



## Redfern-Waterloo Authority Affordable Housing Contributions Plan 2006

### Revised Contribution Rate: Effective July 1 2017 to 30 June 2018

#### Background:

Section 8 of the *Affordable Housing Contributions Plan 2006 – Redfern-Waterloo Authority Operational Area* (the Plan) establishes that the contribution rate is to be indexed annually with effect from 1 July in each year in accordance with any increase in the Building Price Index– Sydney (BPI), published in *Rawlinson’s Australian Construction Handbook* over its value on 1 July in the previous year.

The contribution rate is the estimated cost of provision of affordable housing comprising 1.25% of the total gross floor area of development in the Operational Area\*. At the time the Contribution Plan commenced the contribution rate published was \$59/square metre \*\* of gross floor area of development. This was effective from 1 July 2006.

#### The current indexed Contribution Rate:

The Contribution Rate for the period 1 July 2006 to 30 June 2017 is calculated on the following BPI’s published in *Rawlinson’s Australian Construction Handbook* for the nominated periods:

1 July 2006	BPI 169.87
1 July 2017	BPI 243.57

**Based on the above, the revised contribution rate effective for the year commencing 1 July 2017 is \$84.60/ sqm of gross floor area of development, calculated as follows:**

$CR \times BPI^2 / BPI^1 =$  indexed affordable contribution rate

$\$59 \times (243.57/169.87) = \$84.60/$  square metre

Where:

CR= contribution rate at the time the Contributions Plan commenced.

BPI<sup>1</sup>= the Building Price Index applicable at 1 July 2006.

BPI<sup>2</sup>= the Building Price Index applicable at 1 July 2017.

**The revised contribution rate of \$84.60/square metre of gross floor area of development is the contribution rate applicable for any affordable housing contribution paid in accordance with the Plan during the period 1 July 2017 to 30 June 2018. The contribution rate will need to be indexed again after 1 July 2018.**

If you have any questions about the Affordable Housing Contributions Plan, please contact the UGDC on (02) 9841 8600.

\* The formula for the contribution rate is described in Part 2 of Schedule 1.

\*\* The affordable housing contribution determined in accordance with the contribution rate specified in Part 1 of Schedule 1.