister for Planning's Design and Place SEPP.

However good the intentions were, the draft SEPP was ill-conceived and poorly executed. It turned out to be a monumental waste of time for dozens of industry participants.

In what she thought were confidential emails, now exposed through an Upper House "call for papers", the NSW Government Architect apparently bemoaned the fact that Urban Taskforce did not simply lie down and cop the proposed changes. We plead guilty to having a loud voice when it comes to fighting for housing supply and affordability. After all, there is a very real housing supply and affordability crisis. Builders are going broke and small business and their families are struggling – and the NSW Government Architect was set to make it worse.

The SEPP was opposed because it would have significantly added costs and adversely affected project yields and project feasibilities without any compensatory offsets offered. It would have added extra layers to what is already the most complex and costly assessment process in Australia, extended assessment timeframes, and introduced fresh uncertainty into the planning system and for future development projects – all in the middle of a housing supply and housing affordability crisis!

The SEPP was developed by the Government Architect's office in close consultation with the former Minister's office, but without the involvement of the Policy Team at the Department of Planning until far too late in the process.

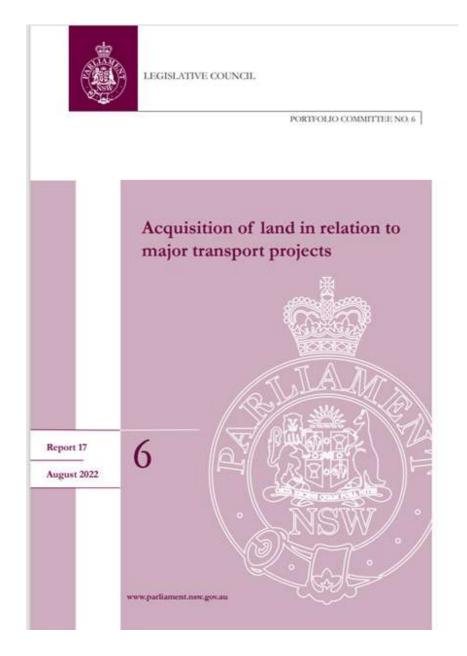
Urban Taskforce has once again been identified as the most effective industry advocate in this space. The successful work of the Urban Taskforce will save new home buyers many thousands of dollars.

The Government is to be applauded for recognising the real and significant issues with the SEPP and scrapping it. The Secretary of DPE removed the Government Architect from any role in developing policy. The office of the Government Architect now reports to the Deputy Secretary responsible for Assessments.

Urban Taskforce will remain a strong voice in delivering much needed affordable housing stock for the growing population of Sydney.

Click here to read the full story.

NSW Parliamentary Inquiry report – Acquisition of land in relation to major transport projects



Transport for NSW, along with other acquiring authorities, has come under increasing scrutiny over its practices associated with land acquisition for road, transport and other infrastructure projects.

This week the NSW Upper House delivered its report into land acquisition around major transport projects. The Report finds that there are major problems associated with the conduct of direct negotiations, the valuation of parcels of land by the office of the Valuer General, the timeframes associated with the valuation and compulsory acquisition process.

The Report says:

"Troublingly, acquiring authorities seem to have forgotten that they are dealing with real people. ... The refusal of acquiring authorities to engage in genuine negotiations, valuations rising by upwards of 70% from first to final offer, the inability of owners to obtain financial assistance for legal or expert services ... is out of touch with what is expected by the public and which is intended by the legislation."

The report's findings are critical of the current approach, and makes 10 recommendations, including an independent review into certain land acquisitions around major transport projects, as well as measures to improve culture, transparency and ensuring negotiations are caried out in good faith.

The Government has failed to maintain its crucial role as a model litigant in these matters.

The Urban Taskforce believes there needs to be a dramatic cultural shift in the way the Government approach compulsory acquisition of land. This report should be the start of this change.

An interesting reference to a further Inquiry is made regarding the Sydney Science Park (see page 78) which was outside the Growth Centres yet was the very first precinct to be re-zoned – way before the rest of the Aerotropolis and surrounding precincts.

"Finally, while not touched upon in the report, a range of evidence was received about the Sydney Science Park. Questions were raised in relation to how the land was acquired for the park, the decision making processes at Transport for NSW in regard to corridor and rail planning for the Outer Sydney Orbital, the accelerated agreement between Sydney Water and Celestino to provide water infrastructure to the Sydney Science Park, and who was responsible for funding the project. While the committee notes that the evidence was limited, we consider that it is deserving of further examination. Accordingly, the committee recommends that the Legislative Council consider an inquiry into Sydney Science Park focusing on the status of the land, infrastructure provision to that site and related matters."

Many of the findings go to the apparent abandonment by NSW Government agencies to act as model litigants, as is required by the NSW Department of Justice <u>Model Litigant Policy.</u>

The Recommendations from this Report are:

Recommendations

- 1. That the NSW Government commission an independent review into land acquisitions undertaken in relation to each of the major transport projects referred to in this report, with:
 - This review to consider probity issues and compliance with the legislative framework and compensation outcomes for affected landholders
 - Previous property owners entitled to additional compensation to rectify errors by acquiring authorities
 - The findings of this review to be made publicly available.
- 2. That the NSW Government implement a continuous review process, to ensure acquiring authorities comply with legislative frameworks for future acquisitions related to transport projects.
- 3. That the NSW Government amend section 10A of the Land Acquisition (Just Terms Compensation) Act 1991 (and any other associated provision) to ensure that:
 - Acquiring authorities are obliged to genuinely negotiate;
 - Letters of offer are provided soon after the negotiation period commences, with a reasonable amount of information provided to affected owners on the basis and breakdown of offers;
 - Acquiring authorities provide partial upfront payments to affected owners including for expert reports and legal fees;
 - Acquiring authorities ensure the independence of valuers and where conflicts of interest arise these are drawn to the attention of the owner;
 - Owners can access an independent mediator, if requested.

4. That the NSW Government:

- Seek to remove all non-disclosure terms that currently apply in all residential land acquisition agreements, and any other agreements entered into by acquiring authorities with residents impacted as a result of infrastructure projects
- · Not enter into any such future non-disclosure agreements.
- 5. That the NSW Government urgently amend the basis for determining compensation in the Land Acquisition (Just Terms Compensation) Act 1991, to introduce a 'reinstatement' approach to the calculation of 'market value'.
- 6. That the NSW Government act to ensure that the eligibility and quantum of solatium payments associated with land acquisitions is adequate and that access to those payments is sufficiently broad and includes compensation for unreasonable delays.
- 7. That the NSW Government improve the transparency of the procedures and review the guidelines for hardship acquisitions for owners that experience a reduction in property value, are negatively impacted by

construction or a property rezoning which arises as a result of a government project.

- 8. That the NSW Government undertake an investigation into the workings of the office of the Valuer General NSW, with this investigation to include a root cause analysis of the delays in the provision of determinations and an audit of a sample of determinations from the last 5 years to ensure compliance with legislation and case law.
- 9. That the NSW Government, via the Centre for Property Acquisition, ensure that all acquiring authorities develop and implement strategies to measure customer satisfaction, with a breakdown of results between substratum and above ground acquisitions, with the outcomes to be publicly reported on at least an annual basis.
- 10. That the Legislative Council consider an inquiry into the status of land at the Sydney Science Park, infrastructure provision to that site and related matters.

The Full report can be found here.

Federal Housing Minister outlines Albanese Government's initial steps in the housing space



This week the Federal Housing Minister, the Hon Julie Collins MP, gave a keynote speech on the Albanese Government's approach to social and affordable housing. Urban taskforce welcomes a renewed interest by the Federal Government in Housing and its willingness to work with the States.

Social and affordable housing is a symptom of the housing crisis. With shrinking budgets and increasing demands on the public purse in areas like education, health and defence, Governments need the private sector to deliver the housing stock we need. Mandated social and affordable targets will never be able to address the underlying causes of the housing crisis.

Yet the private sector can help the Government deliver more affordable stock, under the right settings. The Rudd Government's NRAS program was a good example of using tax incentives to deliver more affordable housing stock. The Federal Government has an opportunity to take a lead on housing supply policy, such as opening access to the National Housing Finance and Investment Corporation (NHFIC) bond aggregator funding to facilitate the delivery of affordable housing by the private sector.

The Urban Taskforce will be keeping a close eye on developments on the Federal front. What the country, and in particular those struggling to buy or rent home, do not need are comforting words not backed by practical action and sensible policy reform.

To read Minister Collins' speech, click here.

Good works supported by PAYCE foundation



Our members support an array of good works and fund a number of charitable programs in the community. This week we shine the spotlight on Member PAYCE and the PAYCE Foundation.

Some of the recent initiative of the Foundation include:

- \$185,000 three-year funding package to assist House of Welcome's Work & Welcome program, which helps refugees and people seeking asylum find employment;
- \$10,000 to the Property Industry Foundation to build accommodation for homeless youth;
- Ongoing support for the Sydney Street Choir, which recently celebrated its 20th anniversary;
- \$100,0000 to the Jesuit Refugee Service Australia's employment program, to deliver 'white card' construction training to newly arrived refuges from Afghanistan.

To read more about the work of PAYCE Foundation in the community, click here.

Financial pressure mounts in home construction – Commonwealth Bank



Despite what some in anti-development brigade may think, finance is critical in delivering the new homes needed in NSW. The Commonwealth Bank notes in its latest results that "weather, labour shortages, supply

chain delays and steeply rising input costs have eroded sector profitability and seen a number of construction forms fail, particularly in home building."

Yet we have a Planning system that often compounds the problem - placing even more cost and time pressures on the delivery of housing stock in the State.

Click here to read the full article.

Building Commissioner David Chandler's resignation letter

David Chandler's resignation letter ... speaks for itself ...

To read the full letter, click here

Specious interim heritage orders waste ratepayer's money and add to housing crisis





This week we saw another example of a council caving into localised opposition and placing interim heritage orders to thwart housing.

In January North Sydney Council, without adequate consultation and no doubt under pressure from local NIMBY's, decided to place an interim heritage order on two houses in Cremorne - holding up a proposed redevelopment that would have delivered a mix used complex with 24 units. The site is close to Military Roada short bus ride into the Sydney CBD. It is a locality that many would love to call home.

The Land and Environment Court Commissioner, Lynne Sheridan, in her decision stated that she was "not persuaded that the properties are worthy of a local heritage listing" and that further heritage investigations would "not change the finding that the items do not reach the threshold for local heritage listing."

The developer Helm's own heritage report noted that the homes were not listed as local heritage items nor were located within a council heritage conservation area. Nor did they meet heritage protection due to modifications in 1911 and 1979. The argument was essentially to maintain a façade!

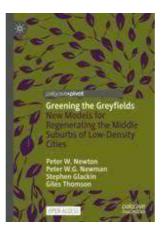
The case in indicative of the fundamental flaws in the approach taken by many councils to housing. Councils have long established processes to assess heritage values in an orderly and consultative fashion. Yet too often they are happy to take this sort of frivolous action to assuage the vested interests of a few locals.

The end result is a waste of time and money – not just for the developer but for the ratepayers of North Sydney who were forced to fund the spurious court action.

No wonder the courts are busier than ever – with NIMBYism spurring weak-kneed councils and further slowing down the delivery of housing that Sydney needs!

To read more, click here

Urban Taskforce in the news



Greening the greyfields

CEO of Urban Taskforce, Tom Forrest, added views of the development sector in response to a recent publication on revitalising the "missing middle" in cities like Sydney, "Greening the Greyfields" by Newton, Newman, Glackin and Thomson.

Despite a lot of talk, the "missing middle" was another failure of the former Planning Minister, who failed to appreciate that height and other restrictions in these suburbs meant that potential developers could not overcome the high cost of land, along with the costs knock down of existing stock and construction of new housing.

It failed in terms of the broader public expectations, councils and ultimately in the delivery of additional housing.

Urban Taskforce Australia strongly supports high rise development close (within an 800 metre radius) to Transport nodes.

Medium density should be defined to be up to 10 storeys (with a 3 metre setback from the street) to bring Sydney into line with other international cities.

This will help create more vibrant suburbs with more housing options where people want to live - closer to established infrastructure, services and facilities, as well as reducing environmental impacts by building homes closer to jobs.

For the precinct concept to succeed however, Governments need to provide the "land-assembly instruments" referred in the book. Development corporations should be looked at. Governments must lead, coordinate and consult with all stakeholders for this to work, as well as providing incentives for good development.

Strategic planning for such precincts needs to be done upfront and early, and zoning needs to be flexible, not prescriptive.

A link to the book can be found here

Urban Taskforce's comments can be found here

Barangaroo Mod 9



The Urban Taskforce has written in support of the latest modification to the Central Barangaroo Concept.

Through the development of Central Barangaroo, Aqualand will contribute over \$280m towards public benefit, including community and cultural facilities, public art, and the remediation of the site.

The fit out of the Cutaway and the construction of the new Harbour Park, announced by the Government on Sunday, are only possible with the contributions collected from the delivery of Central Barangaroo.

The development of Central Barangaroo will contribute \$45m to the construction of the new Harbour Park, announced by Minister Stokes on the weekend. Without this contribution, the Harbour Park would have to compete for budget funding in an increasingly tough economic cycle.

The proposed development honours the Government's commitment that 50% of Barangaroo will be open space accessible to the public, despite calls to the contrary.

It will fund the delivery of the new Harbour Park – building on the generous provision of popular waterfront public domain throughout Barangaroo.

Many of the opponents of the scheme were also opposed to the creation of Barangaroo Reserve, the delivery of which has proven to be a masterstroke and the highlight of the entire precinct.

Barangaroo is a project that is recognised globally as an exemplar of urban renewal It is a place that can be enjoyed be all of Sydney, not just those who have the benefit of living in former public housing in Millers Point.

Read the Daily Telegraph's take on the modification here and what it means for the precinct.

Read the SMH's coverage of Urban Taskforce's submission to the Government here.

To read the Urban Taskforce's full submission to DPE, click here

Urban Taskforce Conference: Innovations in Property and Constructions dealing with the Challenges ahead

PROPERTY INDUSTRY CHALLENGES AHEAD

New Innovations in Property and Construction

Date: Friday 16th September



HON. VICTOR DOMINELLO

Minister for Customer Service and Digital
Government, Minister for Small Business,
and Minister for Fair Trading



DAVID CHANDLER OAM NSW Building Commissioner Customer Service NSW



Acting CE0 NSW LAHC



HUGH HARTIGAN Head of Research NHFIC



ANGELA BUCKLEY General Manager Build to Rent BTR Mirvac



DAVID MILTON
Managing Director
Residential Projects
CBRE



BRADLEY WALTERS Head of Product & Rating Services Equifax



CORY NUGENT
Senior Operations
Manager
Insurance Council of
Australia



JILL BROOKFIELD CEO Association of Australian Certifiers



Vice-President
Head of Development
Asia Pacific



EMCEE -TOM FORREST CEO Urban Taskforce



SPECIAL GUEST SESSION HOST -CHRIS JOHNSON AM CJ Consulting

SESSIONS

KEYNOTE

Hon. Victor Dominello

EVENTS DETAILS

Date: Friday 16th September Time: 2.00pm - 5.00pm

AFFORDABLE HOUSING – can the Commonwealth and States work better, together?

Hugh Hartigan and Deborah Brill Hosted by Chris Johnson

BUILD TO RENT CHALLENGES -what's working and needs to happen to make it work better in Greater Sydney?

Angela Buckley and Ian Lyon Hosted by Chris Johnson

KEYNOTE

David Chandler

PROPERTY INDUSTRY PANEL DISCUSSION – Rules and Regulations and Change

Panel – David Chandler, Brad Walters, David Milton, Cory Nugent, Jill Brookfield and Moderator Tom Forrest

NETWORKING DRINKS AND CANAPES

Urben Taskforce | AUSTRALIA

5.00pm Networking Drinks

Venue:

Heritage Ballroom, Fullerton Hotel 1 Martin Place

RSVP: Tuesday 13th September

PRICE

Urban Taskforce Members

Single Ticket - \$300 5 Tickets - \$1200

Non Members:

Single Ticket - \$350 5 Tickets - \$1400

REGISTER HERE



Council Watch



Woollahra Council has placed on exhibition proposed changes to their LEP that may lead to a reduction in floor space in certain areas. With high amenity and a transport infrastructure the envy of many other parts of Sydney, Woollahra Council should be doing more to deliver housing where people want to live. Urban Taskforce will be examining these changes very closely.

Submissions close 16 September 2022.

To read the full proposal, click here

Hornsby Shire Council - Draft Hornsby Town centre Masterplan

Hornsby Shire Council have prepared a draft Town Centre Plan. The plan envisages 4,500 new homes and 5,000 new

jobs. Council have proposed mix used zoning rather than a commercial core zone.

Submissions close 30 September 2022.

To review the draft, please click here

Other News

Rising homelessness and rents

Homelessness is the most acute symptom of a broader housing crisis. The NSW Government must make housing supply central to their plans moving forward. The recent State Budget's renewed focus on supply was welcomed, but as stories like this reveal, programs and policies must be up and running ASAP.

Read the story on homelessness in our regions here.

Victoria's Windfall Gain Tax

The Victorian Government announced the Windful Gain Tax last year. The WGT will be a new tax triggered when there is an uplift of more than \$100,000 in the value of land due to a rezoning. This is a worrying development in Victoria will have negative impact on investment of new projects causing a lack of supply going forward.

Such taxes are ill-conceived – they stop supply, don't raise much taxation and put upward pressure on the price of housing.

To read more coverage on the issue, click here

Members News

URBAN TASKFORCE MEMBER NEWS

Hailiang Property Group Australia's One Sydney Park development was recently highlighted as one of six developments in Australia which championed green and open projects, "blurring the boundary between built form and the park landscape".... read more...

The Urban Developer, Aug 4

Deicorp was behind the \$132 million redevelopment of the Petersham RSL which marks a significant point in the club's history and will vastly improve the customer experience... read more ...

The Daily Telegraph, Aug 8



Crown Group Chairman and Chief Executive Iwan Sunito launches new property company, One Global Residences and Resorts.... <u>read more</u> ..

The Urban Developer, Aug 10

Harry Triguboff has called on the Reserve Bank of Australia not to further increase interest rates saying rate hikes have done nothing to reduce America's rampaging inflation rate... <u>read more</u>

The Australian, August 10

Hyecorp lodges plans for St Leonard's South precinct to build three residential towers up to 19 storeys in one of Sydney's hottest precincts....<u>read more</u>...

The Urban Developer, August 10

Mirvac boosts apartments pipeline as migration picks up again.... <u>read more</u> ...

AFR, August

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Phone (02) 9238 3955

Email admin@urbantaskforce.com.au
Web urbantaskforce.com.au

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