



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

**24 JUNE 2022**

**Urban Taskforce welcomes the NSW State Budget's focus on Housing Supply**



The Urban Taskforce this week welcomed the NSW Government's focus on housing supply.

The Budget will see the Government putting its money where its mouth is by allocating an extra \$89 million to speed up planning assessments.

This will see the recommendations of the NSW Productivity Commission finally given effect and comes after years of dragging the chain as the slowest planning system in Australia.

The record investment into the State's infrastructure assets (\$112.7 billion over the next 4 years) is critical supporting housing supply. Urban Taskforce welcomes the funding of major infrastructure projects including the commitments towards the expand Sydney's Metro Network, major funding for road upgrades, schools, hospitals, and water.

The budget also allocates \$740 million for a two-year trial of a "shared equity scheme" which could see the government fund up to 40% of the price of up to 6,000 new home buyers provided they are eligible single parents, older singles and first home buyers who are teachers, nurses or police officers.

The key to the success of this scheme will be getting it up and running ASAP. This is a massive challenge for DPE and Minister Roberts as the system has been constipated by red and green tape which has seen housing approvals and housing supply plummet well below the demand from new home buyers.

In a small step towards genuine tax reform, the NSW Budget has opened the door to Stamp Duty Reform with a "Stamp Duty Choice" option. (See article below.)

This week's Budget confirms:

- \$728 million (over 4 years) to support a "Stamp Duty Choice"
- \$780 million on the new Shared Equity Scheme
- \$300 million to fund infrastructure specifically needed for new housing supply
- \$300 million for new social housing homes and upgrades as well as \$150 million to deliver 200 new and 260 upgraded homes for first Nations people
- \$89 million to speed up planning assessments
- \$70 million allocated to the Department of Planning to support additional new precinct planning.

The budget was, however, not all good news for the property sector.

The foreign investor land tax surcharge was increased to be 4% from 2% (that is, a property owned by a foreign investor will attract a surcharge of 4% of its normal land tax bill). At a time of a housing supply crisis, Urban Taskforce questions the economic logic behind increasing the tax applied to those who want to invest in NSW housing and employment.

This extra tax will hit international pension funds, superannuation funds and institutional investors. The NSW Government stands to generate far more tax from encouraging their investment through Payroll tax, GST revenue and Stamp Duty than it will ever achieve from this new revenue measure.

For those that can't get enough of the Budget details the full package of the NSW Government's 2022/2023 Budget Papers can be accessed [here](#).

DPE this week has also outlined how the relevant budget commitments will be delivered by the Department as part of its "2022 Housing Package."

Full details of the 2022 Housing Package are here [Housing Package - \(nsw.gov.au\)](#)

## **NSW Budget – stamp duty reform very good for first home buyers and even better for apartments**





# NSW Budget 2022-23

Overview



Supporting families,  
building a brighter *future*

The Budget has opened the door to stamp duty reform. This is a policy change that has been advocated by the Urban Taskforce for many years, with the benefits of the change highlighted in our 2020 report: Urban

Ideas: Tax and Development.

The stamp duty reform announced in the budget will make a significant difference to new home affordability for first home buyers.

The changes are not applicable to any first home buyer of a home valued at less than \$600,000 as they do not pay any stamp duty under the current arrangements.

Stamp duty concessions also apply to first homes valued between \$600,000 and \$800,000.

However, for homes valued above \$800,000 there are significant savings to be had.

For apartments, where the land value per apartment is significantly less than for stand-alone homes, the savings from the existing stamp duty regime are even greater.

This is because Stamp Duty is levied off the value of the transaction (the total sale price of the land plus the building). The proposed land tax is calculated on the value of the land only.

The Government has also dedicated significant resources to improving the spend of the planning system and increasing the number of approvals to drive up supply. This is the key to ensuring that these stamp duty savings do not simply end up pushing the price of the limited available stock up even further.

	Property Value (total price of sale)	Land Value	Stamp Duty	Land Tax (annual payment)*
<b>New house and land</b>	\$800,000	\$425,000	\$31,090	\$1,675
<b>Apartment</b>	\$800,000	\$150,000	\$31,090	\$850
<b>New house and land</b>	\$900,000	\$475,000	\$35,590	\$1,825
<b>Apartment</b>	\$900,000	\$180,000	\$35,590	\$940
<b>New house and land</b>	\$1,000,000	\$550,000	\$40,090	\$2,050
<b>Apartment</b>	\$1,000,000	\$240,000	\$40,090	\$1,120

\*\$400 + 0.3% of the **land value** – payable annually and available to first home buyers for homes or apartments valued at less than \$1.5 million

In announcing the changes, the Government has quietly removed the requirement that once you have chosen to go with the land tax option, the house is permanently locked into land tax. This was to undermine the scare campaign they (rightly so) predicted would come from the NSW Opposition. The Urban Taskforce is disappointed by the NSW Opposition's lack of support of the initiative.

The announced change is a foot in the door to stamp duty reform – but for it to become genuine reform, the Commonwealth will need to assist in the transition.

[Click here](#) the read about the stamp duty reforms as explained by NSW Treasury.

## NSW Opposition's Budget in Reply



NSW Opposition Leader, Chris Minns, prepares his Budget in Reply speech. Image: LinkedIn

Thursday saw the NSW Opposition Leader, Chris Minns, deliver the Budget in Reply speech.

Key points of the NSW Opposition's commitments outlined in the speech are:

- Increase local content on government procurement (particularly rail, ferries and steel for roads and buildings) and establish a new "Jobs First Commission"
- Introduce legislation that requires the approval of both houses of parliament if any asset is to be privatised
- Keep the Sydney Harbour tunnel and bridge in NSW Government hands
- Reduce tolls on toll roads
- Abolish the Transport Asset Holdings Enterprise (TAHE)
- Build 100 pre-schools in the first 4-year term
- All new primary schools to include the construction of a co-located pre school
- Public sector wage cap to be removed and wages linked to improved productivity
- Opposing the introduction of the new land tax and not supporting stamp duty reform

The full Budget in Reply speech can be accessed [here](#)

## **Brisbane Council boldly moves to address housing supply**





Brisbane Council is expanding the residential footprint within the City - looking at commercial and/or light industrial areas to meet the demand for new homes.

As part of Brisbane Council's budget this week, Lord Mayor Adrian Schrinner announced a new urban renewal program to transform vacant and disused commercial or industrial areas into high density residential areas.

In announcing the program, the Lord Mayor stated:

*The Council's Suburban Renewal Precincts – is aimed at meeting the demand for new homes sooner...*

*It's about identifying new areas that can be unlocked to create vibrant new residential and mixed-use communities.*

*As part of this initiative, we will look at expanding the residential footprint of Brisbane into areas that may have previously had a commercial or light industry use.*

*This approach has previously seen inner-city industrial areas such as South Brisbane, Woolloongabba, Newstead and Teneriffe transformed into some of the most sought-after places to live in Brisbane.*

We're now going to take this proven model to other parts of Brisbane.

The Lord Mayor's announcement aligns with the focus on housing supply and affordability in the Queensland State Budget where \$200 million was allocated to build infrastructure to unlock housing supply.

In NSW, the Planning and Housing Minister, Minister Roberts, in Parliament this week stated the Government has shown its commitment in boosting housing supply and now it needed others to come to the party:

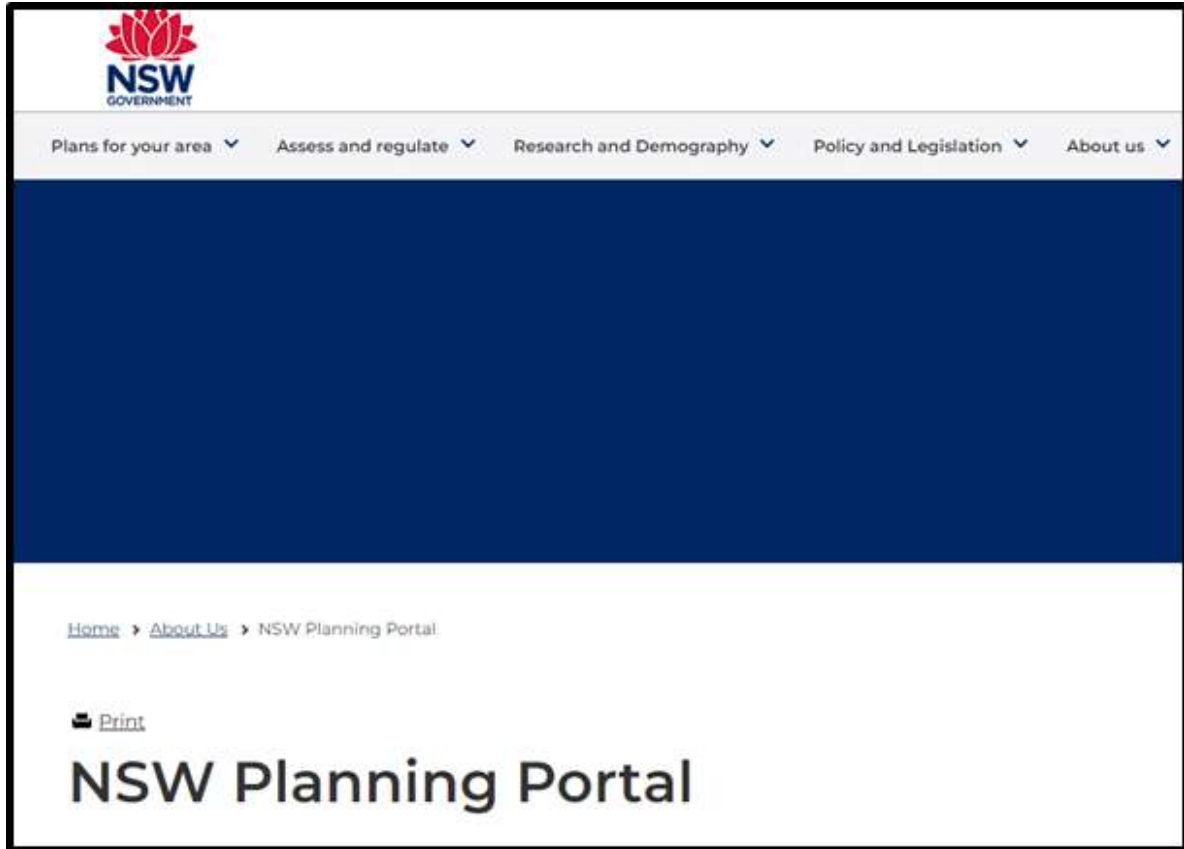
"We are pulling all the levers available to us in this Government. If we are going to make owning a home more achievable, all levels of government, industry and community need to work together to address supply, affordability and diversity across the State."

The NSW budget backs the rhetoric. Industry accepts the challenge to deliver more homes. NSW Councils could all look to Brisbane as a bold and responsive way to address the housing crisis. The model has been proven – now it's time for delivery.

[Click here](#) to read more about Brisbane Lord Mayor, Adrian Schrinner's urban renewal program.

[Click here](#) to read Minister Roberts full comments in Parliament this week.

## **NSW Auditor-General criticises DPE's Planning Portal**



The Auditor-General's review of the Department of Planning and Environment's rollout of the Planning Portal has found that the project ran over time and over budget with the benefits of the project being overestimated.

Key points coming out of the review include:

- 10 years taken to implement the portal when completed
- 3 years longer than initially planned to implement the portal
- \$146m capital expenditure on the portal when completed
- \$38.5m more spent than planned in the business cases.
- The report acknowledges that "implementation of the portal has delivered financial benefits" but the Department overestimated their value.

The Auditor-General has recommended that by December 2022, DPE should:

- Publish a roadmap of the services it expects to release on the portal across 2022 and 2023
- Update its ePlanning program assumptions, benefits targets and change management approach to reflect the government's decision to mandate the use of the portal for all stages of a development application
- Independently assure and report publicly the correct calculation of ePlanning program benefits.

The Auditor- General's report can be viewed [here](#).

## Lang Walker Medical Research Centre gets SSD approval



Image: Australian Constructors Association

The \$47.5 million Lang Walker Medical Research Building – Macarthur has received state significant development approval.

The five-storey medical research facility joins the redevelopment of Campbelltown Hospital and Campbelltown Health and Education precinct.

Walker Corporation executive chairman Lang Walker said he was proud of his company's donation of over \$20 million to establish the new research facility.

*"What an exciting milestone in our visionary collaboration with our research partners and Western Sydney University as we get the shovels ready to turn the first sod on this facility and ultimately deliver vital health solutions to families in Southwestern Sydney,"* Mr Walker said.

Construction is expected to commence in the fourth quarter of this year. Completion is scheduled in 2024.

Click [here](#) to read more about the substantial Walker Corporation donation to the facility.

## Council Watch



### IPART approves rate rises above the rate peg for 86 Councils

The one issue that the property development industry and councils shared for a long time is that rate pegging has damaged the financial viability of local councils. The pegging of rates has forced many Councils to cost shift onto developers and this has flowed onto the cost of new homes.

IPART has finally recognised this problem and has approved applications by eighty-six NSW councils to increase their rates above the level of the annual rate peg.

The increases for councils are between 1.6% and 2.5% including the rate peg. This year the rate peg was set at a minimum of 0.7%, with increases allowed in councils with growing populations.

Click here to see the full list of councils approved to increase rates above the rate peg: [Additional Special Variation \(ASV\) for 2022-23 | IPART \(nsw.gov.au\)](#)



## Other News

### Commonwealth Infrastructure Priority List Updated

The [Infrastructure Priority List](#) is developed by Infrastructure Australia to guide Government decision making on “key investment opportunities for Australia's cities and regions that should be further developed over the next 15 years”.

A June 2022 update to the Priority List has been provided with additions to the [Infrastructure Priority List. NSW additions to the list](#) include the progression of Circular Quay Renewal and “Early-Stage investigations for Greater Parramatta and Olympic Peninsula transport connectivity”.

The existing proposals on the List, can be viewed [here](#).

THIS  
WEEK...

### ICAC commissioners

The Premier, Dominic Perrottet, has notified the Parliamentary Committee of the proposed appointment of a new Chief Commissioner and Commissioners of the Independent Commission Against Corruption (ICAC).

Former District Court Judge and NSW Attorney General the Honourable John Hatzistergos AM is proposed to be appointed as the new ICAC Chief Commissioner, subject to the concurrence of the Committee.

The Honourable Helen Murrell SC, recently retired Chief Justice of the Supreme Court of the ACT, and the Honourable Paul Lakatos SC, District Court Judge and President of the Mental Health Review Tribunal, are proposed to be appointed as ICAC Commissioners.

The proposed appointments fill the roles to be vacated by current Chief Commissioner Honourable Peter Hall QC, and Commissioners Patricia McDonald SC and Stephen Rushton SC who are nearing the end of their terms.

### Budget funding for Remediation of White Bay Power Station

The NSW Government's 2022-23 Budget has committed \$49 million remediation to complete the complete the remediation of the White Bay Power Station site.

The draft Bays West Stage One master plan outlines the vision for the precinct, which includes a restored White Bay Power Station.

The remediation of the site will remove lead and asbestos to make the building safe for future use. The remediation works are expected to take around two years to complete. In the meantime, the Placemaking NSW board will consult stakeholders and advise Government on potential future uses for the site.

[Click Here](#) to read the Government Media Release.

## Cemeteries & Crematoria NSW's proposed Interment Industry Scheme

Cemeteries & Crematoria NSW's draft Scheme is open for public comment until **31 July 2022**.

Under the proposed Scheme the Government proposes to introduce licences for the interment industry.

Further details and how to make a submission can be accessed [here](#).

## Special Entertainment Precincts

The NSW Government has introduced special entertainment precincts to "provide a different way for councils to manage amplified noise from licensed premises."

DPE is proposing a change to the Inner West's Local Environmental Plan (LEP) to enable a 3-month trial special entertainment precinct on a section of Enmore Road.

The Department is seeking feedback on a proposed State Environmental Planning Policy to amend the Inner West LEP to:

- Establish the temporary Inner West Special Entertainment Precinct
- Map the precinct boundaries and venues included
- Operate from 1 September to 30 November 2022, after which time the measure will cease to have effect.

The NSW Government will use findings from the trial to finalise draft Guidelines to help establish and operate a special entertainment precinct.

Exhibition documents include:

- [Explanation of Intended Effect](#) including map
- [Frequently asked questions](#)

Submission on the amendment or the proposed Inner West Special Entertainment Precinct can be made until **5pm, 8 July 2022**.

## Jim Betts appointment to Secretary of the Commonwealth Department of Infrastructure

In a surprise to the development and construction industry, and certainly to NSW Premier Dominic Perrottet who sacked Jim Betts from his role as Secretary of Premier and Cabinet on his first day, Jim Betts has been appointed as Secretary of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Click [here](#) to read the full list of Commonwealth Secretaries and their Departments with effect from July 2022.

## UTF In the Media

### NSW Budget 2022: 'More Than Bricks and Steel'

“While the property sector (and almost all economists) would prefer to see a wider application of the choice between stamp duty payments up front and a much lower level of annual land tax, we appreciate that without some Commonwealth support during the transition this is difficult for states to fund,” Urban Taskforce chief executive Tom Forrest said.

“Providing this choice for first home buyers represents a good start and is an important step towards real and positive reform.”

*The Urban Developer June*

21 2022

**Urban Taskforce CEO, Tom Forrest, appeared on or was widely quoted pre and post budget on:**

- Channel 7 news
- Many syndicated radio networks

## Members News

# URBAN TASKFORCE MEMBER NEWS

Sydney-based investment house, **Princeton** says that it has commenced building two Sydney residential projects in Botany and Blakehurst, worth a combined value of \$73 million ... [read more ...](#)

*Architecture and Design 17th June 2022*

**Meriton's** Ocean and Pacific feature in Gold Coast development: Full list of every high-rise tower under construction, planned or approved ... [read more ...](#)

*The Mercury 17th June 2022*

**Woolworths** lodges application for a “Best-in-Class” supermarket in Neutral Bay ... [read more ...](#)

*Broadsheet 20th June 2022*

Getting real: Darren Steinberg takes **Dexus** through the cycle ... [read more ...](#)

*The Australian 22nd June 2022*

**Walker Corporation** executive chairman Lang Walker said 4 Parramatta Square's state of the art environmental features were carefully designed and delivered to make a big impact on reducing carbon emissions ... [read more ...](#)

*The Fifth Estate 23rd June 2022*

**Traders in Purple's** Northsea features in the affordable housing crisis and a case for mixed tenure developments ... [read more](#)

*Architecture and Design 23rd June 2022...*



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