

Relevant Information for Council

FILE: X117267 **DATE:** 19 February 2026

TO: Lord Mayor and Councillors

FROM: Graham Jahn AM, Chief Planner / Executive Director City Planning, Development and Transport

SUBJECT: Information Relevant To Item 9.4 – Public Exhibition - Planning Proposal - 41-49 Mountain Street, Ultimo - Sydney Local Environmental Plan 2012 and Sydney Development Control Plan 2012 Amendment

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

To provide Council with additional information regarding affordable housing relating to the subject planning proposal.

Background

At the meeting of the Transport, Heritage and Planning Committee (and associated Public Forum) on 16 February 2026, further information was sought about the management of the affordable housing to be delivered on the site and the apportionment of moderate, low and very low income households.

Management of affordable housing

The proponent has agreed to enter into a Voluntary Planning Agreement (VPA) to deliver affordable housing in-kind and on-site as part of the planning proposal. The affordable housing will be operated for the long term 'in perpetuity'.

The number of affordable housing units to be delivered will meet the draft Affordable Housing Program (the Program) requirements, being 20% of the new floor space consisting of 17% of the gross floor area above the permissible 2:1 maximum floor space ratio and 3% of the gross floor area of the total development. This is more than would be delivered under the current Program which seeks 12% consisting of 9% of the gross floor area above permissible controls in this area and 3% of the gross floor area of the total development.

The affordable housing is expected to be owned by an entity of the proponent but will be required to be managed by a registered Community Housing Provider and rented at 30% of household income.

Mix of households

The proponent has committed to at least 50% of affordable housing units for moderate income households, no less than 5% dedicated to very low income households and the balance allocated to low income households. This mix could be 5% very low, 45% low and 50% moderate incomes

The mix offered by the proponent seeks to balance the need for a mix of households with an amount of affordable housing consistent with the draft Program.

The details of the Voluntary Planning Agreement are still to be determined by the City as part of the planning proposal process, with the recommendation for the Chief Executive Officer to have delegation to negotiate the agreement.

Draft program

Council's exhibited new draft Program seeks a mix of very low, low and moderate income households; however, it does not require the specific mix of households income levels.

The current outgoing program requires a specific mix of very low and low income households where more than 10 dwellings are being provided, 25% of them would need to be allocated to very low-income, 25% to low income and 50% to moderate income households. This threshold of more than 10 dwellings would not have been reached if the proponent relied on the current 9% contribution rate of that plan instead of offering 17%. The City considers this appropriate given the offer of affordable housing is greater than required.

The draft Program is to be reported back to Council for finalisation after consideration of issues raised in the public exhibition.

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Approved



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Chief Planner / Executive Director City
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