

Resolution of Council

22 September 2025

Item 13.5

Motion to Local Government NSW Annual Conference - Affordable Housing Contributions Schemes Across All NSW Councils

Moved by Councillor Maxwell, seconded by the Chair (the Lord Mayor) –

It is resolved that:

(A) Council note:

- (i) the Local Government NSW Conference will be held in Penrith in November 2025;
- (ii) in February 2025, the City of Sydney Council unanimously supported a motion, which was endorsed and submitted to the Australian Local Government Association National General Assembly (ALGA NGA), calling on all Australian councils to fund and implement an Affordable Housing Contributions Scheme. The motion was narrowly defeated;
- (iii) the City of Sydney has been collecting Affordable Housing contributions since 1995, beginning in Ultimo and Pyrmont, then Green Square, and extended across the entire Local Government Area in 2021. Under the City's program, most Development Applications require a contribution of 3% of residential floor area and 1% of non-residential or commercial floor area. The City was the first council to introduce an area-wide scheme and remains the only one to apply levies to both residential and commercial development;
- (iv) affordable housing outcomes are also secured through planning agreements, either through the delivery of housing or monetary contributions;
- (v) in December 2024, Council resolved to exhibit proposed changes to the scheme. These include: a standard 20% contribution for new residential floor space on rezoned sites (replacing the current 12 to 21% rate); a 2% contribution for new non-residential floor space in the city centre; retention of the existing 3% and 1% rates across the Local Government Area; and phased increases to monetary contributions over 4 years to reflect actual housing construction costs; and

- (vi) the City of Sydney, with the support of the Lord Mayor, Chief Executive Officer, Councillors and City staff, has been actively pursuing solutions to increase housing supply. The City has strongly advocated to both the NSW and Federal Governments to collaborate in delivering housing solutions; and
- (B) Council endorse the submission of the following motion to the 2025 Local Government NSW Annual Conference:

That Local Government NSW calls on the NSW Government to encourage and fund NSW councils to implement Affordable Housing Contributions Schemes to ensure councils can better contribute to tackling the national housing crisis.

Carried unanimously.

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