



Thursday, 11 January 2024

The Honourable Richard Marles MP
Deputy Prime Minister
Minister for Defence
by email to richard.marles.mp@aph.gov.au

Dear Deputy Prime Minister,

The Commonwealth and NSW State Governments have committed to ambitious reforms to improve housing affordability, including the National Cabinet target of 1.2 million new homes over five years from July 2024. As a pro-housing density group, Sydney YIMBY is eager to support your government to deliver on this agenda. In turn, we wish to draw your attention to an opportunity for your Department to assist.

We welcome the Prime Minister's statement last week that the seat of Grayndler was "ripe for higher-density housing". A major barrier to state governments and community housing providers building more public and social housing is a shortage of available land. This impedes the provision of non-market housing, as land is the largest price component of any development.

Relevantly, Defence Australia intends to sell two hectares of land in the Prime Minister's electorate at 140A Hawthorne Parade, Haberfield (the Haberfield Army Land). This land is in one of the most expensive and least dense suburbs in the inner west, with a median price of \$2.9m, consisting of detached houses on 600-800sqm blocks.

In turn, this land will be subdivided into 900sqm lots for the construction of single storey houses, which will be sold for at least \$3m. This is because strict planning controls, imposed by Inner West Council, do not permit anything denser on the site.

These homes will not be affordable to ordinary people.

This is inconsistent with the Finance Department's own guidance on land disposals:

The sale of land suitable for housing should include affordable housing initiatives, such as inclusionary zoning, where practical. Entities should work with state, territory and local governments to encourage planning measures that will promote an appropriate proportion of affordable housing at sites where residential development is feasible.

Instead, the land should be gifted to either the Inner West Council or the NSW Government's Land and Housing Corporation to enable a medium-density social housing development, on the condition that height limits and permitted uses on the site are amended such that apartments or multi-storey townhouses are permitted.

We suggest this is a model for the disposal for other surplus Defence land, such as the Randwick Barracks and other similar parcels in capital cities.

Yours sincerely,

Justin Simon | Chair, Sydney YIMBY

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