

ENABLING AFFORDABLE HOUSING IN LOCAL GOVERNMENT AREAS

Discussion Paper



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42 Initiatives to facilitate affordable housing

Living in a secure, affordable home is fundamental to so many parts of life and ensures that everyone has the best opportunity to do well in the communities in which they live.

It is time for fresh thinking and to identify real alternatives to improving affordable housing for all Australians.

This Discussion Paper is a step in the journey of developing new housing strategies and outlines **42 Initiatives** grouped into 9 key areas that Councils might consider as ways to facilitate affordable housing supply locally.

Common Equity is happy to provide further information about the range of proposed actions to improve housing affordability as outlined in this paper.

1 Enabling access to land

1.1 Sale below market rates in return for affordable housing

1.2 Long term ground lease in return for affordable housing

1.3 Joint ventures for housing targeting specific community outcomes

1.4 Sale at or below market rate for innovative demonstration projects

1.5 Identifying under-developed sites owned by Govt or NFPs according to existing planning instruments within specific precincts

1.6 Identify surplus council land in your LGA

1.7 Establish Community Land Trusts

1.8 Forward funding infrastructure to 'unlock' land for residential development

*City of Sydney
(Green Square Project)
Subsidised the sale of council land
at 60% below the market rate to a
CHP to deliver 100 affordable homes.*

*City of Fremantle
(7 Quarry Street)
Demonstration project to showcase
innovation in housing solutions by
offering council land at market rate
to specifically create a
co-operative housing development.*

2 Town Planning Initiatives

- 2.1 Rezone land to enable residential development including mixed use ie: industrial + residential zoning
- 2.2 Apply for *SEPP 70* inclusion to maximise affordable housing through contribution schemes
- 2.3 Voluntary planning agreements (VPAs) to secure title transfers of affordable housing properties
- 2.4 Density bonus schemes rewarding the provision of affordable housing supported by financial viability testing
- 2.5. Development consents requiring affordable housing properties to be managed by Not For Profit CHPs or equivalent in perpetuity (not limited to 10 years)
- 2.6. Precinct planning to provide extra population through density bonus schemes
- 2.7 Get educated on how to extract value from development uplift as a mechanism to deliver affordable housing through VPAs
- 2.8 Commission a review of the development feasibility of existing development controls

*City of Sydney
(Employment Lands)
Flexible approach to land use to create opportunities for mixed-use development and to facilitate affordable and higher density housing whilst retaining commercial businesses.*

*SEPP 70 Inclusion
Seven NSW Councils; City of Sydney, Willoughby, Randwick, Inner West, Northern Beaches, City of Ryde, The City of Canada Bay are now included in SEPP 70, enabling these councils to levy for affordable housing across their areas.*

3 Community Engagement

3.1 Host Public Meetings to understand the scale and nature of affordable housing issues in specific LGAs to inform the needs analysis

3.2 Consultation on position papers, plans or policies proposing affordable housing solutions and answering the question; *Who are you designing the future for?*

3.3. Define and communicate what 'affordable housing' actually means and why it is important to promote 'diversity' with examples

3.4 Incorporate community input into visual images of what renewal will look like and how it improves amenity, liveability, access, and lifestyle

Diversity of Housing

A range of housing options catering for; different income levels, different lifestyles, different family structures, differing housing models, different age profiles.

Inform The Process

Consult with CHPs & specifically co-op housing providers to inform the process that can deliver alternative affordable housing options in your LGA. The Co-op housing model is unique in that it is proven to be the most efficient & cost-effective model for delivering housing choice that is liveable, sustainable & enhances the community.

4

Brokering Partnerships

4.1 Facilitate stakeholder forums for solution providers (CHPs, financiers, developers, Govt agencies etc) to develop consortium solutions (including capitalising on tax benefits from NFP sector to improve affordability)

4.2 Develop a local inventory of resources (eg: land, finance, expertise, etc) for the Council to share and promote that can enable affordable housing projects

4.3 Coordinate consortium tender bids on State or Federal Government Programs to attract new affordable housing resources to the area such as; infrastructure funding, rental subsidies, disability housing and services funding etc.

City Deals

The Western Sydney City Deal is Australia's largest planning, investment & delivery partnership between 3 levels of Govt, private & NFPs incorporating eight LGAs. The focus is to facilitate growth and improve housing affordability and liveability

SAHF - Phase 2

Providing opportunities for more private and not-for-profit organisations to work together, or form consortia, and put forward innovative proposals to increase the supply of Social and Affordable housing in NSW.

LAHC Communities Plus Program

Growing affordable housing by partnering with NFPs & private sector to deliver more affordable housing & deliver new mixed communities where social housing blends in with private & affordable housing, with better access to transport, employment & improved community & open spaces.

5 Incentives

5.1 Offer Grant Funding on strict criteria to enable affordable housing projects to proceed (managed by Not For Profit CHPs or equivalent)

5.2 Fast track D/A approvals for development that include affordable housing

5.3 Concession on D/A fees, developer contributions or car parking for affordable housing developments

5.4 Provide a register of Council's incentives to encourage uptake by developers in new proposals

5.5 Provide short-term accommodation solutions (eg: tiny homes, flat packs, relocatables) on development sites idle during the development process with proceeds offering cost of supply, maintenance, security or holding.

5.6 Offer Council Land as security to finance affordable housing projects

City of Sydney

The establishment of an Affordable & Diverse Housing Fund Program offering funding available up to \$3 Million for affordable and diverse housing development in their LGA, within a strict set of Council defined criteria.

Lismore City Council

Offering \$3.5M in funding to partner with innovative CHPs or organisations that can deliver affordable housing in the region.

6 Advocacy

6.1 Advocate to other levels of government the specifics of local needs that must be met via affordable housing

6.2. Advocate to other levels of Government various policy or legislative reforms that would improve local housing affordability

6.3. Advocate for pricing models for affordable housing (rent or buy) to be linked to capacity to pay (income) not linked to market

6.4 Advocate for initiatives that lower the cost of 'living' (food, transport, energy) - not only the cost of housing

6.5. Advocate for property management models that have lower overheads which can pass on lower costs to residents

6.6 Advocate for specific location and frequency of new bus routes to enable the provisions of Affordable Rental Housing (SEPP to operate)

Most Cost-Effective Housing Model

The Co-op model enables the ability to deliver more cost effective & sustainable housing. The model works successfully for a range of affordable housing solutions from social & community housing right through to free-market housing co-operatives and self funded retirement communities & must be included in the development of any affordable housing strategies.

Highest Tenant Satisfaction & Engagement

Frequently rated better than any other form of housing, the Co-op model enables people to take care of themselves and care for each other. This has many positive social benefits which allows people to avoid isolation, maintain independence, Leading to less reliance on external services and improved quality of life.

7 Administrative Support

7.1 Employ an officer as a liaison point and advisor to proponents for affordable housing projects

7.2. Provide ready access to information, case studies and examples of affordable housing initiatives for key stakeholder groups

*Affordable Housing Officers
Councils across NSW including: Inner West,
Willoughby, Marrickville Councils have
demonstrated their commitment to supporting the
delivery of affordable housing through
the employment of officers dedicated to
Affordable Housing.*

8 Design Innovation & Diversity

8.1. Promote and publish examples of design excellence and innovation that enables affordable housing

8.2. Establish an awards program to showcase excellence in innovation in housing design

8.3 Support proposals that provide a diversity of housing options that can meet the needs of a diverse range of people in communities (*ie: seniors, people living with disability, vulnerable people*)

The Commons - Design Innovation

Recognise the value of innovation through your LGA supporting an awards program (new or existing) that specifically delivers for affordable housing with community outcomes. The Commons in Brunswick is the most awarded development showcasing innovation through a communal design approach which brings liveable, sustainable, affordable housing to the suburbs of Melbourne.

Co-Ops - More Economical To Build

The Co-Op model enables the ability to deliver housing diversity that is more cost effective and sustainable. Construction costs are lower if accommodating for co-operative living - 30% cheaper to build, which ultimately allows for more with people to be housed.

9 Leadership

9.1 Articulate goals, objectives and targets in key governing documents (eg: Strategic Plan, Town Plans, Affordable Living Plans etc)

9.2. Seek out research and evidence to guide decision making and policy transformation

FACT: Loneliness & isolation is deadlier than smoking or obesity. Increasing risk of death by an outstanding 30%.

There is an opportunity for LGAs to use evidence to inform practice and rethink the way housing neighbourhoods are designed and design for social inclusion - especially for an ageing-population.

The Women's Community Living Project in the Southern Highlands NSW is a year-long social initiative to determine the feasibility of women 50+ living an active, creative life together as an alternative to living alone. These principles could be applied to locations in any LGA.