

15 June 2021

The City of Sydney Sydney Town Hall George Street SYDNEY NSW 2000

By Email: amitchell@cityofsydney.nsw.gov.au

Attention: Anna Mitchell, Acting Sustainability Director

DRAFT ENVIRONMENTAL STRATEGY 2021-2025

The Owners Corporation Network (OCN) applauds the City of Sydney for their strong and ongoing advocacy and support for a Green Global and Connected Sydney. The environmental results and outcomes as summarised in the City's draft Environmental Strategy 2021-25 are impressive and we are proud to be a partner with the City in the achievement of sustainable residential apartment communities.

The OCN is committed to a continued partnership with the City of Sydney in the delivery of outcomes sought through this updated strategy. Overall we are supportive of the City's revised Net Zero target (brought forward to 2035) and focus on the four clear directions, which includes an exciting and much needed new focus, through direction 3, on incorporating the perspectives of Aboriginal and Torres Strait Islander people; Addressing equity issues and striving for a regenerative city.

As a key advocate for sustainable and resilient apartment communities, OCN strives to support apartment owners and residents throughout Australia to overcome barriers in their adoption of sustainable practices and actions. Working with and promoting the actions of leading institutions such as the City of Sydney in their support of apartment communities is a vital role that we will continue to pursue.

We offer the following specific comments on the proposed actions of the City's draft strategy and would welcome the opportunity to discuss how OCN could further partner with the City in enabling further sustainability action across the City.

With action 10 'Support the transition to zero-emissions transport', we suggest that the City should have a more active role to both educate and incentivise apartment building owners and residents to enable this transition. In particular the City could promote guidelines for electric vehicle charging and provide grants and/or alternative incentives to encourage leading building owners to demonstrate an early and full transition to zero-emission fleets within their apartment communities. We believe that this next level of support will be required in addition to the proposed 'support charging for electric vehicles in off-street parking through City planning instruments and advocacy to the NSW Government', to enable a faster and more comprehensive transition in this important sector where more than three quarters of City's resident ratepayers live.

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Regarding **action 12 'Support our residents to reduce utility costs and environmental impact'**, we welcome the City's continued commitment to this fast growing housing sector and congratulate them on their impressive achievements to date, such as that enabled through their Smart Green Apartments (SGA) program. We would strongly encourage the City to continue the SGA program delivering proactive and successful actions. The OCN is committed to continuing our partnership with the City, and would be especially keen to discuss how we could work with the City to help expand this vital range of support across metropolitan Sydney, perhaps through the Resilient Sydney platform.

With regard to the proposed **Environmental Sustainability Policy**, we make the following comment: Whilst we understand through the policy preamble and through **action 4** of the strategy that the City intends that service providers, grantees and event organisers will need to adhere to the policy, the wording in the policy itself could be clearer. In particular, we would suggest that a specific responsibility be added to the policy for these external parties, in a similar fashion to those already written for City employees and managers.

Our additional comments relate to <u>the need for the City to factor potentially serious obstacles to</u> <u>apartment building take up</u> of sustainability into the policy.

The resurgence of **short term letting** post pandemic is a serious threat to apartment communities putting a focus on sustainability initiatives. Short term letting can hollow out communities, leaving few long term owner occupiers to champion change. Rarely do investors, particularly overseas investors, concern themselves with 'upgrades' which they see simply as costs vs important investments in the rental and capital value of their assets. The Pyrmont area is being hit particularly hard at this time. OCN's policy on short term letting can be read here - https://ocn.org.au/wp-content/uploads/2020/10/OCN-Fact-Sheet-Short-Term-Letting.pdf. Recent article on the impact of short term letting on long term housing availability and affordability here - https://www.afr.com/wealth/personal-finance/airbnb-linked-to-falling-rents-in-pandemic-study-20210609-p57zil.

Another enormous impact on sustainability take up relates to:

- 1. Building quality, yet the National Construction Code being silent on this issue.
- 2. The horrific level of serious apartment building defects, which completely overwhelm apartment committees for several years (up to 10) after occupation. These defects may also hinder / make financially unviable the retrofitting of certain sustainability measures.

Potential further actions:

- 1. Liaise with the City of Sydney sustainability team to learn more about the impacts of short term letting on apartment community decision-making,
- The NCC is currently being reviewed and the City would do well to make submissions on the importance of requiring minimum level (as a starting point) sustainability and resilience built into new buildings. Read more about the Australian Building Codes Board energy efficiency scoping study and opportunity to comment here - <u>https://consultation.abcb.gov.au/engagement/energy-efficiencyscoping-study-2019/</u>.

Kind regards

Karen Stiles Executive Officer