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

21 SEPTEMBER 2022

Urban Taskforce Property Industry Challenges Ahead Conference 2022

Conference photos taken under the purple hue of the heritage ballroom of the Fullerton Hotel

The Urban Taskforce Property Industry Challenges Ahead Conference 2022 conference was a tremendous success.

The Conference was opened by the Hon. Victor Dominello, Minister for Fair Trading, Minister for Customer Service and Digital Government, and Minister for Small Business.

Minister Dominello was impressive and showed that he is far from having “clocked – off” sharing with the conference attendees his on-going work to do in the Digital services space as well as building regulation.

The first two sessions were hosted by former Urban Taskforce CEO and NSW Government Architect Chris Johnson. The sessions comprised:

- AFFORDABLE HOUSING – can the Commonwealth and States work better, together?
- BUILD TO RENT CHALLENGES – what’s working and needs to happen to make it work better in Greater Sydney?

Consistent with Urban Taskforce calls for more housing supply in all sectors, the first session set up the economic framework with a detailed examination of the need for the supply of all types of housing with a presentation by Richard Gibbs of Urbis. The new CEO of Land and Housing Corporation, Simon Newport, was impressive in presenting the Corporation’s willingness and success in working with the private sector development community and certainly showed that they are a ready and willing partner in this space going forward.

The focus on Build to Rent (BtR), the stories of success and the need for some relaxation of both Commonwealth and State taxes to place BtR on an equal footing to other commercial property investments was the focus of the presentations by Amanda Buckley, General Manager of BtR at Mirvac, and Ian Lyon, Vice President and Head of Development across the Asia Pacific for Oxford Properties. As an international

institutional player, Ian also highlighted the withholding tax penalties imposed on foreign investors which mitigate against strong growth in this field.

The final session featured the NSW Building Commissioner, David Chandler. No-one who attended the conference left under any misapprehension, David Chandler is back!

David Chandler's address focussed on the success of the Occupation Certificate audit program. A new initiative, Project Intervene, will also look at legacy projects which have been completed over the past 6 years. David's presentation also covered the growing number of companies that have now attained an iCIRT rating from Equifax; the progress and roll out of Project Remediate (removal of flammable cladding); the plan for finalisation of the NSW Government's position on DLI (10 year defect liability insurance) in coming months and the need to restore greater trust and discretion among PCAs.

Following the formal presentations, Urban Taskforce CEO, Tom Forrest, hosted a lively discussion with panellists:

- David Chandler - NSW Building Commissioner
- Tanya O'Brien – Director Project Remediate (Flammable Cladding) Office of the Building Commissioner
- Brad Walters – Head of Product & Rating Services, Equifax
- David Milton – Managing Director, Residential Projects, CBRE
- Cory Nugent – Senior Operations Manager, Insurance Council of Australia
- Jill Brookfield - CEO, Association of Australian Certifiers

Tom electronically fielded questions from the floor via QR code to facilitate the audience's input into the discussion on rules, regulation, and changes to building construction in NSW.

Urban Taskforce would like to extend a special thanks to Chris Johnson, principle sponsor Arc Energy and Fred Faker, as well as sponsor Fouad Deiri of Deicorp.

Click here to access a selection of images taken at the conference.

Boston Consulting have prepared a short video on the event - Click Here

Walker Executive Chairman and founder, Lang Walker AO, is the 2022 Urban Taskforce Australia Property Person of the Year

UTA 2022 Property Person of the Year: Lang Walker AO. Image: Walker

The 2022 Urban Taskforce Property Person of the Year is Lang Walker AO, Executive Chairman and founder of Walker.

Lang Walker is recognised nationally as a leader of the Australian Property industry, with a career spanning over 50 years, with success in every area of property development.

Walker is particularly known for delivering the award-winning Parramatta Square and Collins Square - setting new standards in premium commercial office space. They have also been successful in delivering outstanding results in greenfield house and land development, retail complexes, industrial estates (including the award-winning Vicinity Estate in Nth Adelaide), and exclusive resorts.

Lang Walker has been a leader across the spectrum, delivering quality workplaces and homes, with landmark placemaking amenity for tens of thousands of Australian families.

Reflecting the longevity, quality and diversity of Lang Walker's leadership in the Property Development sector, 2022 is the second time he has won this prestigious award, having also been the Property Person of the Year in 2004.

Over the past 19 years, the Urban Taskforce Australia Property Person of the year event has raised more than $5 million for two charities, recognising champions in our industry while giving back to the community.

This year's Property Person of the Year award will be presented to Lang Walker at a celebratory fundraising charity dinner.

SAVE THE DATE: The 2022 Property Person of the Year charity fundraising dinner will be held on 1st December 2022. Interested readers and industry representatives are encouraged to save the date, for a great night out and an opportunity to raise funds for two important charities: the Warrah Society which offers quality support for adults and children with disability in Sydney's North-West; and St Vincent's Prostate Cancer Centre.

The media is 100% is focussed on housing supply and affordability … it's time for action from the Department of Planning and the NSW Government

11/9/22 – ABC News - Greater Western Sydney 'disproportionately' impacted by housing and rental stress	17/9/22 - The Illawarra Mercury (Pg 27) – Renters shell out a record amount
12/9/22 – Sydney Morning Herald online – Housing fix? Supply?	17/9/22 – Brisbane Times - Limited new housing supply was also a factor, as was the pandemic-era flight to lifestyle regions, and to more affordable regions when prices soared.
12/9/22 – ABC Broadcast – Part of Australia's housing affordability problem is a mismatch between need and supply.	17/9/22 – The Sydney Morning Herald (Pg 19) – Population growth, employment opportunities, limited housing supply and record low interest rates have fueled price growth over the decade.
13/9/22 – Ch9 (The today show) – *"So we're really feeling the brunt of a lack of housing supply for renters"*	18/9/22 – AFR – As developers and builders, we're being hit by the rising construction cost and finance at a time when home values are falling, which makes it tough to get pre-sales. Most developers are reliant on pre-sales and if they're not going to get those pre-sales, they won't get the finance to build, which would eventually lead to less housing supply coming into the market.
13/9/22 – News.com.au – Tenants to pay even more: *"Vacancies at near record lows point to further rent hikes in months ahead. Close to a quarter more rent than last year as the supply of available rental housing sinks to near record lows."*	18/9/22 – Herald Sun - Developers lodge plans to continue St Leonards residential boom, building nine homes on vacant block/ *Developers also argued the need for a boost in housing supply for the area.*
14/9/22 – The Sydney Morning Herald - NIMBYs make housing unaffordable: Grattan Institute	19/9/22 – The Sydney Morning Herald - *"There's probably two priority areas from our perspective. The first is developing a longer-term plan that contemplates our growing population to ensure that housing supply keeps pace with that growth,"*
14/9/22 – Grattan Institute - Imply that there is a natural 'speed limit' on development independent of external constraints on housing supply.	19/9/22 – The Sydney Morning Herald - poor strategic planning for growth contributing to lack of housing supply, inflation and the resulting interest rate increases, and subsequent construction costs increases.
15/9/2022 – 702 ABC Sydney - Inability to provide housing supply and diversity to accommodate the state's surging population.	19/9/22 – Herald Sun- "Conversely, the supply of housing would be lower than expected if construction turns out to be constrained in some way. These factors would all lead to stronger demand, or weaker supply, for housing and so housing prices
15/9/22 – SMH (Page 25) – Perrottet's dream faces gazumping.	19/9/22 – The Mercury - There's talk of unlocking land supply and fast-tracking social housing and build-to-rent projects.
16/9/22 – ABC 1 Sydney - Federal government has set up a housing supply and affordability council.	19/9/22 – AFR - The need for affordable homes has never been greater. At the same time, the institutional interest in Australian housing has never been stronger.
16/9/22 – The Mercury - "We will introduce a National Housing Supply and Affordability Council to ensure the Commonwealth plays a leadership role in increasing housing supply and improving housing affordability."	20/9/22 – 702 ABC Sydney - Interest rates can have a larger effect on housing prices in locations where housing supply is either less flexible mortgage debt is higher.
17/9/22 - The Illawarra Mercury (Pg 27) – A lack of Housing Supply in the regions, and an increased number of city workers working remotely, meant that demand for rental stock was unlikely to significantly increase.	20/9/22 – The Mercury (Pg 12) – The Government's commitment to addressing the housing crisis has clearly taken a back seat.
17/9/22 – The Sydney Morning Herald (Pg 19) – population growth, employment opportunities, limited housing supply and record low interest rates have fueled price growth over the decade.	20/9/22 – The Australian Financial Review (Pg 35 & 36) – Super's doubts on affordable housing push
17/9/22 – Brisbane Times - Limited new housing supply [in Sydney Suburbs] was also a factor, as was the pandemic-era flight to lifestyle regions, and to more affordable regions when prices soared.	21/9/22 – The AFR (Pg 30) - Urban infill building tackles climate change
17/9/22 – The Sydney Morning Herald (Pg 19) – population growth, employment opportunities, limited housing supply and record low interest rates have fueled price growth over the decade.	21/9/22 – 2SM – Housing shortage is being worsened by problems with local councils, funding and building infrastructure gaps in the delivery of enabling infrastructure by state and local government says holding up 3 quarters of the supply of new lots.

In a week that has been dominated by the passing of Queen Elizabeth II and footy finals across the codes, the housing affordability crisis in Australia continues to dominate the news and many other forms of media.

Report after report, research papers, TV and radio stories continue to highlight the housing supply crisis that engulfs Sydney, NSW and much of Australia.

The 2022 Demographia International Housing Affordability report, released last week, saw Sydney moving from third worst in 2021 in terms of housing affordability, to second worst in 2022.

"Sydney has the least affordable market, with a median multiple of 15.3, the second least affordable market internationally (ranking 91st in affordability out of 92 markets)". No market except for Hong Kong has reached this level of unaffordability in the 18 years states the Demographia report.

The report also notes the links between unaffordability and regulation, which is yet another shameful indictment on the NSW Planning system and Government policy.

"NIMBYs make housing unaffordable: Grattan Institute" was the headline in an SMH article published last week.

The article went on to say:

"NIMBY campaigns have helped drive up house prices and rents, a leading economist has argued, as younger Australians are shut out of the market by opposition to high-density developments."

The Grattan Institute's Director of Economic Policy, Brendan Coates appeared to have been reading Urban Taskforce commentary and literature.

In a speech entitled "The Great Australian Nightmare", Coates called out the impact of NIMBYism and concluded:

"Either people accept greater density in their suburb, or their children will not be able to buy a home."

For years the Urban Taskforce has called out the NSW Planning System for repeatedly giving a voice to NIMBYs who, by consistently opposing change to their local area, thwart opportunities for new supply to drive down the cost of new homes.

Finally, the media have joined the Urban Taskforce calls for a faster, more efficient planning system which balances local interests against the broader benefits of housing supply.

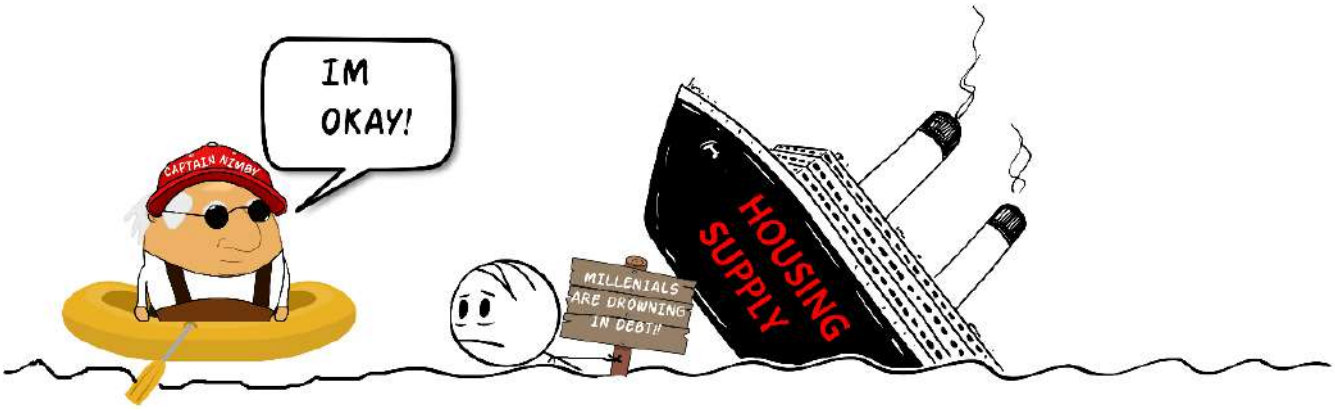
While the Grattan Institute and some others in the advocacy space have been a little slow in coming to the party, Urban Taskforce applauds the increasingly frank and honest assessment of the housing crisis.

The clear and increasingly louder message to Government is that the NSW Planning System requires root level reform.

To read the Demographia Report on Sydney being the second worst city in the word in terms of affordability, Click here

Click here to read the SMH story covering the Grattan Institute speech. Please note, this article may be covered by a pay wall.

How institutionalised Nimbyism and a lack of Leadership is Killing Housing Supply and Affordability



There is no doubt that every analyst, every commentator now acknowledges that the is a housing supply and housing affordability crisis.

So why is the NSW planning system so slow to respond, so slow to adapt?

Part of the problem is a failure of leadership. Part of the problem is caused by denial, and part of the problem is caused by pure delusion.

Leadership

The failure in leadership has been driven by myopic politics. Any marginal electorate political campaign strategist will tell you that the easiest campaign to mount against any government is to oppose change and oppose increases to housing density.

The NIMBY phenomenon is real, and it has political bite. The only solution to this is strong political and public service leadership. The economic benefits derived to the state from population growth are critical if we are to pay for the quality of services that our ageing population expects and deserves.

We are now in a competition with other western nations for skilled immigrants. The enormous cost of housing and lack of supply is not helping us with our quest to attract them to Greater Sydney. Generally, it is the Treasurer that seeks to boost the economy and reduce regulation to generate growth and taxation revenue which pays for our teachers, nurses, aged care, childcare, bus drivers and (dare I say) even train drivers!

It is a complicated task to explain to people that we need increased density, increased height, changes to the character of the suburbs. Change is uncomfortable and is much easier to oppose it. But the political leadership that saw Paul Keating and Bob Hawke fundamentally modernise the Australian Economy; the leadership that saw John Howard introduce the GST; the leadership that saw Mike Baird privatise electricity and use the proceeds to transform the transport system with the introduction of Metro Trains and new lines – these were all “hard sells” and the leadership prevailed and we are all better off for it.

Under the Premiership of Gladys Berejiklian, the was no leadership on housing supply. Rob Stokes, as the Minister for Planning ran approvals into the ground. It may be good short-term politics to promise every citizen a “big backyard” but that dream is both impractical and counterproductive. We now have a housing supply crisis. Domenic Perrottet and Minister Roberts have begun the process of turning the culture of the planning system around with a much-needed renewed focus on housing supply – but there is a long way to go and without bold steps, it seems unlikely that supply will come before the wave of migrants and students return.

Denial

The NSW Department of Planning and Environment has two entire units that produce data on the performance of the planning system. The Urban Development Program allows you to review the performance of each Council, or “City” and Region close to real time on housing approvals and completions.

The e-Planning portal also gives details on approvals and timeframes. Ultimately however, the measure of performance is the actual completion of new housing supply. It is no good blaming developers for not progressing with the development of land where approvals have been granted or rezonings have been approved. If it is not feasible to develop that property, because of the delays, risk, fees, taxes, charges, interest rate changes, changes in demand, rising cost of construction or the slowness of the delivery of critical infrastructure, then the banks will not finance the development. You can’t require people to lose money.

The erstwhile Secretary of DPIE famously denied the existence of a housing supply crisis. His employment in the Public Service was terminated by Domenic Perrottet. Until there is a fulsome embrace of the size of the problem, and commensurate action taken to address the problem, there will continue to be a crisis.

Delusion

The Planning System in NSW requires cultural change and that starts with an open recognition of the problem. The EP&A Act is a dog’s breakfast. It is everything to everyone – but nothing for anyone. The Act is complicated, involves duplication of process, particularly where is deals with public consultation and exhibition, allows multiple opportunities for consideration of organised objections and manifestly fails to deliver sufficient housing supply.

The Objects of the Act reflect a desire to legislate for utopia. The Objects are:

1.3 Objects of Act

- *(a) to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources,*
- *(b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,*
- *(c) to promote the orderly and economic use and development of land,*
- *(d) to promote the delivery and maintenance of affordable housing,*
- *(e) to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,*
- *(f) to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),*
- *(g) to promote good design and amenity of the built environment,*
- *(h) to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,*
- *(i) to promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the State,*
- *(j) to provide increased opportunity for community participation in environmental planning and assessment.*

The entire approach to NSW planning requires a shake-up. Far from being the envy of the world, this week's review of media reporting on housing supply shows that the planning system is not working. It is not successfully balancing the needs and desires of the community today with the needs and desires of the economy or community of tomorrow. There is no strong voice for the future built into decision making. That is how we got to the crisis we now face. Housing approvals fell in 2019 and have stayed low. Housing supply is in crisis in 2021 and 2022.

To deal with the crisis, all players in the NSW planning system must start by acknowledging that the system, the Act, the players, are not delivering.

Other News

3D digital mapping for subdivision and strata plans now available through the NSW Planning Portal

Department of Customer Service's (DCS) Spatial Services team has now enabled 3D digital mapping for subdivision and strata plans through the NSW Planning Portal.

For more information Click here.

REMINDER: Double demerits apply for National Day of Mourning for Her Majesty the Queen

The double demerit period for speeding, mobile phone, seat belt and helmet offences will be in effect from Wednesday 21 September for 5 days.

Council Watch

Northern Beaches Conservation Zones Review

Northern Beaches Council is reviewing conservation zones across the LGA and identifying a standardised approach for these zones for inclusion in the new Northern Beaches LEP.

Known as the "C Zones Review" the draft report sets out criteria for land areas to be included in, or excluded from, the

C2, C3 and C4 zones and proposes permissibility of different types of development for each zone.

Development on the Northern Beaches is STILL regulated by four LEPs and associated Development Control Plans (DCPs) across the three former local government areas of Pittwater, Warringah and Manly. All Greater Sydney Councils were required to have harmonised and/or updated their LEPs **by July 2021.** The Northern Beaches Council has thus far progressed its new LEP by producing … a discussion paper…

Submissions to the C Zones Review close **30th October 2022.**

More information, including an online search tool to identify how land may be impacted, can be accessed here: https://yoursay.northernbeaches.nsw.gov.au/planning-ezones

The City of Sydney Survey on Changing Business trends

The City of Sydney is encouraging businesses in the LGA to take part in a survey that to provide insights into how the city has changed in the wake of the COVID pandemic.

The City reports that 25 surveyors will spend six months visiting more than 8,000 buildings for the City's latest floor space and employment survey, which takes place every five years. Once complete, the survey results will provide information on the scale of Sydney's most important industries as well as the number of jobs and workers in the city.

The results of the 2022 floor space and employment survey are expected to be available in mid 2023.

Additional information on the survey can be found here.

Urban Taskforce in the news

Sydney property prices: Albanese's constituents are prolonging their property privilege, council demergers (afr.com)
September 19, 2022

Urban Taskforce is holding Councils to account and our analysis of performance is now used by the AFR as the benchmark on performance.

"Inner West council isn't among the most recalcitrant but is likely to miss its 2026 target of 5000 new homes by 1640, according to Urban Taskforce, a developers' lobby group."

Click here to read the full article. Please note, this article may be protected by a pay wall

NSW commissioner's new plan for builders – The Sound Telegraph, 19 September 2022
September 19, 2022

David Chandler told property developers at an Urban Taskforce Australia conference on Friday he will start providing the images to rated builders next week.

"I will provide them now the full deck of photos that I take on a project where a builder has gone belly up in any particular week," he said.

Click here to read the full article

Members News

URBAN TASKFORCE MEMBER NEWS

Please note, some of the links noted in the following text may be protected by a Paywall.

Mirvac *set to commence demolition for the an iconic redevelopment of Harbourside at Darling Harbour in January … Read more …- Australian Financial Review, 16th September*

MHNDU *designs a four-level luxury building containing 10 apartments at Maroubra … Read more … - Urban.com.au, 15th September*

Turner *wins a Good Design Award for designing the Col James Student Accommodation in Redfern, for clients Aboriginal Housing Company,* ***Deicorp*** *and Scape … Read more*... - Australian Financial Review, 19th September

DKO *design a new development that will ultimately be their Collingwood studio … Read more - Architecture and Design, 16th September*

Darren Steinberg, CEO of ***Dexus****, talks about the office based workplace benefits of "culture, collaboration and innovation"… Read more … - Australian Financial Review, 19th September*

"What penthouse buyers are looking for in today's market; a look into AURA by ***Aqualand's*** *penthouse collection" … Read more …- Urban.com.au, 19th September*

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