



Ordinary Meeting of Council

23 November 2022

**UNDER SEPARATE COVER
ATTACHMENTS**

ITEM 9.5

**QUEANBEYAN-PALERANG REGIONAL COUNCIL
ORDINARY MEETING OF COUNCIL**

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QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

23 NOVEMBER 2022

ITEM 9.5 DRAFT QPRC AFFORDABLE HOUSING STRATEGY

ATTACHMENT 1 QPRC AFFORDABLE HOUSING STRATEGY NOVEMBER 2022

Queanbeyan Palerang Affordable Housing Strategy

November 2022

This strategy has been prepared for
Queanbeyan Palerang Regional Council
by

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1 Rationale for the Strategy

1.1 Overview

Queanbeyan Palerang Regional Council's *Affordable Housing Background Report* and related documents¹ set out the evidence that supports the *Queanbeyan Palerang Affordable Housing Strategy*, and should be read in conjunction with this *Strategy*. This draft *Strategy* will be provided to Council and publicly exhibited, with a final *Strategy* then revised to reflect feedback received during the exhibition period.

This section provides a summary of relevant findings on housing demand, supply, need and affordability, and the legislative underpinning of Council's engagement with affordable housing, as a context for the priority strategies set out in Section 2 below.

1.2 What is 'Affordable Housing'?

1.2.1 Benchmarks

Housing is 'affordable' when very low, low and moderate income households are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education. This is generally accepted to be where such households pay less than 30% of their gross household income on housing costs.

The following table provides benchmarks for 'affordable housing' for the purpose of this *Strategy* as at March 2022. These are consistent with statutory definitions under the *Environmental Planning and Assessment Act 1979 (NSW)*, and should be updated at least annually to reflect changes in CPI.

It can be seen from the table below that, for rental to be 'affordable' under statutory definitions, rental costs would need to be less than \$223 per week for a very low income household, between \$224 and \$356 for a low income household, and between \$357 and \$534 for a moderate income household as per the **Rest of NSW benchmarks**.

¹ Judith Stubbs & Assoc. (2022) *Queanbeyan Palerang Affordable Housing Background Report*, Queanbeyan Palerang Regional Council; related appendices, and *Affordable Housing Case Study Booklet*.

Table 1-1: Affordable Housing Income, Rental and Purchase Benchmarks – Rest of NSW²

	Very Low Income Household	Low Income Household	Moderate Income Household
Income Benchmark	<50% of Gross Median Household Income for Rest of NSW	50%-80% of Gross Median Household Income for Rest of NSW	80%-120% of Gross Median Household Income for Rest of NSW
Income Range (2)	<\$742 per week	\$743-\$1,187 per week	\$1,188-\$1,781 per week
Affordable Rental Benchmarks (3)	<\$223 per week	\$224-\$356 per week	\$357-\$534 per week
Affordable Purchase Benchmarks (4)	<\$255,000	\$255,001-\$406,000	\$406,001-\$610,000

Source: JSA 2022, based on data from ABS (2021) Census of Population and Housing, ABS (2022) Consumer Price Index, indexed to Mar Quarter 2022 dollars, ANZ Home Loan Repayment Calculator <https://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/>

‘Affordable housing’ includes a **wide range of housing products, tenures and price points**. This includes, but is not limited to, special needs accommodation, social (public and community) housing, ‘key worker’ (discount market rent) housing, and assisted purchase (such as shared equity or community land trusts). It also includes ‘lower cost’ housing provided through the market (such as smaller flats and units, New Generation Boarding Houses), as long as affordable housing cost benchmarks in the table above are met.

1.3 Why is Affordable Housing Important?

Anyone in the community could need affordable housing. This includes a young person seeking to live near where they grew up, a recently separated or divorced person with children for whom conventional home ownership may no longer be economically viable, households dependent on one (or even two) low or median waged, key worker jobs, or an older person on a reduced retirement income, including after divorce or the death of a spouse.

Lack of affordably priced housing not only affects the quality of life of individual families, who may be sacrificing basic necessities to pay for their housing, it also has a serious impact on employment growth and economic development. The loss of young families and workers in lower paid essential service jobs can adversely affect local economies, and is contributing to labour shortages in some regions of NSW. The displacement of long-term residents reduces social cohesion, engagement with community activities (such as volunteering), and extended family support.

As well as impacting on the health and wellbeing of low income families, and older and younger people, this can contribute to a lack of labour supply among ‘key workers’ who are essential to

² (1) All values reported are in March Quarter 2022 dollars; (2) Total weekly household income; (3) Calculated as 30% of total weekly household income; (4) Calculated using ANZ Loan Repayment Calculator, using 05 July 2022 interest rate (3.94% pa) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

various services including childcare, aged services, health care, tourism, hospitality and emergency services, but whose wage increasingly does not allow them to access rental or purchase housing close to where they work. Affordably priced housing is thus an important form of community infrastructure that supports community wellbeing and social and economic sustainability, including a diverse labour market and economy, and strong and inclusive communities.

It is also important that affordable housing is well-located to reduce car dependency, improve access to services and facilities for lower income and more vulnerable people, and reduce costs to very low, low and moderate income households. As such, the research is focused on areas around the major centres of **Queanbeyan and surrounds, Bungendore and Braidwood**.

1.4 Key Findings from *Background Paper*

1.4.1 Overview

It is widely acknowledged that there is major shortfall in affordable housing in most cities and many regional communities across Australia. The most severe and lasting impacts are experienced by **very low and low income households in unaffordable private rental accommodation** who do not gain the benefits that accrue to home purchasers, including long-term capital gains and a decreasing debt to household income ratio over time, and for whom social rental and home ownership is increasingly inaccessible.

A 'perfect storm' of housing, funding and economic factors has resulted in an affordable housing crisis in areas like Queanbeyan Palerang LGA, and in increasing homelessness amongst even those who would once have been able to access private rental, including lower income working people and moderate income families; and intensifying impacts for more vulnerable people.

These factors include inadequate long-term supply of private rental accommodation, increasing demand from contract workers, cyclical employment in the public sector and expansion in industries such as mining, defence and construction, as well as from those born overseas on visas that require them to live in a regional area while accessing work in the ACT. The effects of the COVID 19 pandemic are also apparent in the local housing market, including the movement of people on higher incomes from cities to regions like Queanbeyan Palerang LGA, and the loss of private rental properties through sale or return to owner occupancy, with both short-term and structural changes in patterns of living and working likely.

This has resulted in a near 0% vacancy rate currently, and 'one of the worst housing markets ever seen' by many services and real estate agents interviewed in the LGA. It has also resulted in growth in the real cost of purchase of around 20% per annum for strata dwellings and 15% for vacant land over the past two years, controlling for other factors.

A much lower than average rate of increase in housing diversity in the LGA over the past 15 years is also contributing to constrained supply. This includes small lot housing, and smaller (studio and one bedroom) apartments, boarding houses and the like which are major contributors to the supply of private rental accommodation. This lack of diversity is due to apparent planning impediments and economic factors. The increase in permanent and long-term private renters, including those who would have traditionally been home purchasers, is also driving up demand for private rental.

Importantly, social housing supply has failed to keep pace with growing need over many years, and has actually seen a decrease proportionally and in absolute terms over the past decade or so, including through sale of public housing stock, lack of funding for growth, and lack of priority for public housing estate renewal programs that have the potential to grow supply and diversify stock. This is leading to significant increases in waiting times for even high need/priority applicants, with these waiting times reported to be increasing from 4 weeks to around 12-18 months in the past few years.

At the lower end of the market, very low income renters and those with special needs have been most seriously affected by the lack of affordable (or indeed almost any) private rental and the severely inadequate supply of social housing, with very low and low income renters making up the majority of those in housing stress, and unable to affordably rent even a one bedroom apartment in the LGA currently.

The severe shortage of dedicated crisis, short-term and transitional accommodation for the increasing number of people at risk of homelessness is affecting those most vulnerable in the housing market, including older single people, sole parent families, those leaving family violence, and people with a disability. Single homeless men remain the largest and possibly the most difficult to accommodate, with only one crisis refuge in the whole of the South East Region (in Wollongong). As well, the severely inadequate supply of private and social rental is leading to increased homelessness among new cohorts, including older women with limited capital, and lower income workers and families, leading one service to comment, 'Finding housing is no longer about having a job – it's about having housing to move into at all'. This is exacerbated by 'exit blocks' from crisis and short-term housing due to the severely inadequate supply of social and private rental, and the loss of accommodation formerly used as temporary accommodation, such as motels and caravan parks, due to increased demand from workers and domestic tourists.

Services, government and industry interviewed for in the preparation of this draft Strategy described an 'unprecedented situation' in the local rental market, and the need for accommodation for very low and low income renters and those most vulnerable in the housing market, as a priority. As well as medium to longer-term strategies, there is also a need to develop short-term strategies as a matter of urgency to house the growing number of people described by services as living in unsuitable, overcrowded and unsafe conditions, staying temporarily with others, couch-surfing, sleeping in cars, old caravans or sheds, or sleeping rough.

1.4.2 Need for Affordable Housing

Based on levels of housing stress in Queanbeyan-Palerang Regional Council area in 2016 (the most recent period for which data is available at the time of writing), around 2,200 very low, low and moderate income households were in housing stress. By 2041, this is projected to grow by 1,575 households to a **total of 3,775 households** in housing stress.

By far the most serious affordable housing need is among **very low and low income renters**, who face critical and growing affordability problems, and make up a majority of those in housing stress. Of those projected to be in housing stress by 2041, at least **75% are likely to be renters, with 55% of these on very low incomes**, 25% low incomes and 20% on moderate incomes. Around one-

quarter of those in housing stress are likely to be purchasers, with a majority on moderate incomes, and a substantial proportion on low incomes.

This breakdown is shown in summary in the following table, and in more detail in **Section 5 of the Background Paper**.

Table 1.2: Need for Affordable Housing to 2041 (Current and Additional/Projected 2016-41)

	Renting Households			Purchasing Households		
	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
Affordable to Very Low Income Households	798	311	1109	107	36	143
Affordable to Low Income Households	387	330	717	140	110	249
Affordable to Moderate Income Households	240	333	573	303	204	507
TOTAL	1,712	1,165	2,877	549	350	899

Source: JSA calculations, using data from ABS Census of Population and Housing 2016 and .id Consulting Population Forecasts

1.4.3 Ability of Market to Provide Housing Affordability

There is a very limited opportunity for the private market to provide housing that is affordable to meet most current and projected affordable housing need, meaning that **deep subsidies, strong planning intervention and direct funding is likely to be required** to meet the affordable housing need of most of the target groups in the local housing market context.

With regard to **renters**, no very low and low income renters can affordably rent even a median priced one bedroom unit on the private market. This situation is likely to deteriorate significantly in the future, considering both the substantial real increase in rent in recent years, and that newly constructed dwellings are likely to reflect at least median and likely third quartile rents. The situation is somewhat better for the upper 50% of moderate income households, who could

affordably rent a smaller strata dwelling, but those needing accommodation suited to families are generally unable to rent affordably through the private market.

This means that around 95% of very low, low and moderate income renters in housing need are excluded from renting affordably through the private market, although the provision of **studio and one bedroom apartments** would be highly beneficial in terms of increasing the supply of lower and diverse housing types, and **boarding housing and co-living housing accommodation** would be affordable to some low income renters if they were available. It is also noted that around 75% of flats and units and 50% of medium density housing types in the local housing market are in private rental compared with only around 15% of houses. However, the supply of such accommodation is very constrained, particularly outside of Queanbeyan and Queanbeyan East.

Lower cost **caravan parks and MHEs**, where these were Council or community housing managed and/or where people could bring their own lower cost home to a site, would also be affordable to some of the target group.

In terms of **purchasers**, it is positive that smaller (likely one and two bedroom) strata dwellings provided through the market are affordable to around 25% of low income purchasers and to all moderate income purchasers, with these more likely to be suitable for smaller households. However, in general, non-strata dwellings (houses) were not affordable to any very low, low or moderate income purchasing families with children, although some smaller families may be suitably housed in larger strata dwellings.

This means that around 55% of very low, low and moderate income purchasers are likely to be excluded from affordable purchase in the future, although it is positive that an increase in the supply of **smaller strata dwellings** would provide affordable purchase for around 45% of the relevant target groups, and lower cost (if not affordable) accommodation for others, as well as the benefits of increased housing diversity around key centres. Again, **caravan parks** where people could bring their own dwelling (rather than one subject to exorbitant mark ups from exclusive supply arrangements), as well as **smaller entry level project homes on small lots**, would also likely be beneficial in terms of lower cost (and sometimes affordable) accommodation.

As noted, in JSA's regression analysis, the real cost of purchase has increased by around 20% per annum over the past two years, and house purchase has increased by 11% per annum, controlling for amenity, dwellings and lot size. Economic modelling indicates that lower cost product could be achieved through reduction of minimum lot sizes in areas like Bungendore, reducing standards such as parking and open space requirements for ground floor dwellings in Residential flat buildings, and reducing parking and DCP density requirements in Braidwood and Bungendore. This would be expected to flow on to lower cost rental as well with increased rental supply, noting that around 75% of apartments and 50% of Multi dwelling housing enters the private rental market.

When renters and purchasers are combined, this means that around 85% of current and projected affordable housing need is unlikely to be met by the private housing market in the future, and that strong planning intervention and direct funding is likely to be required to meet most of this need. It may be possible to meet somewhat more need through the market if impediments such as those outlined above are reduced, but still means that the needs of most

low income purchasers and renters will not be met through the market, even under more optimistic scenarios.

This has strategic implications, including with regard to the current planning and development controls and zoning, the nature and location of future supply, and the nature of market intervention that is likely to be effective, as outlined below and in more detail in **Section 7**.

1.4.4 Who are the Target Groups?

Very low, low and moderate income households in the local context, are made up largely of working households including lower income 'key' or essential service workers, as well as those on pensions and benefits, such as the Aged or Disability Pension, Parenting Payment and JobSeeker Allowance.

Some examples of **very low income key worker households** include a lone person working part-time as an aged care worker on \$700; or a couple with a young child, with one working a typical 30 hour week as an Assistant in Nursing (AIN). These households would need to pay less than \$210 for their housing, and could not afford to rent even a one bedroom unit in the LGA.

Examples of **low income key workers** include a full time process worker earning \$835 per week; a person earning \$865 as a cleaner; or a couple with two small children, with one working full time as a more experienced AIN on \$941 per week. These households would need to pay between \$250 and \$295 per week for their housing to be affordable, and would also be unable rent even a one bedroom unit in the LGA.

Moderate income key worker households include a lone person working full-time as an ambulance officer, entry level teacher or registered nurse earning around \$1,115 per week; or a couple with one person working part-time as a cleaner and the other as an Enrolled Nurse, on a combined income of around \$1,660 per week. None of these moderate income households could afford to rent a separate house in the LGA. At the lower end of the income range, they could afford to rent a one bedroom apartment, and could afford a two bedroom apartment at the upper end of the income range.

Some examples of very low income households that are dependent on **Centrelink payments** include a single aged pensioner with no superannuation on a pension of \$494 per week including relevant supplements, who could afford to pay \$220 in rent including Commonwealth Rental Assistance;³ and a single person on JobSeeker Allowance, who would have an income of \$321 per week, and could afford to pay \$169 in rent including Commonwealth Rental Assistance. These households could not afford to rent anything in the LGA, even a one bedroom or studio apartment, even if such stock were available.

1.5 Council's Role and Statutory Responsibilities

The creation of affordable housing for very low, low and moderate income households through the planning system becomes more important in the context described above. **The inability of the**

³ Around \$60 per week for eligible households.

market to provide for virtually all very low and low income renters, moderate income renters needing family accommodation, and for most low income purchasers, is noted.

As such, **very low and low income renters**, and moderate income renting families, are particular focus of this *Strategy*. As well as working people and those on pensions and benefits, this includes the growing number of homeless and marginally housed people in the LGA. Most of this need will require **deep subsidies and strong planning intervention**, and will not be met through the market. However, increased opportunities for delivery of smaller strata dwellings and special housing products such as boarding houses, co-living housing and affordable manufactured homes **through the market** will also be important in meeting the needs of some people, including the upper end of low income purchasers, and smaller moderate income renting and purchasing households.

There are significant opportunities for local government to support the creation and maintenance of affordable housing through core planning legislation and policies in NSW, and a statutory requirement to consider this issue. Local government has an implicit role in affordable housing and an impact on affordability through land use zoning, controls, the timing of land release, location of services and facilities, and the levying of rates and development contributions.

Local government can also choose to play a more proactive role in the creation and retention of affordable housing through active intervention in the market through the development of appropriate planning mechanisms and strategies, and through investment of funds and/or land for the purpose of affordable rental housing.

In NSW, objects and a range of related provisions have been progressively included in the *Environmental Planning and Assessment Act 1979*, including section 1.3(d), which provides that an objective of the Act is the **'maintenance and provision of affordable housing'**. There are likewise definitions and benchmarks related to 'affordable housing' in core legislation and related policies which have been adopted in this *Strategy*.

It is also a requirement of the Act that a consent authority take into account the **social impacts** of a development application as part of a merits assessment under section 4.15(1)(b). This is relevant to development applications that may result in the loss of affordable or low cost housing, as well as the assessment of community benefits involving the creation of affordable housing.

Section 7.4 of the *Act* provides for the making of a **voluntary planning agreement** in relation to a proposed amendment to a planning instrument or development application. Under such an agreement, a developer is required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or combination of them, to be used for or applied towards a public purpose. 'Affordable housing' as defined in the Act is one of the listed 'public purposes'.

The Act also enables councils to levy mandatory contributions for affordable housing in accordance with **State Environmental Planning Policy (Housing)**. In February 2019, SEPP 70 was expanded to include all NSW councils, including Queanbeyan Palerang Regional Council, provided a council can demonstrate affordable housing need and the economic viability of an Affordable Housing Contributions Scheme (AHCS) under the DPIE Guideline and its Viability Tool, and these provisions have now been transferred to SEPP (Housing). The next step in the process is for a council to prepare an AHCS, and to amend their LEP to reference the schemes.

As such, local government has a role and indeed a statutory responsibility to seek to preserve and create affordable housing through the planning and assessment process.

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2 Strategies and Mechanisms to Deliver Affordable Housing

2.1 Overview of Mechanisms and Strategies

There are a wide range of potential strategies available to Queanbeyan Palerang Regional Council, and others with a role in affordable housing, to increase affordable housing in the LGA, as shown in **Table 2.1** below.

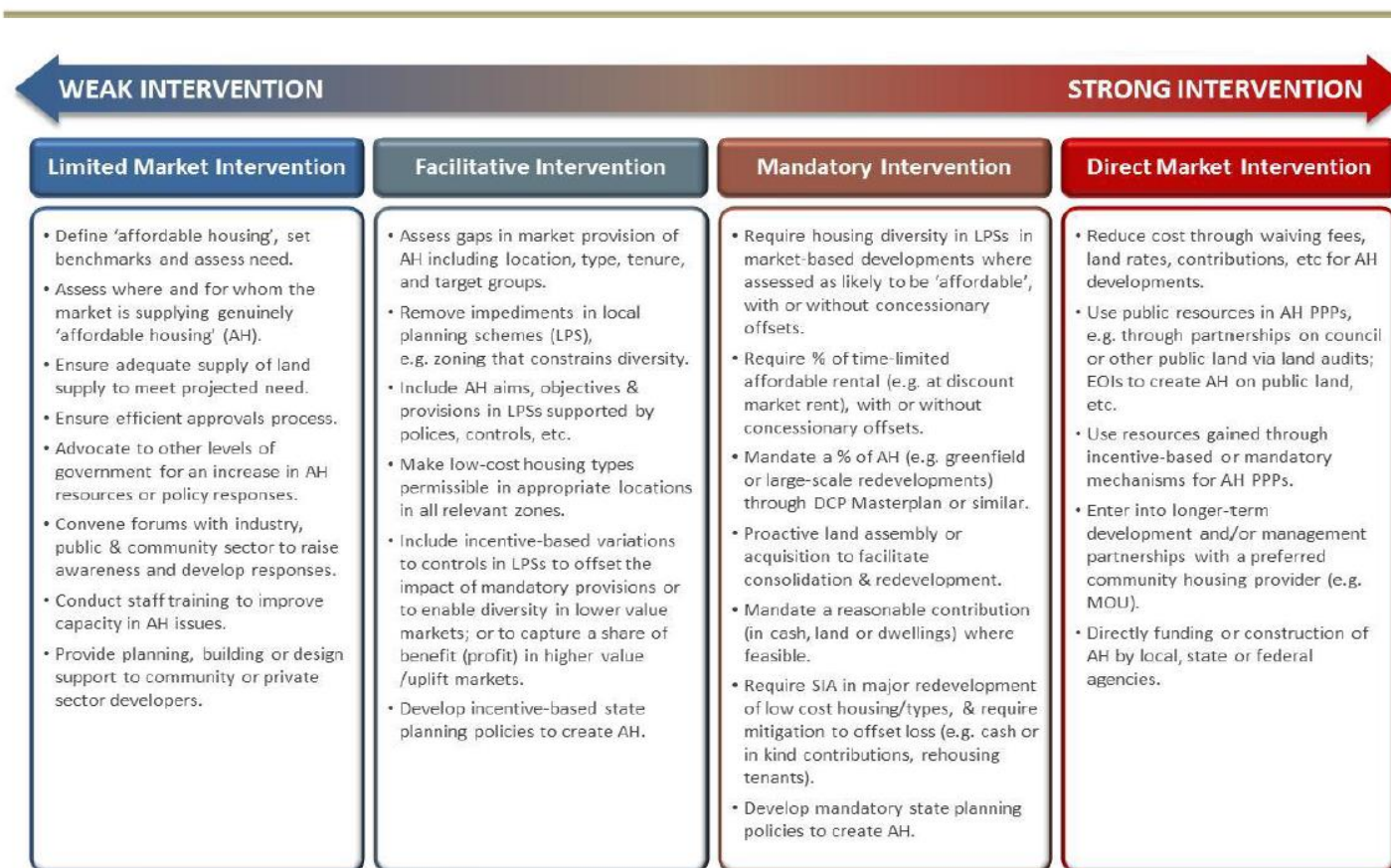
These strategies range from 'light' planning intervention in the market (Column 1 in the table), and facilitative intervention through the planning system (Column 2), to 'strong' intervention (Column 3), or 'direct provision' of affordable housing (Column 4).

As noted in the *Queanbeyan Palerang Affordable Housing Background Report*⁴, some of these strategies are more or less likely to be effective in the local housing market context. Those likely to be most effective, and that are most favoured from consultations, are the focus of this *Strategy*.⁵

A **Case Study Booklet** has also been prepared by JSA which showcases a number of ways in which local government has engaged with affordable housing issues in their local communities (provided as Attachment A to the *Background Report*).

⁴ JSA *op cit*.

⁵ Refer JSA (2022) *Queanbeyan Pallerang Affordable Housing Background Report* and related appendices for a more complete discussion of the effectiveness of different mechanisms in the local context.



Source: Stubbs (2003); JSA (2011)

Figure 2.1: Mechanisms and Strategies to Create Affordable Housing along a Continuum of Planning Intervention

2.2 Adopt the Affordable Housing Strategy

Rationale

It is important that Council is clear regarding the definition and benchmarks for 'affordable housing' so that it ensures that what is created meets the statutory definition, and so that it can properly evaluate applications or proposals that come before it.

It is also important that Council has mechanisms for monitoring the progress of the *Strategy*, including Key Performance Indicators and indicative targets based on local housing need.

Although all statutory income and tenure groups are considered, the priority for the *Strategy* is very low and low renting income households, noting that by far, the greatest current and projected need is for smaller strata dwellings for very low income renters.

Strategies

Strategy 1

Council adopt and adequately resource implementation of this *Strategy*, including:

- Allocation of a dedicated staff resource for at least the first three years of implementation (for example, a part-time strategic planner);
- Seek funding to support strategies related to the development of Council land for the purpose of affordable housing in partnership with a Tier 1 Community Housing Provider, including the development of pilot or demonstration projects (see also Strategies 6 and 7);
- Convene and resource an Affordable Housing Advisory Group or similar to implement and monitor progress of the *Strategy*;
- Adopting the definitions and benchmarks for 'affordable housing' as set out in the following table, and ensuring that these are updated at least annually in accordance with CPI.

Table 2-1: Relevant Affordable Housing Income and Cost Benchmarks (June Qtr 2022)

	Very Low Income Household	Low Income Household	Moderate Income Household
Income Benchmark	<50% of Gross Median Household Income for Rest of NSW	50%-80% of Gross Median Household Income for Rest of NSW	80%-120% of Gross Median Household Income for Rest of NSW
Income Range	<\$742 per week	\$743-\$1,187 per week	\$1,188-\$1,781 per week
Affordable Rental Benchmarks	<\$223 per week	\$224-\$356 per week	\$357-\$534 per week
Affordable Purchase Benchmarks	<\$255,000	\$255,001-\$406,000	\$406,001-\$610,000

Source: JSA 2022, based on data from ABS (2021) Census of Population and Housing, ABS (2022) Consumer Price Index, indexed to Mar Quarter 2022 dollars, ANZ Home Loan Repayment Calculator <https://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/>

Strategy 2

- a. For the purpose of this *Strategy*, Council adopts an indicative target of **3,775 additional affordable (including social) housing dwellings by 2041**.
- b. Indicative targets are set out in Table 2.2 below, and include:
 - A tenure breakdown of 75% renters and 25% purchasers;
 - A dwelling type breakdown of at least 60% smaller dwelling, with the balance family dwellings;
 - At least 500 new social housing dwellings, and 170 crisis, temporary and transitional places dwellings/places with appropriate support for people with special housing needs including those at risk of long-term homelessness;

Table 2.2: Indicative Targets for Affordable Housing to 2041

	Renting Households			Purchasing Households		
	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
Affordable to Very Low Income Households	798	311	1,109	107	36	143
Affordable to Low Income Households	387	330	717	140	110	249
Affordable to Moderate Income Households	240	333	573	303	204	507
TOTAL	1,712	1,165	2,877	549	350	899

Source: JSA calculations, using data from ABS Census of Population and Housing 2016 and .id Consulting Population Forecasts

Strategy 3

For the purpose of monitoring the progress of this *Strategy*, Council will:

- a. Update data and information at least every two years in the *Background Report* that forms the evidence based for this *Strategy*, and make this publicly available including to support the advocacy efforts of relevant networks and agencies.
- b. Adopt the following Key Performance Indicators:
 - i. Number of affordable rental dwellings for very low and low income households created as a result of partnerships between Council and Community Housing Providers and/or the private sector. Data can be collected by Council;
 - ii. Net change (loss/gain) in Social (Public and Community) Housing. Data can be obtained from DCJ – Housing and local Community Housing Providers;
 - iii. Number of affordable rental dwellings for very low and low income households created through other agencies or mechanisms, including DCJ – Housing and local Community Housing Providers. Data can be collected by Council;
 - iv. Number of affordable housing dwellings for very low and low income renters and low income purchasers provided through the market. Data can be obtained from DCJ – Housing Rent and Sales Reports;
 - v. Increase in supply of lower cost housing types/products created through the market. Data can be obtained from DCJ – Housing Rent and Sales Reports;
 - vi. Reduction in local homelessness, including appropriate accommodation of people living temporarily with others, or living in inappropriate, unsafe or severely overcrowded accommodation. Data can be provided by agencies such as Specialist Homelessness Services;
 - vii. Reduction in the proportion of very low and low income households in housing stress. Data can be obtained from the Census every five years;⁶
 - viii. Retention of diverse income, age and employment groups in the LGA. Data can be obtained from the Census every five years.
- c. Report progress against relevant strategies and KPIs annually to Council and the community.

⁶ Note that levels of housing stress on very low and low income households can be reduced if increasing housing costs cause these people to be displaced. Consequently, this KPI must be considered in the context of changing demography as set out in the next KPI.

2.3 Increase the Supply of Crisis, Short-Term, Temporary & Transitional Accommodation

Rationale

A 'perfect storm' of housing, funding and economic factors has resulted in an affordable housing crisis in Queanbeyan Palerang LGA, and increasing homelessness amongst even those who would once have been able to access private rental, including lower income working people and moderate income families, and is seriously intensifying impacts for more vulnerable people.

As well as the major undersupply and loss of social housing, the severe shortage of dedicated crisis, short-term and transitional accommodation for the increasing number and types of people at risk of homelessness is affecting those most vulnerable in the housing market, including older single people, sole parent families, those leaving family violence, and people with a disability; and is leading to increased homelessness. Single men are a particularly difficult cohort to accommodate, and homelessness is also increasing significantly among new cohorts, including older women with limited capital, and lower income workers and families.

This is exacerbated by 'exit blocks' from crisis and short-term housing due to the severely inadequate supply of social and private rental, and the loss of accommodation formerly used as temporary accommodation such as motels and caravan parks due to increased demand from workers and domestic tourists.

There is therefore a need to develop **short-term strategies** to house the growing number of people described by services as living in unsuitable, overcrowded and unsafe conditions, staying temporarily with others, couch-surfing, sleeping in cars, old caravans or sheds, or sleeping rough, as a matter of urgency.

Strategies

Strategy 4

Council will advocate for and actively support the provision of crisis, short-term, temporary and transitional accommodation for the growing number of homeless people in the LGA, including:

- a. Identifying vacant or underutilised Council, public, community and/or private buildings and regulatory support and flexibility for their 'meantime use' as crisis, short-term, transitional and/or flexible key worker accommodation;
- b. Seeking to obtain State Government agreement and funding to renovate existing public building and/or social housing dwellings that are currently vacant or in poor repair for 'meantime' use or short to medium-term accommodation, to be managed by a community housing provider (CHP) or other not-for-profit (NFP) service provider;
- c. Investigating and implementing 'pop up' models of crisis or short-term accommodation, for example, a 'Winter Sleep-In' pilot in community or church halls, with appropriate regulatory flexibility;

- d. Identify Council or other publicly owned land in close proximity to the town centre suited to older people with some support needs, to be used for accommodation based on the Abbeyfield model or tiny home/MHE model of self-contained independent living units with some common areas and facilities to foster community and social support;
 - e. Identify Council and other publicly owned land for projects developed by local CHPs, NFPs or local services networks that can use this land as part of funding applications;
 - f. Investigating and advocating for the use of vacant publicly or privately owned land where caravan parks are permitted for the development of an affordable manufactured home estate, including urgent approval and placement of smaller manufactured or 'tiny' homes, managed by a local CHP or NFP;
 - g. Providing proactive planning and resourcing support NFPs or CHPs seeking to engage in adaptive reuse of existing facilities and/or place smaller manufactured or 'tiny' homes on Council or other publicly owned or philanthropic vacant land, including fast tracking applications, potential advice or flexibility with regard to standards, et;
 - h. Reviewing Council's internal referrals/protocols between the planning and community services teams to explore ways to improve efficiency and reduce costs associated with the DA process for services/community organisations with affordable and supported housing development projects to fast-track outcomes where appropriate;
 - i. Reducing on-going costs for affordable housing developments and supported accommodation through rate reductions, or other financial support;
 - j. Develop an awareness campaign on the nature and extent of growing homelessness in the LGA in conjunction with community services and networks so as to remove discrimination and increase public awareness of the issues, including among developers, real estate agents and the wider community;
 - k. Promoting the return of properties used for Short Term Rental Association to the long-term private rental market, and for headlease by social housing providers (including promoting the benefits of such arrangements) (e.g. per Eurobodalla Council, which sent an 'SOS' through rate notices to ask for a return of such properties to long-term private rental);
 - l. Facilitating a pilot brokerage scheme in partnership with a local CHP or NFP that matches owner occupiers in large underoccupied homes with people who are at risk of homelessness, including young/single key workers, older women, etc, including:
 - Screening and matching of prospective shared housing participants;
 - Development of appropriate rents, cost sharing agreements, and other administrative arrangements; and
 - Provision for support, conflict resolution, etc as required.
-

2.4 Advocacy to Increase Social Housing Supply

Rationale

There has been a significant decline in social housing over at least the past 15 years, declining from 4.4% to 3.3% of dwellings in the LGA, as well as a loss of social housing stock in absolute terms. This is particularly serious given the fact that need for social housing is increasing, with long waiting times for all dwelling types, and that the main groups facing housing stress are very low and low income renters, with more than 1,800 very low and low income renting households projected to be in need of affordable (including social) rental housing by 2041.

It is also occurring in the context of a State-wide loss of social housing dwellings through sale and deterioration/vacancy of more than 3,500 dwellings over the past 15 years.

At least 500 new social housing dwellings will be needed by 2041 to maintain average rates of social housing. However, the very high rates of housing stress among very low income renters and the aging of the population indicate that this would need to be far greater to meet future need.

Local services also note that homelessness is at crisis point in the LGA, with virtually no private rental opportunities for these most vulnerable people, and 'exit blocks' from crisis, short-term and transitional accommodation due to long waiting times for social housing. There is therefore also an urgent need to increase the stock of social housing.

Strategies

Strategy 5

Council will urgently advocate with the NSW Land and Housing Corporation (LAHC) for the following:

- a. A commitment to at least maintain the existing quantum of social housing in the LGA;
- b. A commitment to a publicly accessible strategic asset management plan by the NSW Land and Housing Corporation that provides for appropriate maintenance and repair of existing stock, including an accelerated repairs and maintenance program;
- c. A strategic approach to selective redevelopment of existing stock, and the funding of new social housing stock, to better meet current and projected need (see also Strategies 6 and 8 below).

Strategy 6

Based on the evidence that supports this Strategy, Council will seek to ensure the funding of at least 500 new social housing dwellings progressively to 2041, and at least 170 places as crisis, short-term, transitional and/or supported accommodation for the growing cohort of people at risk of long-term homelessness, as a matter of urgency, under existing and emerging State and Federal Government funding programs.

2.5 Direct Creation of Affordable Housing

2.5.1 Use of Council Land for Partnership Developments

Rationale

Most current and future affordable housing need (around 85%) is unlikely to be met through the market in the local housing market context, with the greatest need for affordable rental accommodation for very low and low income renters, including key workers, retired people with limited capital and people on pensions and benefits, who require deep subsidies for their housing to be affordable.

The main way that most very low income and low income renting households can be affordably accommodated is through the **direct creation of affordable rental housing** through government funding; the use of Council and other public or community owned land in affordable housing developments and partnerships; and the more efficient use of existing social housing including selective redevelopment of older houses on large lots to provide increased diversity and address underoccupancy and long waiting times for smaller dwellings.

The development of affordable housing partnerships on Council- and other publicly-owned land is discussed in detail in **Section 7.5.3** and **Appendix B** of the *Background Report*. In consultation with Council, JSA has identified 12 potential partnership sites, some of which would require amended controls and/or a planning proposal to change the zoning. JSA conducted preliminary modelling on a number of potential development scenarios including for the development of Residential flat buildings and Boarding houses on car park sites zoned B3 in Queanbeyan town centre (including replacement of car parking); a caravan park development under various tenure scenarios of RE2 zoned land in Bungendore, Braidwood and Queanbeyan; and a development on SP1 zoned land in Braidwood that could be developed as affordable seniors housing, affordable rental housing and/or social housing (or a combination of these), and noting that affordable seniors housing would not require a planning proposal as it is permissible with consent in the Housing SEPP.

Preliminary modelling indicates that a range of scenarios are likely to be economically viable, and warrant further investigation. It is also noted that this generic modelling could also apply to other relevant sites in these localities.

Strategies

Strategy 7

Council will:

- a. Allocate, in principle, at least five Council-owned sites in Queanbeyan, Bungendore and Braidwood for the development of affordable housing in partnership with a Tier 1 CHP and/or NFP housing provider, and undertake more detailed modelling, opportunities to amend controls, and preferred partner arrangements, etc (see **Section 7.5.3 of the Background Report**, and **Appendix B of the Background Report** for an analysis of potential Council-owned partnership sites);
-

- b. Seek to develop these sites in the short-term, medium and longer-term for a range of uses including:
 - Affordable caravan parks with smaller manufactured/tiny homes on sites in Braidwood, Bungendore and Queanbeyan;
 - Residential flat buildings and/or boarding houses/co-living housing on sites in Queanbeyan town centre as part of multi-tenure developments for very low and low income renters, and low and moderate income purchasers, potentially including a shared-equity pilot;
 - Affordable seniors' development on a site in Braidwood.
- c. Develop the sites through a competitive tendering process (EOI) or a preferred partnering arrangement with a registered Tier 1 CHP or relevant NFP that clearly specifies requirements for the site including maximisation of affordable rental housing yield, indicative dwelling type and tenure mix, risk apportionment, and long-term management and maintenance arrangements;
- d. Seek to secure the dedication of at least three sites owned by other public authorities, and undertake required modelling, analysis and negotiations on dedication and partnering arrangements, etc, and including:
 - An affordable multi-tenure development;
 - An affordable caravan parks with smaller manufactured/tiny homes.

2.5.2 Use of Other Public Land for Partnership Developments

Rationale

There are also opportunities for the identification and use of other public land for the purpose of affordable housing partnerships. This includes underutilised or redundant Crown land, railway reserves, and other land, noting that a number of State Government departments are currently undertaking strategic land audits, including to identify surplus land for residential uses, including for affordable housing.

Strategies

Strategy 8

Council advocate with relevant State Government authorities to developing a **register of public land** that can be made available for additional affordable housing partnership developments, such as those outlined in **Strategy 7** above, including:

- a. An assessment of the suitability and ranking of public land on this Register with regard to locational criteria and constraints, and identification of at least **three suitable sites for affordable housing developments**;
- b. Zoning and controls required to facilitate development;
- c. Preliminary assessment of economic feasibility and anticipated yield;
- d. Development of an appropriate mechanism for development and/or dedication of land or dwellings, which may include:

- i. Partnership development with a Community Housing Provider, with land dedicated free of charge or with value recouped through sale of some dwellings; and/or
 - ii. Development of a Planning Agreement to provide for dedication of a reasonable proportion of dwellings as affordable rental housing; and/or
 - iii. an Affordable Housing Contribution Scheme if preferred and/or to accompany the lodgement of a Planning Proposal for rezoning of the land.
- e. Of these three developments on other publicly-owned land, Council will seek to give priority to the development of:
 - i. An affordable MHE with mixture of owner-renters and renter-renters;
 - ii. A well-located multi-tenure development; and affordable seniors' development.

2.5.3 Redevelopment of Public Housing to Increase Diversity & Yield

Rationale

There are also significant opportunities for the **redevelopment of public housing** where this is older, separate dwellings on large lots in areas around Queanbeyan and Karabar to provide a mix of smaller strata dwellings, more efficient land use and increased yield/supply. This could be provided as multi tenure development, but it is important that there is a **net gain of social housing in the process**, and no loss of stock. Importantly, data from common social housing waiting list indicates that more than 60% of the 438 households on the waiting list require one-bedroom dwellings and a further 30% require two-bedroom dwellings (at least 90% therefore needing smaller strata dwellings).

Strategies

Strategy 9

Council will seek to ensure that there is an increase in appropriate social housing dwellings to meet existing and projected needs, and to ensure the long-term viability of such housing stock, including through:

- a. Exploring opportunities with NSW Land and Housing Corporation (L&HC) and Tier 1 CHPs for the selective redevelopment of older concentrations of social housing in Queanbeyan, Crestwood and Karabar, including for smaller, more diverse housing types and multi-tenure development including social, affordable, shared equity and affordable purchase to meet changing needs (see **Section 7.5.4 of the Background Report** for preliminary analysis and **Appendix B** for list of L&HC sites);
 - b. Seeking to ensure that senior Council staff are included in any planning, round-table discussions and/or negotiations with relevant government departments on decisions affecting the supply of affordable (including social) housing;
 - c. Ensuring that there is not net loss of social housing dwellings as a result of any regeneration activities;
 - d. Advocating to State Government on behalf of local Community Housing Providers (CHPs) for a transfer of title and/or long-term (50-year lease) on existing public housing on contiguous
-

sites in appropriate areas to facilitate the redevelopment of selected stock through increased economic viability for CHPs;

- e. Reviewing zoning and controls in precincts targeted for estate regeneration or selective redevelopment to support density.

2.6 Facilitative Strategies

2.6.1 Increase Supply of Affordable and 'Lower Cost' Housing through the Market

Rationale

Given the likelihood that at least 60% of affordable housing need will be from smaller (lone person and couple) households by 2041, and that there is a very high need for affordable studio, one and two bedroom strata dwellings in the context of a seriously constrained supply of such dwellings, there is significant benefit in actively **increasing the supply of smaller studio, one and two bedroom apartments near major centres of Queanbeyan (including Googong and Jerrabomberra), Bungendore and Braidwood** as well as developing a supply of well-located **New Generation Boarding Houses and Co-living Housing** through the Housing SEPP.

It is also noted that 73% of apartments and 50% of Multi dwelling housing is likely to enter the private rental market in the local context, so that there would be benefit in increasing supply of this lower cost (if not always 'affordable') form of rental housing through the market. This increased diversity is also likely to have other flow-ons, including freeing up larger dwellings and older stock, and reduced pressure on rental stock.

JSA's regression analysis also indicates that there are likely to be affordability benefits from increasing the supply of small lot housing, and Multi dwelling housing in current and future release areas, noting that developers interviewed for the Background Paper report a high demand for this form of development in release areas as well as infill areas.

It is therefore important that there are no impediments to the delivery of such accommodation through local planning instruments, with implications for zoning and planning controls, particularly in certain locations and/or precincts. This is so that there can be an increase in the delivery of more affordable and lower cost housing products through the market, focusing on the major centres of **Queanbeyan (including Googong and Jerrabomberra), Bungendore and Braidwood**.

Section 7.3 of the *Background Report* investigates planning and economic constraints to the development of Residential flat buildings including Build to Rent, Multi dwelling housing and New Generation Boarding Houses/Co Living Housing within and around the three major urban centres of Queanbeyan, Bungendore and Braidwood within B2, B3, B4, R1, R3 and R4 zones within and around these urban centres (see Appendix C of the *Background Report* for detailed analysis).

The assessment identifies a number of areas where planning controls act as a constraint to development. In summary, impediments to affordable and diverse housing in the LEP and/or

relevant Development Control Plans include those related to parking requirements above actual ownership rates; requirements for ground floor commercial in Shop top housing in B3 and B2 zones, and extensive use of B3 zoning that precludes Residential flat buildings in Queanbeyan, and also restricts the operations of the Housing SEPP; height constraints in the R4 zone; ground floor open space requirements in Residential flat buildings; site area per dwelling constraints in Multi dwelling housing and minimum lot size in the former Palerang areas.

It would therefore be beneficial that the LEP and DCP be amended to ensure that there are no unintended impediments to the development of affordable and lower cost housing types, and that these housing types are actively facilitated, particularly in well-located areas of Queanbeyan (including Googong and Jerrabomberra), Bungendore and Braidwood, and on infill sites and to current and future Greenfield areas.

These impediments could be further investigated by Council, such as by commissioning preliminary architectural design and quantity surveyor costings for some case study sites in Queanbeyan, and using this to better understand the impacts of variations to controls.

Strategies

Strategy 10

Council will seek to make amendments to planning controls as set out in detail in **Sections 7.3.2 and 7.3.3.** and **Appendix C** of the *Background Report*, including:

- a. Amending parking controls to reflect actual owner rates for vehicles, with a further discount for well-located areas within B3 and B4 zones to facilitate Residential flat buildings, and for smaller houses and Multi dwelling housing, to facilitate this form of development in redevelopment, infill and new release areas (see Table 7.3 and 7.4 of the *Background Report*);
 - b. Amending controls to allow non-commercial uses such as parking at the ground floor of Shop top housing developments combined with a requirement for an active street frontage, noting the increasing non-viability of commercial development in B2 and B3 zones, and the high cost of underground parking that is affecting the viability of the apartment component of mixed use development;
 - c. Providing additional FSR in the Queanbeyan B3 zone in return for the development of Boarding Houses and Co-living Housing, and studio and one-bedroom apartments, secured through a section 7.4 Planning Agreement and/or conditions of consent;
 - d. Removing all DCP controls related to apartment development that are above the Apartment Design Guide requirements, including related to minimum dwelling size (e.g. minimum of 50m² that precludes studio apartments), and minimum balcony size, and private outdoor space for ground level apartments, noting that these (combined with excessive parking requirements and low returns on commercial uses) are likely preventing development of apartments in Queanbeyan;
 - e. Allowing Residential flat buildings and parking with consent in the B3 zone where it can be demonstrated that the ground floor is not used for habitable purposes, an active street frontage (or a street frontage adaptable to commercial uses) is maintained, and that flood risk can be subsequently accommodated;
-

- f. Rezoning some B3 zoned areas in Queanbeyan to B4 to allow for the construction of Residential flat buildings, and to open up opportunities provided by the Housing SEPP (for example, opportunities for affordable rental and lower cost housing types in areas close to B2 and B4 zoning) including allowing construction of parking on lower floors in response to flood planning levels in Queanbeyan;
- g. Allowing height of at least 14 metres within B4 and R4 zones, noting that currently height controls further constrain the development of Residential flat buildings, and that development of two storeys is unlikely to be economically viable;
- h. Removing DCP controls on Residential flat buildings related to setbacks, minimum site area per dwelling, etc and rely instead upon the provisions of the Apartment Design Guide to control density;
- i. Remove minimum lot area per dwelling controls for Multi dwelling housing in Bungendore and Braidwood, and instead rely upon footprint and setback controls, or an FSR of 0.5, to increase viability of this form of development and provide greater incentives for smaller dwellings;
- j. Providing opportunities for smaller dwellings on smaller lots through measures such as substantially reducing minimum lot size in new release areas, particularly in Braidwood and Bungendore; zoning Greenfield sites as R1 rather than R2 to allow Multi dwelling housing; and/or making Multi dwelling housing permissible within R2 zones, subject to minimum site frontage.

Strategy 11

Council will consider implementing mechanisms that facilitate the more effective operation of the Housing SEPP in the LGA set out in **Section 7.3.3** of the *Background Report*, including:

- a. Introduction of FSR controls in residential areas within 400 metres of B1, B2 and B4 zones to facilitate infill affordable housing;
- b. Rezoning areas on the periphery of B3 zones to B4 to maximise opportunities for Boarding House development in R2 zones within 400 metres of B4, which would otherwise be prohibited;
- c. Facilitating information sessions with developers and social housing providers to promote opportunities provided by the Housing SEPP, including in relation to Build to Rent opportunities in B3 and B4 zones, and Residential flat building in B3 zone, with concessions related to specified requirements.

Strategy 12

Council will develop a Planning Agreement Policy to ensure that:

- a. Agreements made with regard to any mechanisms that involve concessions or relaxation of controls are transparent and guaranteed;
- b. That an appropriate share of benefit is captured from any rezoning or up-zoning that is assessed as resulting in sufficient land value uplift, with contribution in the form of dwellings, land or cash used in perpetuity by Council as affordable rental housing, and noting that this may

provide an alternative value capture mechanism in the absence of an approved Affordable Housing Contributions Scheme (see also below).

2.6.2 Encouraging and Prioritising Affordable Housing Developments

Rationale

There is a need to give priority to development proposals that are able to demonstrate they can provide a reasonable proportion of genuinely affordable housing in accordance with benchmarks in Table 2.1 of this Strategy, including by private and community sector proponents.

It would also be beneficial to provide education, guidance and support to private developers, CHPs and NFPs, and to local philanthropists in relation to affordable housing benchmarks, models, planning and development opportunities.

Strategies

Strategy 13

Council will seek to encourage and prioritise development of 'affordable housing' development in accordance with benchmarks in Table 2.1 through:

- a. Developing internal processes that can fast track or prioritise 'affordable housing' developments by private, public and/or community sector/NFP proponents;
- b. Ensuring that this process is applied to those providing genuinely 'affordable housing' in accordance with this Strategy, and that will be undertaken and/or managed by social (community or public) housing providers, NFPs including Aboriginal organisations, and/or private developers who have entered into an MOU or similar to provide a reasonable proportion of a development as 'affordable rental housing' to be managed by a social housing provider or other NFP for not less than 15 years;
- c. Providing advice and support on relevant aspects of affordable housing policy, models, planning and development, including on its website and through dedicated/trained Council staff;
- d. Actively linking potential private sector developers, CHPs/NFPs and philanthropists, for example, in the development of Boarding House development/management partnerships and demonstration projects.

2.7 Mandatory Intervention

2.7.1 Development of an Affordable Housing Contribution Scheme

Rationale

Two forms of mandatory mechanisms were found to be effective in the *Background Report*.

The **first mandatory mechanism** relates to opportunities to develop an Affordable Housing Contributions Scheme under section 7.32 of the Act, which now covers all of the State, and allows mandatory contributions toward affordable housing to be levied where contributions do not affect

the viability of development, and a need for affordable housing in accordance with DPE Guidelines can be demonstrated.

JSA has undertaken preliminary economic modelling using the DPE Viability Tool to model potential uplift in indicative redevelopment sites, and has applied the same methodology to understand the likely uplift from rezoning of rural to residential land.

The modelling at **Section 7.4.3** of the *Background Report* indicates that substantial land value uplift from rezoning of rural to residential land in areas around Googong, South Jerrabomberra and Bungendore is likely. An affordable housing contribution of 15% of developable land area, or the equivalent in cash or dwellings, would not be unreasonable on the preliminary analysis, and it would be worth developing an Affordable Housing Contributions Scheme **in advance of any rezonings**.

However, JSA's modelling indicates that it is unlikely that an affordable housing contribution would be viable for up-zoning (for example, from R2 to R3 or R4) in existing urban areas, even with amendments to controls proposed earlier, as these amendments are likely to be required just to facilitate development without the additional impost of an affordable housing contribution.

Strategies

Strategy 14

Council will:

- a. Conduct more detailed economic modelling to determine the viability of an Affordable Housing Contributions Scheme in relation to specific precincts prior to rezoning from rural to residential, and noting JSA's preliminary findings in relation to need and viability;
- b. Develop an Affordable Housing Contributions Scheme in relation to those precincts where such a contribution is likely to be viable to generate resources for affordable rental housing in perpetuity.

2.7.2 Mandating Housing Diversity

Rationale

The **second mandatory mechanism** considered is mandating smaller strata dwellings as part of Residential flat buildings and Shop top housing, particularly studio, one and two bedroom apartments to facilitate the development of lower cost housing and increase the supply of private rental. It is likely that this would not be an impost on development, particularly if amendments to controls that currently provide the main impediments to such development are amended, as recommended above.

It is also important to ensure that there is housing diversity that will reduce cost and contribute to affordability for some target groups.

Strategies

Strategy 15

Council will seek to implement the following mechanisms:

- a. In existing areas, as well as amending the DCP to ensure that there are no impediments to studio apartments:
 - Mandate a proportion of studio apartments of no more than 40 m², and of one bedroom dwellings with a maximum floor area of 55 m² in Multi dwelling housing developments, Shop top housing developments and Residential flat developments in areas within 400 metres of major town centres (for example, one dwelling in five or 20% of dwellings);
 - Mandate a proportion of two bedroom, one bathroom dwellings with a maximum floor area of 75 m² in Multi dwelling housing developments and Residential flat developments in areas within 400 metres of major town centres (for example, two in five or 40% of dwellings).
- b. In Greenfield sites, **adopt a masterplan approach to Greenfield developments** and include the following types of requirements:
 - A proportion of lots to be allocated to Multi dwelling housing (for example, 10% of lots by area), with mandatory provisions for smaller one and two bedroom dwellings (i.e. with one bathroom and a maximum floor area of 55 m² and 75 m² respectively).
 - A proportion of houses on small lots (for example, 20%).

2.8 Administration and Management

2.8.1 Administration

Rationale

There is a need for transparent reporting and accountability with regard to administration of Council's affordable housing program, and to ensure that the *Strategy* is effective in achieving its objectives. Adequate responsive, recurrent and planned maintenance is also vital to ensure the amenity of the properties and locality, and the longevity of stock.

Strategies

Strategy 16

Council will establish required administrative mechanisms to ensure proper monitoring, management and administration related to the *Strategy*, and any Affordable Housing Program resulting from this, including:

- Annual reporting against KPIs;
 - Transparent processes for the selection of affordable housing partners, whether on the basis of competitive tendering on individual projects, or a preferred partner basis;
 - The establishment of a separately accounted and reported Affordable Housing Trust Fund to hold any resources generated through the *Strategy* (for example, land, money or affordable housing units, created in perpetuity).
-

2.8.2 Asset Management & Maintenance

Rationale

Adequate provision for responsive, recurrent and planned maintenance is also vital to ensure the amenity of the properties and locality, and the longevity of stock.

Strategies

Strategy 17

Council will ensure that partnering and management arrangements with a registered community housing provider include adequate budgetary provision and planning for maintenance and facilities management including:

- Responsive maintenance within the required timeframe;
- Recurrent maintenance, such as minor works, gardening, etc to ensure high quality amenity; and
- Planned maintenance, such as external painting, roof and fence replacement, including a planned maintenance schedule and regular asset condition audits.

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

23 NOVEMBER 2022

ITEM 9.5 DRAFT QPRC AFFORDABLE HOUSING STRATEGY

ATTACHMENT 2 QPRC AFFORDABLE HOUSING STRATEGY - BACKGROUND
PAPER

Queanbeyan-Palerang Affordable Housing Strategy: Background Paper



October 2022

This report has been prepared for
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by

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DRAFT

1 Executive Summary

1.1 Background to Project

Queanbeyan-Palerang Regional Council has engaged Judith Stubbs and Associates (JSA) to prepare the *Queanbeyan-Palerang Affordable Housing Strategy* to assist Council in understanding the current and projected need for affordable housing, issues that may influence the delivery of affordable housing in the future, and the most effective actions Council can take to address these issues in the context of the local housing market.

The overarching aim of the project is to produce an *Affordable Housing Strategy* to provide a framework to respond to housing need in the Queanbeyan-Palerang to 2041. In particular, the *Strategy* will provide an evidence-based approach to increasing affordable housing for key target groups, focusing on strategies likely to be most effective in the local context.

Whilst all levels of government have an important role to play in creating the policy settings and frameworks that support people wherever they are on the affordable housing continuum, it is clear that Queanbeyan-Palerang Regional Council is committed to leadership in relation to initiatives that it is uniquely placed to engage with in this important policy area.

Together with other recently completed strategies and reports by Council, the *Affordable Housing Strategy* will inform the ongoing review of Council's *Local Environmental Plan* and *Development Control Plan*, structure plans and the like; provide data for advocacy and planning; and strategies and mechanisms that seek to increase the supply of affordable, lower cost and diverse housing to meet serious and growing need in the LGA.

1.2 About the Draft Background Report

This *Draft Background Report* provides detailed researched on current and future demographic trends and projections; a detailed analysis of the housing market and of affordable housing need by target group; an analysis of the local economic, land supply and planning context; consultation with key stakeholders to ground-truth preliminary findings and provide qualitative information; a preliminary analysis of potential affordable housing partnership sites with respect to economic feasibility; and a preliminary assessment of planning mechanisms and amendments to existing controls required to ensure more efficient market supply of diverse, low cost and affordable housing options.

This *Draft Background Paper* will be further updated after circulation and feedback from Council staff and elected representatives, and form the basis of strategies and mechanisms in the forthcoming *Queanbeyan-Palerang Affordable Housing Strategy*.

The *Background Paper* is also accompanied by a *Case Study Booklet* that sets out a range of practical examples of good practice in planning, development and design of affordable and diverse housing from previous research and practice undertaken by Judith Stubbs and Associates that could be adapted for Queanbeyan-Palerang LGA.

1.3 What is Affordable Housing?

Housing is generally considered to be 'affordable' when households that are renting or purchasing are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education.

'Affordable housing' also has a statutory definition under the *NSW Environmental Planning and Assessment Act 1979 (NSW)*, being housing for very low, low or moderate income households. *SEPP (Housing) 2021* defines 'very low-income' households as those on less than 50% of median household income; 'low-income' households as those on 50-80% of median household income, and 'moderate-income' households as those on 80-120% of median household income for Rest of NSW.¹

As a commonly used rule of thumb, affordable housing is taken to be housing where households pay less than 30% of their gross household income on housing costs. This is often regarded as the point at which such households are at risk of having insufficient income to meet other living costs, and deemed to be in 'housing stress'. Those paying more than 50% of gross income are regarded as being in 'severe housing stress'.

'Low cost' housing is often, though not always, 'affordable'. For example, in a premium location, even a small, lower amenity strata dwelling may be 'unaffordable' to a very low-, low- or moderate-income household.

The following table provides benchmarks that are used in this policy when referring to 'affordable housing', in March Quarter 2022 dollars, and are consistent with relevant NSW legislation.

It can be seen from the table below that, for rental to be 'affordable' under statutory definitions, rental costs would need to be less than \$223 per week for a very low income household, between \$224 and \$356 for a low income household, and between \$357 and \$534 for a moderate income household as per the Rest of NSW benchmarks.

¹ Rest of NSW is NSW less the greater Sydney area, i.e., regional NSW.

Table 1-1: Affordable Housing Income, Rental and Purchase Benchmarks – Rest of NSW²

	Very Low Income Household	Low Income Household	Moderate Income Household
Income Benchmark	<50% of Gross Median Household Income for Rest of NSW	50%-80% of Gross Median Household Income for Rest of NSW	80%-120% of Gross Median Household Income for Rest of NSW
Income Range (2)	<\$742 per week	\$743-\$1,187 per week	\$1,188-\$1,781 per week
Affordable Rental Benchmarks (3)	<\$223 per week	\$224-\$356 per week	\$357-\$534 per week
Affordable Purchase Benchmarks (4)	<\$255,000	\$255,001-\$406,000	\$406,001-\$610,000

Source: JSA 2022, based on data from ABS (2021) Census of Population and Housing, ABS (2022) CPI, indexed to March Quarter 2022 dollars, ANZ Home Loan Repayment Calculator <https://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/>

1.4 Why is Affordable Housing Important?

Anyone in the community could need affordable housing. This includes a young person seeking to live near where they grew up, a recently separated or divorced person with children for whom conventional home ownership may no longer be economically viable, households dependent on one (or even two) low or median waged, key worker jobs, or an older person on a reduced retirement income, including after divorce or the death of a spouse.

Lack of affordably priced housing not only affects the quality of life of individual families, who may be sacrificing basic necessities to pay for their housing, it also has a serious impact on employment growth and economic development. The loss of young families and workers in lower paid essential service jobs can adversely affect local economies, and is contributing to labour shortages in some regions of NSW. The displacement of long-term residents reduces social cohesion, engagement with community activities (such as volunteering), and extended family support.

As well as impacting on the health and wellbeing of low income families, and older and younger people, this can contribute to a lack of labour supply among 'key workers' who are essential to various services including childcare, aged services, health care, tourism, hospitality and emergency services, but whose wage increasingly does not allow them to access rental or purchase housing close to where they work. Affordably priced housing is thus an important form of community infrastructure that supports community wellbeing and social and economic sustainability, including a diverse labour market and economy, and strong and inclusive communities.

² (1) All values reported in March Qtr 2022 dollars; (2) Total weekly household income; (3) Calculated as 30% of total weekly household income; (4) Calculated using ANZ Loan Repayment Calculator, using 05 July 2022 interest rate (3.94% pa) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

It is also important that affordable housing is well-located to reduce car dependency, improve access to services and facilities for lower income and more vulnerable people, and reduce costs to very low, low and moderate income households. As such, the research is focused on areas around the major centres of **Queanbeyan and surrounds, Bungendore and Braidwood**.

1.5 Overview of Findings from *Background Paper*

1.5.1 Overview

It is widely acknowledged that there is major shortfall in affordable housing in most cities and many regional communities across Australia. The most severe and lasting impacts are experienced by **very low and low income households in unaffordable private rental accommodation** who do not gain the benefits that accrue to home purchasers, including long-term capital gains and a decreasing debt to household income ratio over time, and for whom social rental and home ownership is increasingly inaccessible.

A 'perfect storm' of housing, funding and economic factors has resulted in an affordable housing crisis in areas like QP LGA, and in increasing homelessness amongst even those who would once have been able to access private rental, including lower income working people and moderate income families; and intensifying impacts for more vulnerable people.

These factors include inadequate long-term supply of private rental accommodation, increasing demand from contract workers, cyclical employment in the public sector and expansion in industries such as mining, defence and construction, as well as from those born overseas on visas that require them to live in a regional area while accessing work in the ACT. The effects of the COVID 19 pandemic are also apparent in the local housing market, including the movement of people on higher incomes from cities to regions like QP LGA, and the loss of private rental properties through sale or return to owner occupancy, with both short-term and structural changes in patterns of living and working likely.

This has resulted in a near 0% vacancy rate currently, and 'one of the worst housing markets ever seen' by many services and real estate agents interviewed in the LGA. It has also resulted in growth in the real cost of purchase of around 20% per annum for strata dwellings and 15% for vacant land over the past two years, controlling for other factors.

A much lower than average rate of increase in housing diversity in the LGA over the past 15 years is also contributing to constrained supply. This includes small lot housing, and smaller (studio and one bedroom) apartments, boarding houses and the like which are major contributors to the supply of private rental accommodation. This lack of diversity is due to apparent planning impediments and economic factors. The increase in permanent and long-term private renters, including those who would have traditionally been home purchasers, is also driving up demand for private rental.

Importantly, social housing supply has failed to keep pace with growing need over many years, and has actually seen a decrease proportionally and in absolute terms over the past decade or so, including through sale of public housing stock, lack of funding for growth, and lack of priority for public housing estate renewal programs that have the potential to grow supply and diversify stock. This is leading to significant increases in waiting times for even high need/priority applicants, with

these waiting times reported to be increasing from 4 weeks to around 12-18 months in the past few years.

At the lower end of the market, very low income renters and those with special needs have been most seriously affected by the lack of affordable (or indeed almost any) private rental and the severely inadequate supply of social housing, with very low and low income renters making up the majority of those in housing stress, and unable to affordably rent even a one bedroom apartment in the LGA currently.

The severe shortage of dedicated crisis, short-term and transitional accommodation for the increasing number of people at risk of homelessness is affecting those most vulnerable in the housing market, including older single people, sole parent families, those leaving family violence, and people with a disability. Single homeless men remain the largest and possibly the most difficult to accommodate, with only one crisis refuge in the whole of the South East Region (in Wollongong). As well, the severely inadequate supply of private and social rental is leading to increased homelessness among new cohorts, including older women with limited capital, and lower income workers and families, leading one service to comment, 'Finding housing is no longer about having a job – it's about having housing to move into at all'. This is exacerbated by 'exit blocks' from crisis and short-term housing due to the severely inadequate supply of social and private rental, and the loss of accommodation formerly used as temporary accommodation, such as motels and caravan parks, due to increased demand from workers and domestic tourists.

Services, government and industry interviewed for this Background Paper describe an unprecedented situation in the local rental market, and the need for accommodation for very low and low income renters and those most vulnerable in the housing market, as a priority. As well as medium to longer-term strategies, proposed in a preliminary way in **Section 7 below**, there is also a need to develop short-term strategies as a matter of urgency to house the growing number of people described by services as living in unsuitable, overcrowded and unsafe conditions, staying temporarily with others, couch-surfing, sleeping in cars, old caravans or sheds, or sleeping rough.

1.5.2 Need for Affordable Housing

Based on levels of housing stress in Queanbeyan-Palerang LGA in 2016 (the most recent period for which data is available at the time of writing), around 2,200 very low, low and moderate income households were in housing stress. By 2041, this is projected to grow by 1,575 households to a **total of 3,775 households** in housing stress.

By far the most serious affordable housing need is among **very low and low income renters**, who face critical and growing affordability problems, and make up a majority of those in housing stress. Of those projected to be in housing stress by 2041, at least **75% are likely to be renters, with 55% of these on very low incomes**, 25% low incomes and 20% on moderate incomes. Around one-quarter of those in housing stress are likely to be purchasers, with a majority on moderate incomes, and a substantial proportion on low incomes.

This breakdown is shown in summary in the following table, and in more detail in **Section 5 below**.

Table 1-2: Need for Affordable Housing to 2041 (Current and Additional/Projected 2016-41)

	Renting Households			Purchasing Households		
	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
Affordable to Very Low Income Households	798	311	1109	107	36	143
Affordable to Low Income Households	387	330	717	140	110	249
Affordable to Moderate Income Households	240	333	573	303	204	507
TOTAL	1,712	1,165	2,877	549	350	899

Source: JSA calculations, using data from ABS Census of Population and Housing 2016 and .id Consulting Population Forecasts

1.5.3 Ability of Market to Provide Housing Affordability

There is a very limited opportunity for the private market to provide housing that is affordable to meet most current and projected affordable housing need, meaning that **deep subsidies, strong planning intervention and direct funding is likely to be required** to meet the affordable housing need of most of the target groups in the local housing market context.

With regard to **renters**, no very low and low income renters can affordably rent even a median priced one bedroom unit on the private market. This situation is likely to deteriorate significantly in the future, considering both the substantial real increase in rent in recent years, and that newly constructed dwellings are likely to reflect at least median and likely third quartile rents. The situation is somewhat better for the upper 50% of moderate income households, who could affordably rent a smaller strata dwelling, but those needing accommodation suited to families are generally unable to rent affordably through the private market.

This means that around 95% of very low, low and moderate income renters in housing need are excluded from renting affordably through the private market, although the provision of **studio and one bedroom apartments** would be highly beneficial in terms of increasing the supply of lower and

diverse housing types, and **boarding housing and co-living housing accommodation** would be affordable to some low income renters if they were available. It is also noted that around 75% of flats and units and 50% of medium density housing types in the local housing market are in private rental compared with only around 15% of houses. However, the supply of such accommodation is very constrained, particularly outside of Queanbeyan and Queanbeyan East.

Lower cost **caravan parks and MHEs**, where these were Council or community housing managed and/or where people could bring their own lower cost home to a site, would also be affordable to some of the target group.

In terms of **purchasers**, it is positive that smaller (likely one and two bedroom) strata dwellings provided through the market are affordable to around 25% of low income purchasers and to all moderate income purchasers, with these more likely to be suitable for smaller households. However, in general, non-strata dwellings (houses) were not affordable to any very low, low or moderate income purchasing families with children, although some smaller families may be suitably housed in larger strata dwellings.

This means that around 55% of very low, low and moderate income purchasers are likely to be excluded from affordable purchase in the future, although it is positive that an increase in the supply of **smaller strata dwellings** would provide affordable purchase for around 45% of the relevant target groups, and lower cost (if not affordable) accommodation for others, as well as the benefits of increased housing diversity around key centres. Again, **caravan parks** where people could bring their own dwelling (rather than one subject to exorbitant mark ups from exclusive supply arrangements), as well as **smaller entry level project homes on small lots**, would also likely be beneficial in terms of lower cost (and sometimes affordable) accommodation.

As noted, in JSA's regression analysis, the real cost of purchase has increased by around 20% per annum over the past two years, and house purchase has increased by 11% per annum, controlling for amenity, dwellings and lot size. Economic modelling indicates that lower cost product could be achieved through reduction of minimum lot sizes in areas like Bungendore, reducing standards such as parking and open space requirements for ground floor dwellings in RFBs, and reducing parking and DCP density requirements in Braidwood and Bungendore. This would be expected to flow on to lower cost rental as well with increased rental supply, noting that around 75% of apartments and 50% of Multi dwelling housing enters the private rental market.

When renters and purchasers are combined, this means that around 85% of current and projected affordable housing need is unlikely to be met by the private housing market in the future, and that strong planning intervention and direct funding is likely to be required to meet most of this need. It may be possible to meet somewhat more need through the market if impediments such as those outlined above are reduced, but still means that the needs of most low income purchasers and renters will not be met through the market, even under more optimistic scenarios.

This has strategic implications, including with regard to the current planning and development controls and zoning, the nature and location of future supply, and the nature of market intervention that is likely to be effective, as outlined below and in more detail in **Section 7**.

1.5.4 Who are the Target Groups?

Very low, low and moderate income households in the local context, are made up largely of working households including lower income 'key' or essential service workers, as well as those on pensions and benefits, such as the Aged or Disability Pension, Parenting Payment and JobSeeker Allowance.

Some examples of **very low income key worker households** include a lone person working part-time as an aged care worker on \$700; or a couple with a young child, with one working a typical 30 hour week as an Assistant in Nursing (AIN). These households would need to pay less than \$210 for their housing, and could not afford to rent even a one bedroom unit in the LGA.

Examples of **low income key workers** include a full time process worker earning \$835 per week; a person earning \$865 as a cleaner; or a couple with two small children, with one working full time as a more experienced AIN on \$941 per week. These households would need to pay between \$250 and \$295 per week for their housing to be affordable, and would also be unable rent even a one bedroom unit in the LGA.

Moderate income key worker households include a lone person working full-time as an ambulance officer, entry level teacher or registered nurse earning around \$1,115 per week; or a couple with one person working part-time as a cleaner and the other as an Enrolled Nurse, on a combined income of around \$1,660 per week. None of these moderate income households could afford to rent a separate house in the LGA. At the lower end of the income range, they could afford to rent a one bedroom apartment, and could afford a two bedroom apartment at the upper end of the income range.

Some examples of very low income households that are dependent on **Centrelink payments** include a single aged pensioner with no superannuation on a pension of \$494 per week including relevant supplements, who could afford to pay \$220 in rent including Commonwealth Rental Assistance;³ and a single person on JobSeeker Allowance, who would have an income of \$321 per week, and could afford to pay \$169 in rent including Commonwealth Rental Assistance. These households could not afford to rent anything in the LGA, even a one bedroom or studio apartment, even if such stock were available.

1.6 Strategic Implications

1.6.1 Overview of Mechanisms and Strategies

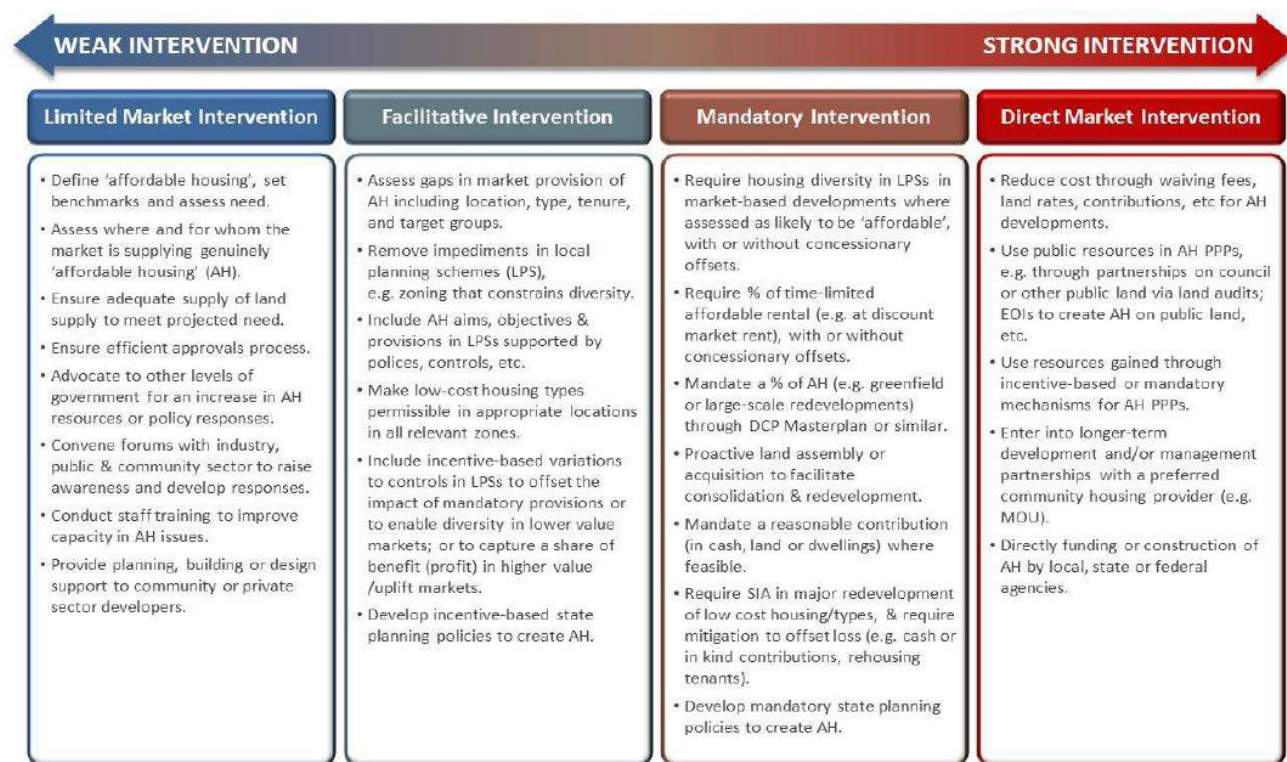
There are a wide range of strategies available to Council to promote affordable housing in the Queanbeyan-Palerang LGA. These strategies range from light planning intervention in the market to strong intervention or direct provision of affordable housing, as shown in Figure 1.1 below.

A detailed assessment of the main mechanisms and strategies that would be effective in the local context is provided in **Section 5** below. A summary of the main strategies most likely to be effective in the local context is provided below, with strategies in order of timing and priority.

³ Around \$50 per week for eligible households.

A **Case Study Booklet** has also been prepared by JSA which showcases a number of ways in which local government has engaged with affordable housing issues in their local communities (provided as **Attachment A**).

DRAFT



Source: Stubbs (2003); ISA (2011)

Figure 1.1: Mechanisms and Strategies to Create Affordable Housing along a Continuum of Planning Intervention

1.6.2 Potential Mechanisms and Strategies

Crisis, short-term, temporary & transitional accommodation

Overview

A 'perfect storm' of housing, funding and economic factors has resulted in an affordable housing crisis in QP LGA, and increasing homelessness amongst even those who would once have been able to access private rental, including lower income working people and moderate income families, and intensifying impacts for more vulnerable people.

As well as the serious undersupply and loss of social housing, the severe shortage of dedicated crisis, short-term and transitional accommodation for the increasing number and types of people at risk of homelessness is affecting those most vulnerable in the housing market, including older single people, sole parent families, those leaving family violence, and people with a disability; and is leading to increased homelessness. Single men are a particularly difficult cohort to accommodate, and homelessness is also increasing significantly among new cohorts, including older women with limited capital, and lower income workers and families.

This is exacerbated by 'exit blocks' from crisis and short-term housing due to the severely inadequate supply of social and private rental, and the loss of accommodation formerly used as temporary accommodation such as motels and caravan parks due to increased demand from workers and domestic tourists.

There is also a need to develop short-term strategies to house the growing number of people described by services as living in unsuitable, overcrowded and unsafe conditions, staying temporarily with others, couch-surfing, sleeping in cars, old caravans or sheds, or sleeping rough, as a matter of urgency.

Potential Mechanisms and Strategies

Strategy 1: It is recommended that Council advocate for and actively support the provision of crisis, short-term, temporary & transitional accommodation for the growing number of homeless people in the LGA, including:

- a. 'Meantime use' of vacant or underutilised Council, public, community and private buildings and regulatory support and flexibility for their use as crisis and short-term accommodation;
- b. Pop-up models of crisis accommodation, such as a 'Winter Sleep-In' Pilot in Council or Church Halls;
- c. Identify Council or other publicly owned land in close proximity to the town centre suited to older people with some support needs, to be used for accommodation based on the Abbeyfield model or tiny home/MHE model of self-contained independent living units with some common areas and facilities to foster community and social support;
- d. Identify Council and other publicly owned land for projects developed by local services and networks that are likely to receive funding;

- e. Placement of at least small MHs or tiny homes on vacant public or private (philanthropic) land on land where caravan parks are permissible;
- f. Planning and resourcing support for not for profits and community housing providers seeking to engage in these activities, including ensuring that there is no delay in the approvals process, and waiving DA fees and the like;
- g. Reviewing Council's internal referrals/protocols between the planning and community services teams to explore how to improve efficiency and reduce costs associated with the DA process for services/community organisations with affordable and alternative housing development projects could be achieved;
- h. Reducing on-going costs for affordable housing developments and alternative accommodation through rates reductions, or other financial support;
- i. Seeking funding for upgrades and conversions of buildings where relevant;
- j. Developing a community awareness campaign on homelessness, including the increasing risk to a wide range of cohorts;
- k. Promoting the return of properties used for Short Term Rental Association to the long-term private rental market, and for headlease by social housing providers (including promoting the benefits of such arrangements);
- l. Facilitating a pilot brokerage scheme in partnership with a local Not for Profit or Community Housing Provider that matches owner occupiers in large underoccupied homes with people who are at risk of homelessness, including young/single key workers, older women, etc, including:
 - Screening and matching of prospective shared housing participants;
 - Development of appropriate rents, cost sharing agreements, and other administrative arrangements; and
 - Provision for support, conflict resolution, etc as required.

Strategy 2: On the basis of evidence in this Background Report, it is recommended that Council urgently advocate with the NSW Land and Housing Corporation (LAHC) for the following:

- a. A commitment to at least maintain existing amounts of social housing in the LGA;
- b. A commitment to a publicly available strategic asset management plan that provides for appropriate maintenance and repair of existing stock, including an accelerated repairs and maintenance program by the NSW Land and Housing Corporation and local CHPs;
- c. A strategic approach to selective redevelopment of existing stock to better meet current and projected need as part of this publicly available strategic asset management plan;
- d. The funding of at least 500 new social housing dwellings by 2041, and at least 170 places as crisis, short-term, transitional and/or supported accommodation for the growing cohort of people at risk of long-term homelessness, as a matter of urgency.

Direct Creation of Affordable (Including Social) Housing

Rationale

Most current and future affordable housing need (around 85%) is unlikely to be met through the market in the local context, with the greatest need for affordable rental accommodation for very low income renters (including key workers, retired people with limited capital and people on pensions and benefits), who require deep subsidies for their housing to be affordable.

The main way that most very low income and many low income renting households can be affordably accommodated is through the direct creation of affordable rental housing through government funding; the use of Council and other public or community owned land in affordable housing developments and partnerships; and the more efficient use of existing social housing including selective redevelopment of older houses on large lots to provide increased diversity and address underoccupancy and long waiting times for smaller dwellings.

The development of affordable housing partnerships on Council- and other publicly-owned land is discussed in detail in **Section 7.5.3 below** and in **Appendix B**. In consultation with Council, JSA has identified 12 potential partnership sites, some of which would require amended controls and/or a planning proposal to change the zoning. We have conducted preliminary modelling on a number of potential development scenarios including for the development of Residential flat buildings and Boarding houses on car park sites zoned B3 in Queanbeyan town centre (including replacement of car parking); a caravan park development under various tenure scenarios of RE2 zoned land in Bungendore, Braidwood and Queanbeyan; and a development on SP1 zoned land in Braidwood that could be developed as affordable seniors housing, affordable rental housing and/or social housing (or a combination of these), and noting that affordable seniors housing would not require a planning proposal as it is permissible with consent in the Housing SEPP.

Preliminary modelling indicates that a range of scenarios are likely to be economically viable, and warrant further investigation. It is also noted that this generic modelling could also apply to other relevant sites in these localities.

There are also significant opportunities for the development of public housing where this is older, separate dwellings on large lots in areas around Queanbeyan and Karabar to provide a mix of smaller strata dwellings, more efficient land use and increased yield/supply. This could be provided as multi tenure development, but it is important that there is a **net gain of social housing in the process**, and no loss of stock. Importantly, data from common social housing waiting list indicates that more than 60% of the 438 households on the waiting list require one bedroom dwellings and a further 30% require two bedroom dwellings (at least 90% therefore needing smaller strata dwellings).

Potential Mechanisms and Strategies

Strategy 3: It is recommended that Council consider:

- a. In principle, allocation of at least five Council-owned sites in Queanbeyan, Bungendore and Braidwood for the development of affordable housing in partnership with a registered

Community Housing Provider and/or not for profit housing provider, and undertake more detailed modelling, opportunities to amend controls, and preferred partner arrangements, etc;

- b. Seeking to secure the dedication of at least three sites owned by other public authorities, and undertake required modelling, analysis and negotiations on dedication and partnering arrangements, etc;

Strategy 4. It is recommended that Council seek to ensure that there is an increase in appropriate social housing dwellings to meet existing and projected needs, and to ensure the long-term viability of such housing stock, including through:

- a. Exploring opportunities with NSW Land and Housing Corporation and local Community Housing Providers/Not for Profits for the selective redevelopment of older concentrations of social housing in Queanbeyan and surrounds, including for smaller, more diverse housing types and multi-tenure development including social, affordable, shared equity and affordable purchase to meet changing needs;
- b. Ensuring that there is not net loss of social housing dwellings as a result of any regeneration activities;
- c. Advocating to State Government on behalf of local Community Housing Providers (CHPs) for a transfer of title and/or long-term (50-year lease) on existing public housing on contiguous sites in appropriate areas to facilitate the redevelopment of selected stock through increased economic viability for CHPs;
- d. Reviewing zoning and controls in precincts targeted for estate regeneration or selective redevelopment to support density.

Facilitative Strategies to Increase Supply of Affordable Rental Housing

Rationale

Given the likelihood that around 60% of affordable housing need will be from smaller (lone person and couple) households by 2041, and that there is a very high need for affordable studio, one and two bedroom strata dwellings in the context of a seriously constrained supply of such dwellings, there is significant benefit in actively **increasing the supply of smaller studio, one and two bedroom apartments near major centres of Queanbeyan (including Googong and Jerrabomberra), Bungendore and Braidwood** as well as developing a supply of well-located **New Generation Boarding Houses and Co-living Housing** through the Housing SEPP.

It is also noted that 73% of apartments and 50% of Multi dwelling housing is likely to enter the private rental market in the local context, so that there would be benefit in increasing supply of this lower cost (if not always 'affordable') form of rental housing through the market. This increased diversity is also likely to have other flow-ons, including freeing up larger dwellings and older stock, and reduced pressure on rental stock.

Our regression analysis also indicates that there are likely to be affordability benefits from increasing the supply of small lot housing, and Multi dwelling housing in current and future release areas, noting that developers interviewed for the Background Paper report a high demand for this form of development in release areas as well as infill areas.

It is therefore important that there are no impediments to the delivery of such accommodation through local planning instruments, with implications for zoning and planning controls, particularly in certain locations and/or precincts. This is so that there can be an increase in the delivery of more affordable and lower cost housing products through the market, focusing on the major centres of **Queanbeyan (including Googong and Jerrabomberra), Bungendore and Braidwood**.

Section 7.3 below investigates planning and economic constraints to the development of Residential flat buildings including Build to Rent, Multi dwelling housing and New Generation Boarding Houses/Co Living Housing within and around the three major urban centres of Queanbeyan, Bungendore and Braidwood within B2, B3, B4, R1, R3 and R4 zones within and around these urban centres (see Appendix C for detailed analysis).

The preliminary assessment identifies a number of areas where planning controls act as a constraint to development. In summary, impediments to affordable and diverse housing in the LEP and/or relevant Development Control Plans include those related to parking requirements above actual ownership rates; requirements for ground floor commercial in Shop top housing in B3 and B2 zones, and extensive use of B3 zoning that precludes RFBs in Queanbeyan, and also restricts the operations of the Housing SEPP; height constraints in the R4 zone; ground floor open space requirements in RFBs; site area per dwelling constraints in Multi dwelling housing and minimum lot size in the former Palerang areas.

It would therefore be beneficial that the LEP and DCP be amended to ensure that there are no unintended impediments to the development of affordable and lower cost housing types, and that these housing types are actively facilitated, particularly in well-located areas of Queanbeyan (including Googong and Jerrabomberra), Bungendore and Braidwood, and on infill sites and to current and future Greenfield areas.

These impediments could be further investigated by Council, such as by commissioning preliminary architectural design and quantity surveyor costings for some case study sites in Queanbeyan, and using this to better understand the impacts of variations to controls.

Potential Mechanisms and Strategies

Strategy 5. It is recommended that Council consider amendments to planning controls set out in detail in **Sections 7.3.2 and 7.3.3. below** and **Appendix C**, including:

- a. Amending parking controls to reflect actual owner rates for vehicles, with a further discount for well-located areas within B3 and B4 zones to facilitate RFBs and for smaller houses and Multi dwelling housing to facilitate this form of development in redevelopment, infill and new release areas (see Table 7.3 and 7.4 below);
- b. Amending controls to allow non-commercial uses such as parking at the ground floor of Shop top housing developments combined with a requirement for an active street frontage, noting the increasing non-viability of commercial development in B2 and B3 zones, and the high cost of underground parking that is affecting the viability of the apartment component of mixed use development;

- c. Providing additional FSR in the Queanbeyan B3 zone in return for the development of Boarding Houses and Co-living Housing, and studio and one bedroom apartments, secured through a section 7.4 Planning Agreement and/or conditions of consent;
- d. Removing all DCP controls related to apartment development that are above the Apartment Design Guide requirements, including related to minimum dwelling size (e.g. minimum of 50m² that precludes studio apartments), and minimum balcony size, and private outdoor space for ground level apartments, noting that these (combined with excessive parking requirements and low returns on commercial uses) are likely preventing development of apartments in Queanbeyan;
- e. Allowing RFBs and parking with consent in the B3 zone where it can be demonstrated that the ground floor is not used for habitable purposes, an active street frontage (or a street frontage adaptable to commercial uses) is maintained, and that flood risk can be subsequently accommodated;
- f. Rezoning some B3 zoned areas in Queanbeyan to B4 to allow for the construction of RFBs, and to open up opportunities provided by the Housing SEPP (for example, opportunities for affordable rental and lower cost housing types in areas close to B2 and B4 zoning) including allowing construction of parking on lower floors in response to flood planning levels in Queanbeyan;
- g. Allowing height of at least 14 metres within B4 and R4 zones, noting that currently height controls further constrain the development of RFBs, and that development of two storeys is unlikely to be economically viable.
- h. Removing DCP controls on RFBs related to setbacks, minimum site area per dwelling, etc and rely instead upon the provisions of the Apartment Design Guide to control density;
- i. Remove minimum lot area per dwelling controls for Multi dwelling housing in Bungendore and Braidwood, and instead rely upon footprint and setback controls, or an FSR of 0.5, to increase viability of this form of development and provide greater incentives for smaller dwellings;
- j. Providing opportunities for smaller dwellings on smaller lots through measures such as substantially reducing minimum lot size in new release areas, particularly in Braidwood and Bungendore; zoning Greenfield sites as R1 rather than R2 to allow Multi dwelling housing; and/or making Multi dwelling housing permissible within R2 zones, subject to minimum site frontage.

Strategy 6. It is recommended that Council consider mechanisms that facilitate the more effective operation of the Housing SEPP set out in **Section 7.3.3 below** in the LGA, including:

- a. Introduction of FSR controls in residential areas within 400 metres of B1, B2 and B4 zones to facilitate infill affordable housing;
- b. Rezoning areas on the periphery of B3 zones to B4 to maximise opportunities for Boarding House development in R2 zones within 400 metres of B4, which would otherwise be prohibited;
- c. Facilitating information sessions with developers and social housing providers to promote opportunities provided by the Housing SEPP, including in relation to Build to Rent opportunities in B3 and B4 zones, and Residential flat building in B3 zone, with concessions related to specified requirements.

Strategy 7. It is recommended that Council consider the development of a Planning Agreement Policy to ensure that:

- a. Agreements made with regard to any mechanisms that involve concessions or relaxation of controls are transparent and guaranteed;
- b. That an appropriate share of benefit is captured from any rezoning or upzoning that is assessed as resulting in sufficient land value uplift, with contribution in the form of dwellings, land or cash used in perpetuity by Council as affordable rental housing, and noting that this may provide an alternative value capture mechanism in the absence of an approved Affordable Housing Contributions Scheme (see below).

Mandatory Intervention

Rationale

Two forms of mandatory mechanisms are considered.

The first relates to opportunities to develop an Affordable Housing Contributions Scheme under section 7.32 of the Act, which now covers all of the State, and allows mandatory contributions toward affordable housing to be levied where contributions do not affect the viability of development, and a need for affordable housing in accordance with DPE Guidelines can be demonstrated.

JSA has undertaken preliminary economic modelling using the DPE Viability Tool to model potential uplift in indicative redevelopment sites, and has applied the same methodology to understand the likely uplift from rezoning of rural to residential land.

The modelling at **Section 7.4.3 below** indicates that substantial land value uplift from rezoning of rural to residential land in areas around Googong, South Jerrabomberra and Bungendore is likely. An affordable housing contribution of 15% of developable land area, or the equivalent in cash or dwellings, would not be unreasonable on the preliminary analysis, and it would be worth developing an Affordable Housing Contributions Scheme **in advance of any rezonings**.

However, our modelling indicates that it is unlikely that an affordable housing contribution would be viable for upzoning (for example, from R2 to R3 or R4) in existing urban areas, even with amendments to controls proposed earlier, as these amendments are likely to be required just to facilitate development without the additional impost of an affordable housing contribution.

The second mandatory mechanism considered is mandating smaller strata dwellings as part of RFBs and Shop top housing, particularly studio, one and two bedroom apartments to facilitate the development of lower cost housing and increase the supply of private rental. It is likely that this would not be an impost on development, particularly if amendments to controls that currently provide the main impediments to such development are amended, as recommended above.

Potential Mechanisms and Strategies

Strategy 8: It is recommended that Council:

- a. Conduct more detailed economic modelling to determine the viability of an Affordable Housing Contributions Scheme in relation to specific precincts prior to rezoning from rural to residential, and noting JSA's preliminary findings in relation to need and viability;
- b. Develop an Affordable Housing Contributions Scheme in relation to those precincts where such a contribution is likely to be viable to generate resources for affordable rental housing in perpetuity.

Strategy 9: It is recommended that Council consider the following:

- a. In existing areas, as well as amending the DCP to ensure that there are no impediments to studio apartments:
 - Mandate a proportion of studio apartments of no more than 40 m², and of one bedroom dwellings with a maximum floor area of 55 m² in Multi dwelling housing developments, Shop top housing developments and Residential flat developments in areas within 400 metres of major town centres (for example, one dwelling in five or 20% of dwellings);
 - Mandate a proportion of two bedroom, one bathroom dwellings with a maximum floor area of 75 m² in Multi dwelling housing developments and Residential flat developments in areas within 400 metres of major town centres (for example, two in five or 40% of dwellings).
- b. In Greenfield sites, **adopt a masterplan approach to Greenfield developments** and include the following types of requirements:
 - A proportion of lots to be allocated to Multi dwelling housing (for example, 10% of lots by area), with mandatory provisions for smaller one and two bedroom dwellings (i.e. with one bathroom and a maximum floor area of 55 m² and 75 m² respectively).
 - A proportion of houses on small lots (for example, 20%).

2 Socio-Economic Context

2.1 Introduction

This chapter provides an analysis of selected demographic and housing data for the Queanbeyan-Palerang Region Council area compared with the relevant benchmark areas of Rest of NSW (NSW excluding Greater Sydney), NSW and ACT.

A finer geographic analysis is also provided for selected indicators. These areas are generally those most relevant to the housing market and affordability analysis and forthcoming *Strategy*, noting the geographies selected also enable a comparison of data from the first release of the ABS (2021) Census with earlier Census data to provide an understanding of change over time.

The areas for finer analysis are Queanbeyan SA2, Queanbeyan East SA2, Queanbeyan West-Jerrabomberra SA2, Karabar SA2, Googong SA2, Bungendore State Suburb and Braidwood State Suburb. Post code data is also used for analysis where data is not available at these geographic scales, for example, published rent and sales data by NSW DCJ. Population projections are analysed at 'forecast areas' by .id Consulting, so these areas are also relevant for the analysis. Maps for these various geographies are shown in **Appendix E**.

2.2 Population Trends

2.2.1 Population Overview

At the time of the 2021 Census, the total population of the Queanbeyan-Palerang LGA was 63,304 people, an increase of 10,964 people from 2011, or 21% total growth. This was an average increase of 2.1% per annum for the LGA compared with 1.3% for Rest of NSW, 1.7% for NSW and 2.7% for the ACT. In 2022, .id Consulting have estimated the resident population for the LGA at 64,048 people.

The following table provides the total population for the areas used for finer analysis (Usual Resident Population (URP)) at the time of the 2021 Census.

Table 2-1: Total Population for Selected Areas

Area	Total Population 2021 (No.)
QPR LGA	63,304
Queanbeyan SA2	11,342
Queanbeyan East SA2	5,085
Queanbeyan West-Jerrabomberra SA2	12,744
Googong SA2	6,224
Karabar SA2	8,517
Bungendore SS	4,745
Braidwood SS	1,720

Source: JSA 2021, based on data from ABS 2016 Population and Housing Census

2.3 Socio-Economic Indexes for Areas (SEIFA) 2016

The ABS (2016) Socio-economic Indexes for Areas (SEIFA Indexes) provide an aggregate measure of community disadvantage or wellbeing, based on a weighted index of a range of relevant socio-economic indicators. SEIFA Index of Relative Socio-economic Disadvantage (SEIFA Disadvantage) brings together broad indicators such as low income, education, employment status, disability, etc that have been found to be related to overall disadvantage or community vulnerability, while SEIFA Education and Occupation and SEIFA Economic Resources focuses on indicators specifically related to these domains of community well-being or vulnerability.

Queanbeyan LGA is in the least disadvantaged 14% of areas for NSW (86th percentile). However, there are considerable differences between the small areas analysed with regard to SEIFA Disadvantage, with Queanbeyan and Karabar SA2s in the most disadvantaged 47% and 50% of areas for NSW, and Bungendore State Suburb and Queanbeyan West-Jerrabomberra in the *least* disadvantaged 6% and 8% of areas for NSW.

There are quite similar differentials in the SEIFA Index of Education and Occupation, but more stark differences with regard to SEIFA Economic Resource, with the SA2 of Queanbeyan and Queanbeyan East SA2 in the most disadvantaged 20% and 35% of areas for Australia, likely related to the higher rate of smaller flats and units and relatively high rate of private rental.

This is shown in more detail in the table below. There are also pockets of more severe disadvantage at SA1 scale, with these generally associated with higher rates of social housing and older lower cost private rental.

Table 2-2 Socio-Economic Indexes for Areas (SEIFA) 2016 (Percentile)

	IRSD (Disadvantage) (percentile)	Education and Occupation (percentile)	Economic Resources (percentile)
QPRC LGA	86	81	91
Queanbeyan SA2	47	56	20
Queanbeyan East SA2	61	64	35
Queanbeyan West- Jerrabomberra SA2	92	81	92
Karabar SA2	50	44	54
Googong SA2 ⁴	n/a	n/a	n/a
Bungendore State Suburb	94	84	98
Braidwood State Suburb	63	67	67

Source: JSA 2022, based on data from ABS 2016 Census

2.4 Age Profile

The median age for the LGA in 2021 was 38 years, which was unchanged from the 2016 Census.

This was slightly younger than for NSW, and considerably younger than for regional areas of NSW on average which continues a longer term trend to an aging population, but older than the ACT, as shown below.

⁴ Data was not reported for this area for the 2016 Census

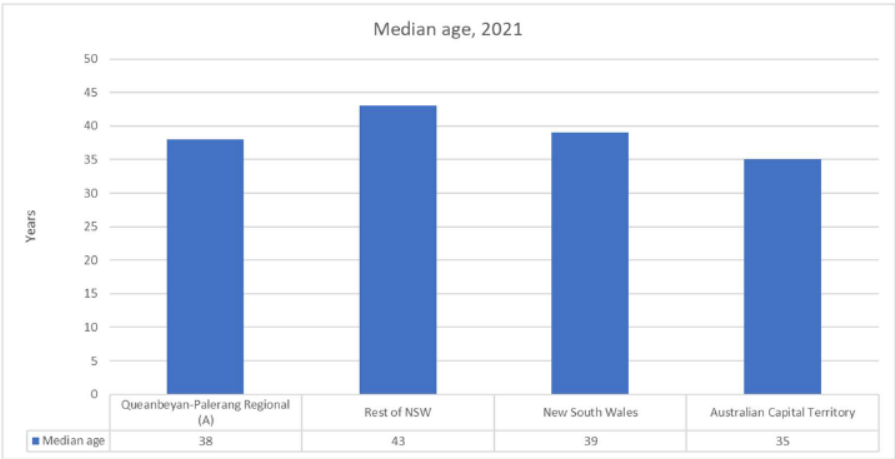


Figure 2.1: Median age, 2021
Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

As shown in the following graph, the median age was much older than average in Braidwood, and much younger than average in Googong, which would be expected from an urban release area.

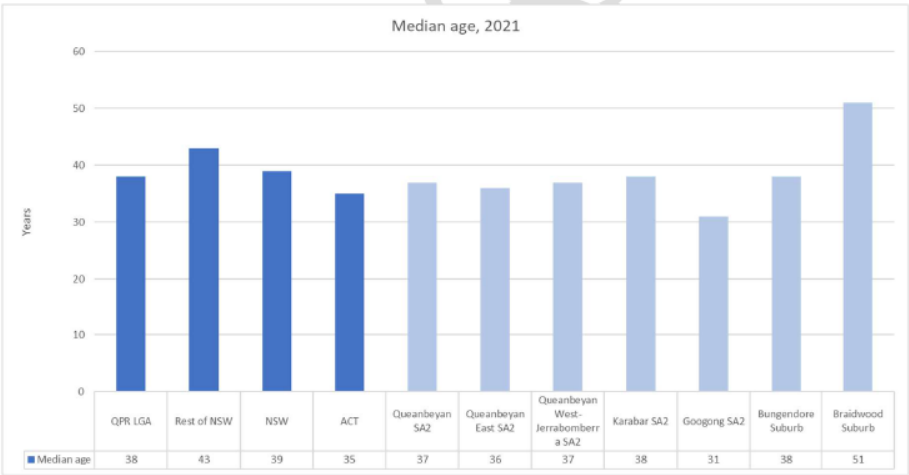


Figure 2.2: Median age including small areas, 2021
Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

In terms of the age profile, compared with the State average, the LGA had a slightly higher than average proportion of children aged 0-14 years, a slightly lower proportion of young people aged 15-24, a higher proportion of young and middle aged adults aged 25-64 years, and lower proportion of older people aged 65+ years.

It is quite different to regional NSW, which had a much older than average age profile; and to the ACT, whose profile showed a much higher rate of younger adults, largely related to education and employment opportunities, as shown below.

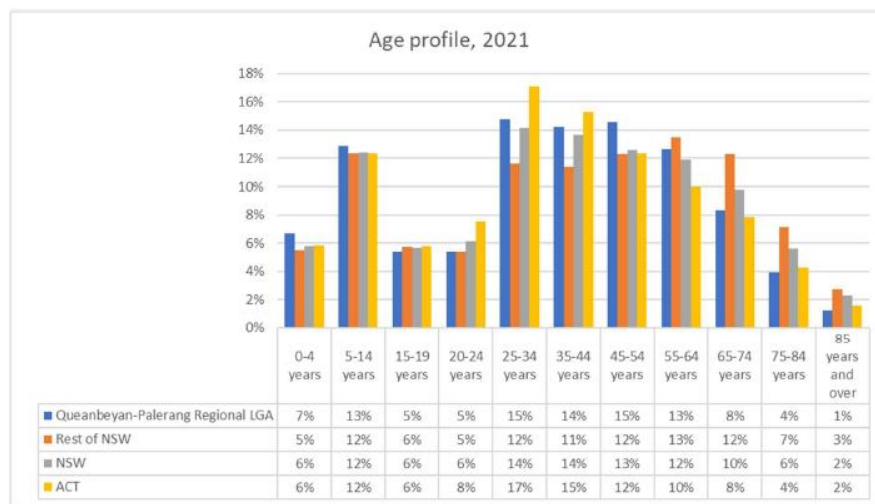


Figure 2.3: Age profile 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

As would be expected, Googong had a much higher than average rate of children aged 0-14 years, whilst Karabar and Queanbeyan West-Jerrabomberra also had a higher than average rate of children aged 5-14 years. Queanbeyan, Queanbeyan East and Googong had a much higher than average rate of young adults aged 25-34 years. Googong also had a much higher proportion of people aged 35-44 years, and a much lower rate of those aged 55-64 years.

As would be expected from the median age described above, the oldest age groups are over-represented in Braidwood, and more strongly underrepresented in Googong and Queanbeyan West-Jerrabomberra SA2s.

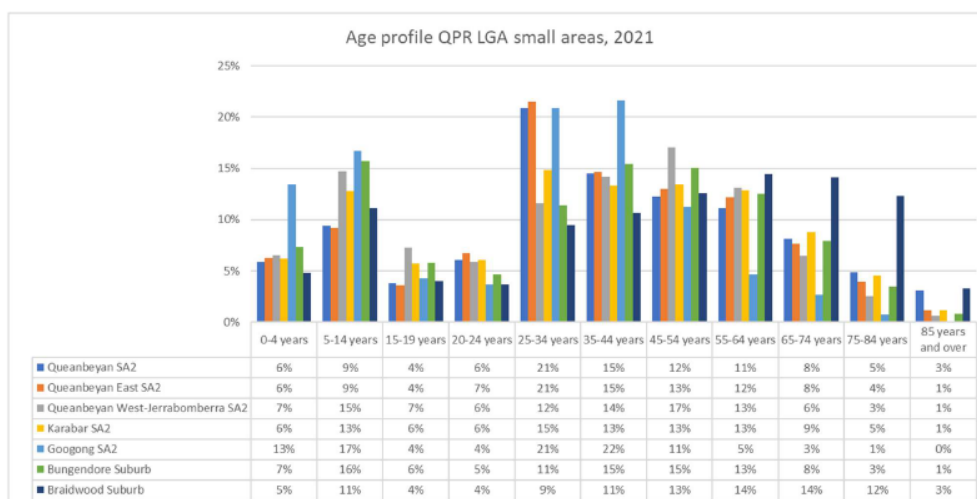


Figure 2.4: Age profile Queanbeyan-Palerang LGA small areas, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

2.5 Income Profile

Median weekly household income for the LGA at the time of the 2021 Census was substantially higher than NSW (\$2,295 compared with \$1,829 for NSW), but slightly lower than for ACT (\$2,373), as shown in the graph below.

Median personal income in the LGA was also much higher than average (\$1,159 compared with \$813 for NSW), and slightly lower than for the ACT (\$1,203).

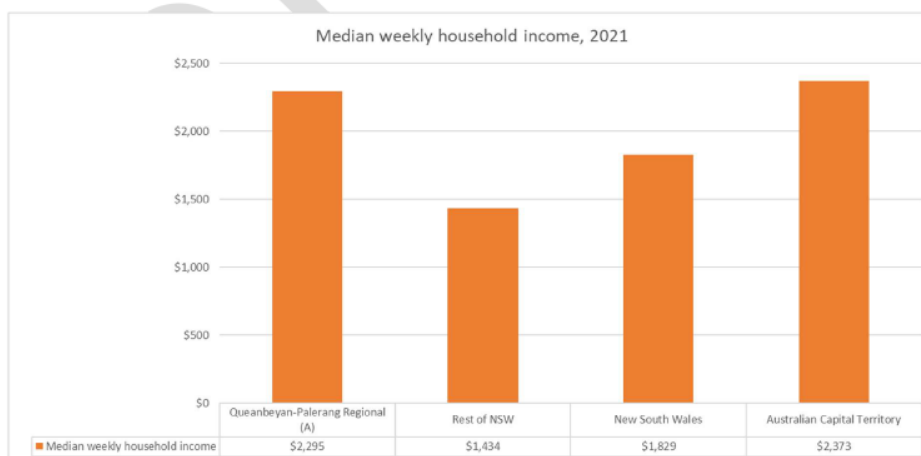


Figure 2.5: Median weekly household income, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

In terms of small areas, median household income was lowest in Braidwood, likely related to the older age profile and higher rate of retirees, as well as in Queanbeyan and Queanbeyan East SA2s, likely related to the higher proportion of younger renters and lone person households and nature of employment; and much higher than average in Googong, Queanbeyan West-Jerrabomberra and Bungendore, likely related to employment sector and life stage.



Figure 2.6: Median weekly household income including small areas, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

2.6 Household Composition

Queanbeyan-Palerang LGA had a quite similar household profile to NSW, although with a slightly higher proportion of couple with children families, and slightly lower proportion of couple only and group households, as shown below.

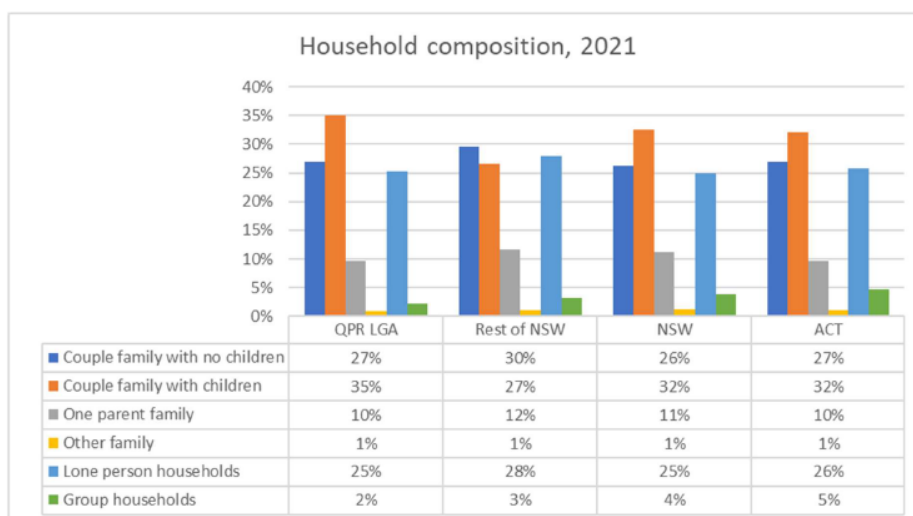


Figure 2.7: Household composition QPR LGA compared with Rest of NSW, NSW and ACT

Source: JSA 2022 derived from ABS 2021

The proportion of couple with children families was particularly high for Googong, Queanbeyan West-Jerrabomberra and Bungendore; while there was a much higher than average rate of lone person households in Queanbeyan and Queanbeyan East SA2s and Braidwood State Suburb, with the latter likely related to the much older age profile of Braidwood, and to the higher proportion of younger adults in the two SA2s.

There is also a much higher than average rate of couples with no children in Bungendore and Braidwood, with the former more likely related to younger and middle aged couples, and the latter to 'empty nesters', as shown below.

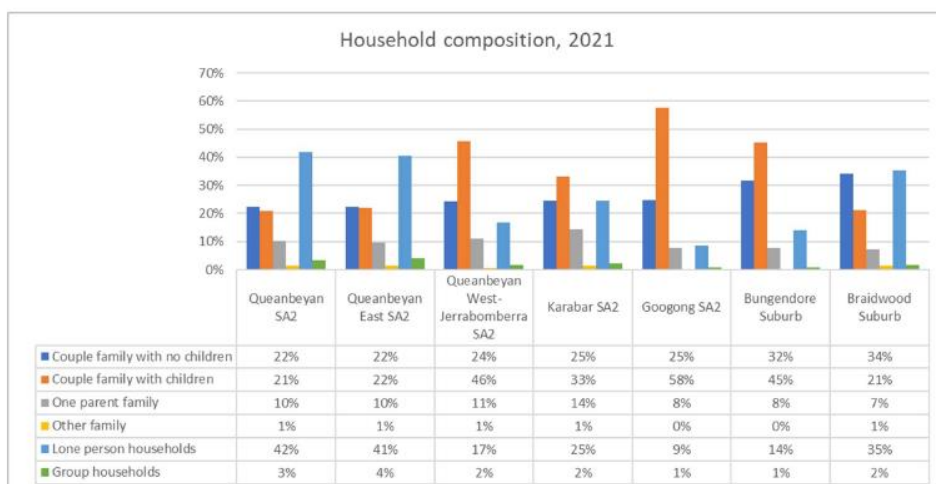


Figure 2.8: Household composition for small areas within QPR LGA

Source: JSA 2022 derived from ABS 2021

In terms of change over time, there has been an increase in couple only households as a proportion of all households in the LGA, and a small decrease in the proportion of all other household types. This is somewhat different to benchmark areas, which all experienced an increase in lone person households as a proportion of all household types, as shown in the two graphs that follow.

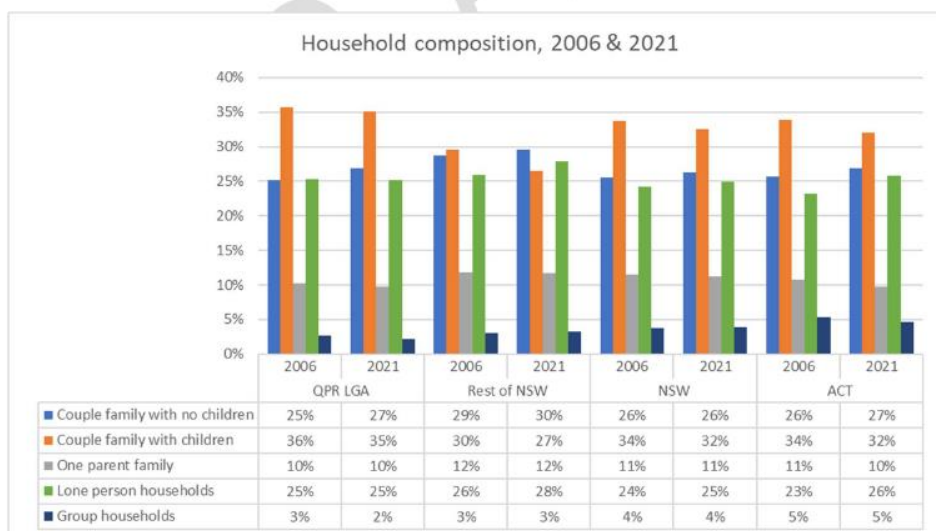


Figure 2.9: Household Composition (%) Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (2006-21)

Source: JSA 2022 derived from ABS 2021 and ABS 2016

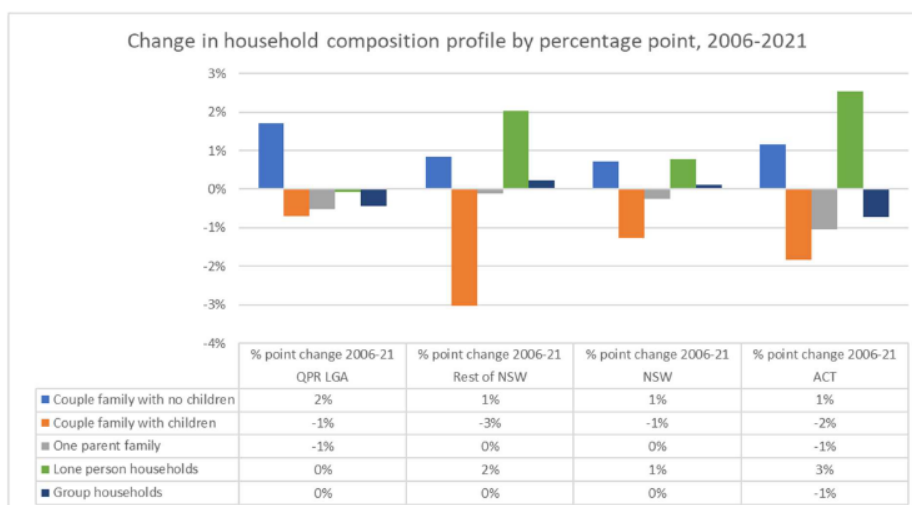


Figure 2.10: Household Composition Change (percentage point) Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (2006-21)

Source: JSA 2022 derived from ABS 2021 and ABS 2016

2.7 Need for Assistance (Disability)

Queanbeyan-Palerang LGA has a somewhat lower than average rate of people with a need for assistance with one or more core daily activities, and is quite similar to ACT in this regard, likely related to the lower than average proportion of people in the oldest age groups.

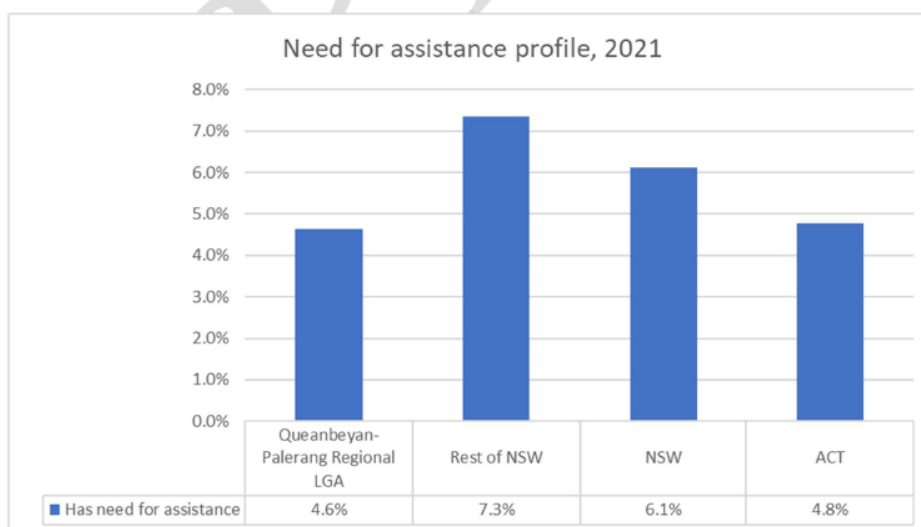


Figure 2.11: Need for assistance profile, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

There are reasonable differences in the rate of people with a severe disability in the small areas analysed, with Queanbeyan SA2 having a particularly high rate of residents who need support with daily activities, and Googong and Queanbeyan West-Jerrabomberra having much lower rates. Although this would be partially related to the younger age in the latter two SA2 areas, this is more likely to be related to other factors such as flats and units in private rental housing and disadvantage in Queanbeyan SA2.

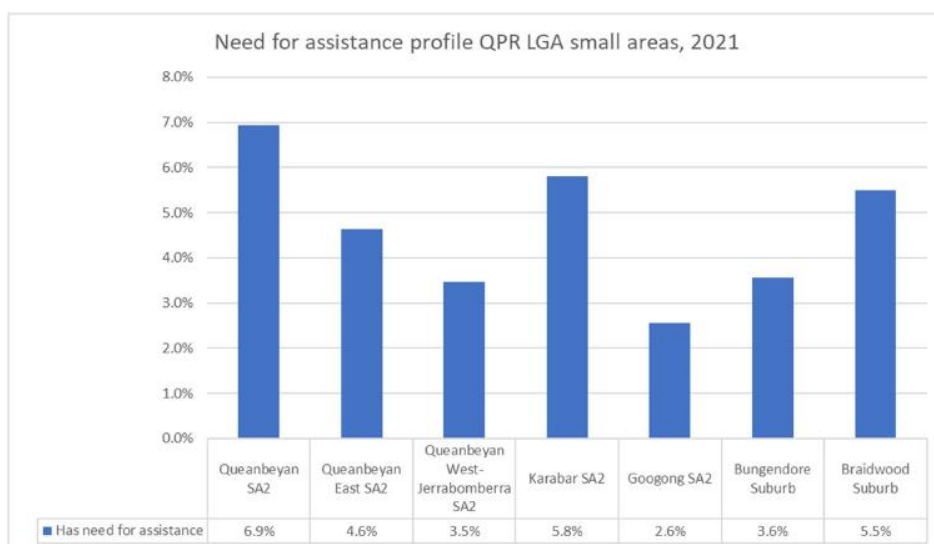


Figure 2.12: Need for assistance profile for small areas, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

2.8 Cultural Diversity

Around 3.6% of the local population identified as ATSI compared with 7% for Rest of NSW, 3.6% for NSW and 2% for ACT.

The local population was somewhat more homogenous than average in terms of language and cultural background, with 77% of local people born in Australia, compared with 65% for NSW and 68% for ACT; with only 17% speaking languages other than English at home compared with 30% for NSW and 27% for the ACT.⁵

⁵ ABS Quick Stats, 2021.

2.9 Educational Profile

2.9.1 Highest year of school completed

The level of school completion is somewhat higher than average in the LGA, but still much lower than the ACT average, and the SA2 of Googong more closely resembles the ACT educational profile, as shown in the two graphs below.

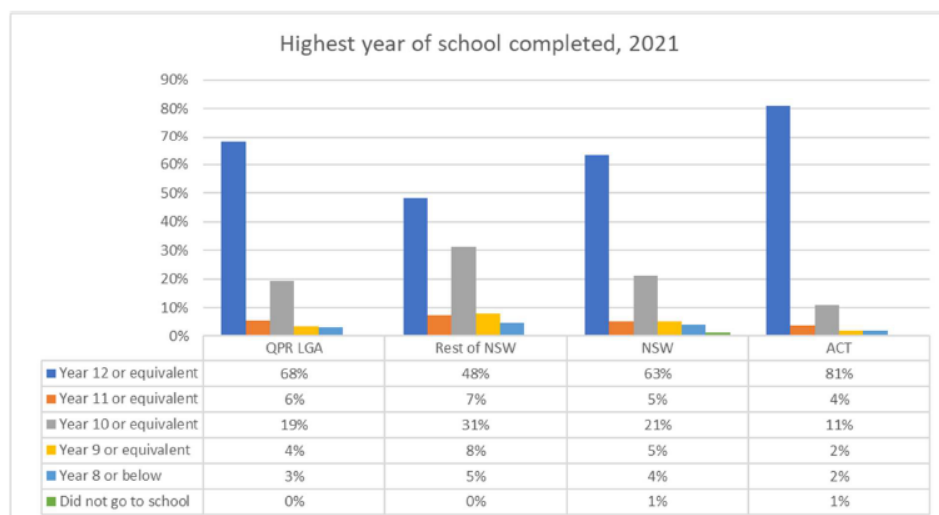


Figure 2.13: Highest year of school completed, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

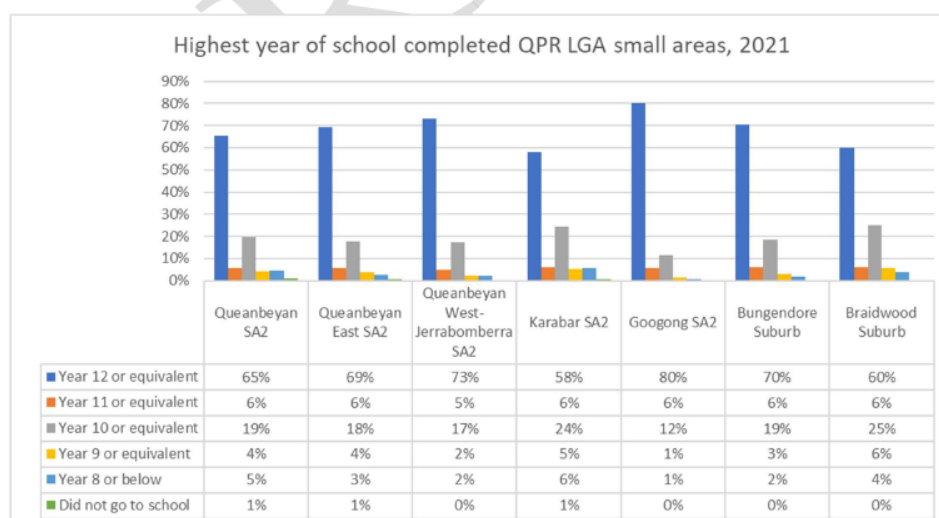


Figure 2.14: Highest year of school completed for small areas, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, General Community Profiles.

2.10 Population Projections

2.10.1 Overview

Council has commissioned population projections from .id Consulting (2017) to guide future planning.⁶ (See maps at Appendix D for maps and detailed analysis).

The Queanbeyan-Palerang Regional Council population is forecast to grow from 64,048 people in 2022 to 88,258 people by 2041. This is a total growth in population of 24,210 people or 37.8% over the 20 year period, or an average annual growth rate of 1.7% compared with around 1% for NSW. This is somewhat lower than the 2.1% annual population growth experienced by the LGA from 2011 to 2021, discussed above.

It is noted that .id Consulting forecasts will be updated to reflect the 2021 Census, but currently project change in population from 2016 to 2041.

The following table summarises .id Consulting's key population and housing projections. This is followed by more detailed analysis of these key indicators.

Table 2-3: Key population, households and dwelling forecasts (2016-41)

QPRLGA					
	2016	2041	Total Change	Total Change	Annual Change
	No.	No.	No.	%	%
Population	57,781	88,258	+30,477	52.7%	1.7%
Households	24,123	36,065	+11,068	45.8%	1.5%
Average household size	2.57	2.63	-	-	-
Dwellings	24,124	36,066	+11,942	49.5%	1.6%
Dwelling Occupancy Rate	92%	92%	0%	0%	0%

Source: idConsulting (2017) Population and Household Forecasts 2016-2041 and JSA (2022) calculation

2.10.2 Population Projections

The main geographic areas of population growth from 2016 to 2041 (accounting for 95% of total projected growth for the LGA) are forecast to be:

- Googong (65% of total projected growth)
- Tralee – Environa (16%)
- Bungendore (11%)
- Queanbeyan (3%)

⁶ Id. Consulting (2017) *Queanbeyan-Palerang Regional Council Population and household forecasts 2016 to 2041*.

This is shown in more detail for the geographies used in the .id Consulting analysis.

Table 2-4: Population projections to 2041, small areas within QPR LGA

Area	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	1,690	3%	2,092	2%	402	23.8
Bungendore	4,285	7%	7,671	9%	3,386	79
Captains Flat - Hoskinstown - Primrose Valley - Rural East	3,976	7%	4,259	5%	283	7.1
Carwoola - Greenleigh - The Ridgeway	2,338	4%	2,853	3%	515	22
Crestwood	4,764	8%	5,282	6%	518	10.9
Googong	2,737	5%	22,593	26%	19,856	725.5
Jerrabomberra	9,887	17%	9,116	10%	-771	-7.8
Karabar	8,531	15%	8,455	10%	-76	-0.9
Queanbeyan	6,466	11%	7,506	9%	1,040	16.1
Queanbeyan East	4,087	7%	4,537	5%	450	11
Queanbeyan West	3,263	6%	3,272	4%	9	0.3
Royalla - Burra	1,866	3%	1,797	2%	-69	-3.7
Tralee - Environa	15	0%	4,961	6%	4,946	32976.1
Wamboin - Bywong - Sutton	3,876	7%	3,864	4%	-12	-0.3
Queanbeyan-Palerang Regional Council	57,781	100%	88,258	100%	30,477	52.7

Source: .id (informed decisions), March 2022, <https://forecast.id.com.au/queanbeyan-palerang/population-age-structure-map>, accessed 14/07/2022.

2.10.3 Dwellings Projections 2016-41

Key areas of dwelling growth to 2041 (accounting for 86% of projected dwelling growth for the LGA)

- Googong (57% of total projected dwelling growth)
- Tralee – Environa (13%)
- Bungendore (12%)
- Queanbeyan (4%)

Table 2-5: Dwelling projections to 2041, small areas within QPR LGA

Area	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	792	3.3	1,039	2.9	+247	+31.2
Bungendore	1,529	6.3	2,940	8.2	+1,411	+92.3
Captains Flat - Hoskinstown - Primrose Valley - Rural East	2,165	9.0	2,454	6.8	+289	+13.3
Carwoola - Greenleigh - The Ridgeway	843	3.5	1,091	3.0	+248	+29.4
Crestwood	2,396	9.9	2,664	7.4	+268	+11.2
Googong	900	3.7	7,717	21.4	+6,817	+757.1
Jerrabomberra	3,314	13.7	3,353	9.3	+39	+1.2
Karabar	3,411	14.1	3,535	9.8	+124	+3.6
Queanbeyan	3,262	13.5	3,768	10.4	+506	+15.5
Queanbeyan East	2,147	8.9	2,407	6.7	+260	+12.1
Queanbeyan West	1,332	5.5	1,399	3.9	+67	+5.0
Royalla - Burra	631	2.6	686	1.9	+55	+8.7
Tralee - Environs	5	0.0	1,528	4.2	+1,523	+33330.1
Wamboin - Bywong - Sutton	1,396	5.8	1,484	4.1	+88	+6.3
Queanbeyan-Palerang Regional Council	24,124	100.0	36,066	100.0	+11,942	+49.5

Source: .id (informed decisions), March 2022, <https://forecast.id.com.au/queanbeyan-palerang/dwellings-development-map>, accessed 14/07/2022.

2.10.4 Age Profile Forecast 2016-41

QPR LGA Age Profile Forecasts

Overall population growth in the LGA is projected to be reasonably distributed across age cohorts compared with many regional areas of NSW, which have a rapidly aging population due to their historical settlement patterns and popularity as sea or tree change destinations.

- Around 27% of growth is projected to be amongst people aged 0-19 years;
- Around 40% of growth is projected to be amongst people aged 20-49 years; and
- One third of growth is projected to be amongst people aged 50+ years.

This is shown in the following table in more detail.

Table 2.2: Population Projection by Age Cohorts 2016- 2041 QPR LGA

	2016		2041		Change 2016-2041	
	#	% of pop	#	% of pop	#	% of total pop growth
0-9 yrs	7868	14%	12019	14%	4151	14%
10-19 yrs	7315	13%	11410	13%	4094	13%
20-34 yrs	11718	20%	16839	19%	5122	17%
35-49 yrs	12807	22%	19770	22%	6963	23%
50-64 yrs	11355	20%	15928	18%	4574	15%
65-74 yrs	4253	7%	6876	8%	2623	9%
75+ yrs	2466	4%	5414	6%	2949	10%
Total persons	57781	100%	88258	100%	30477	100%

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

Age Profile Forecasts for Selected Forecast Areas

The following table provides projections for areas that are the focus of this research, with more detailed data for all forecast areas provided in Appendix D. It is noted that forecast areas generally align with SA2 areas, although this is not always the case (for example, in relation to Queanbeyan West-Jerrabomberra SA2 which is divided into Queanbeyan West and Jerrabomberra forecast areas in the .id Consulting analysis).

Forecast areas that are projected to age more significantly in the LGA include:

- Karabar forecast area, where a high proportion of net growth is projected to be amongst people aged 75+ years;
- Queanbeyan West forecast area, where all net growth is projected to be amongst people aged 65+ years;
- Jerrabomberra forecast area, where all net growth is projected to be amongst people aged 65+ years;
- Queanbeyan forecast area, where 65% of growth to 2041 is projected to be amongst people aged 50+ years;
- Braidwood forecast area, where just over 60% of growth to 2041 is projected to be amongst people aged 50+ years;
- Queanbeyan East forecast area, where 55% of growth to 2041 is projected to be amongst people aged 50+ years.

Although a majority of forecast areas are projected to experience an aging of the population, as noted above, growth in those aged 50+ years makes up only 33% of population for the LGA in total as most growth is in release areas associated with areas such as Googong, Tralee – Environa and Bungendore.

Forecast areas where population growth is likely to be made up of children and younger adults include Googong and Tralee-Environa forecast areas where the projected age structure reflects younger and more mature families with children, but with a reasonable proportion projected to move into older age structures as the area matures.

Table 2-6: Change in Total Population for Selected Forecast Areas by Age Group, 2016 to 2041

	Change 2016-2041	Age group (years)							Total persons
		0-9	10-19 yrs	20-34 yrs	35-49 yrs	50-64 yrs	65-74 yrs	75+ yrs	
Braidwood	#	-1	31	63	62	74	82	90	402
	%	0%	8%	16%	15%	18%	20%	22%	100%
Bungendore	#	306	478	641	741	663	318	239	3386
	%	9%	14%	19%	22%	20%	9%	7%	100%
Crestwood	#	41	83	30	212	73	33	47	518
	%	8%	16%	6%	41%	14%	6%	9%	100%
Googong	#	3164	3165	3722	5052	3203	1024	524	19856
	%	16%	16%	19%	25%	16%	5%	3%	100%
Jerrabomberra	#	-319	-318	-177	-617	-132	357	436	-771
	%	41%	41%	23%	80%	17%	-46%	-57%	100%
Karabar	#	-87	-105	56	27	-225	41	218	-76
	%	114%	138%	-74%	-36%	296%	-54%	-287%	100%
Queanbeyan	#	41	76	100	147	174	147	357	1040
	%	4%	7%	10%	14%	17%	14%	34%	100%
Queanbeyan East	#	-9	85	55	72	69	95	83	450
	%	-2%	19%	12%	16%	15%	21%	18%	100%
Queanbeyan West	#	-4	-43	-50	-32	-55	95	98	9
	%	-44%	-478%	-556%	-356%	-611%	1056%	1089%	100%
Tralee - Environa	#	946	798	648	1098	959	323	176	4946
	%	19%	16%	13%	22%	19%	7%	4%	100%
Queanbeyan-Palerang Regional LGA	#	4151	4094	5122	6963	4574	2623	2949	30477
	%	14%	13%	17%	23%	15%	9%	10%	100%

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

2.10.5 Household Type Projections 2016-41

A majority of growth from 2016 to 2041 is projected to be in smaller households (lone person and couple only), who are expected to make up around 52% of total household growth.

However, there is also forecast to be strong growth in families with children, with couples with children, sole parents with children and 'other families' expected to make up around 47% of household growth over the period, as shown below.

This is quite different to many other regional areas, where a rapidly aging population means that most growth is projected to be in smaller household types (couples and lone parents).

Table 2-7: Household Projection 2016- 2041 QPR LGA

	2016		2041		Change 2016-2041	
	#	% of h/hs	#	% of h/hs	#	% of total h/h growth
Couple with Children Family	7,634	34.4	12,053	36.2	4,419	40%
Sole Parent with Children Family	2,025	9.1	2,443	7.3	418	4%
Couple without Children	5,668	25.5	9,066	27.3	3,398	31%
Lone person household	5,756	25.9	8,124	24.4	2,368	21%
Other Family	587	2.6	879	2.6	292	3%
Group Household	523	2.4	696	2.1	173	2%
TOTAL	22,193	100%	33,261	100%	11,068	100%

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

The table below shows projected household types for selected forecast areas by 2041, noting:

- A well above average increase in the proportion of lone person households is projected for most areas apart from Googong, Bungendore and Environa-Tralelee;
- Most of the net growth in Karabar, Queanbeyan, Queanbeyan East and Queanbeyan West and Jerrabomberra is projected to be in lone person and couple only households;
- Higher than average rates of growth for Couples with Children are forecast for Googong and Environa-Tralelee; with very low or negative growth projected for Braidwood; Karabar, Queanbeyan, Queanbeyan East and Queanbeyan West and Jerrabomberra;
- Well above average rates of growth for sole parent families are projected for Queanbeyan, Queanbeyan East and Braidwood.

Table 2-8: Change in households for Selected Forecast Areas by household type, 2016 to 2041 using .id projections

Change 2016-2041		Lone person households	One parent family	Couple w/ dependents	Couple only	Other family	Group household	Total households
Braidwood	#	87	24	39	75	1	-1	225
	%	39%	11%	17%	33%	0%	0%	100%
Bungendore	#	275	85	547	386	29	14	1336
	%	21%	6%	41%	29%	2%	1%	100%
Googong	#	698	250	3,329	1,706	218	95	6296
	%	11%	4%	53%	27%	3%	2%	100%
Jerrabomberra	#	155	-10	-309	200	-3	4	37
	%	419%	-27%	-835%	541%	-8%	11%	100%
Karabar	#	112	-24	-30	73	-15	1	117
	%	96%	-21%	-26%	62%	-13%	1%	100%
Queanbeyan	#	194	45	62	137	6	19	463
	%	42%	10%	13%	30%	1%	4%	100%
Queanbeyan East	#	75	28	36	88	2	5	234
	%	32%	12%	15%	38%	1%	2%	100%
Queanbeyan West	#	56	-8	-19	44	-5	-4	64
	%	88%	-13%	-30%	69%	-8%	-6%	100%
Tralee - Environs	#	246	0	655	473	61	22	1457
	%	17%	0%	45%	32%	4%	2%	100%
Queanbeyan-Palerang Regional Council	#	2,368	418	4,419	3,398	292	173	11068
	%	21%	4%	40%	31%	3%	2%	100%

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

2.11 Migration Trends

2.11.1 Overall Migration

Queanbeyan-Palerang LGA

The following graphs shows migration trends for the Queanbeyan-Palerang LGA from 2011-16, the most recent published data available.

By far, the highest inward and outward migration was from and to the ACT, although this was only 29 people in net terms, meaning that this migration was mainly 'churn'. Net inward migration was almost entirely from Greater Sydney and Balance of NSW, whilst net outward migration was to Balance Capital Region⁷ and Balance Australia. Excluding people from overseas, a **total of 239 people moved into LGA** from 2011-2016 in net terms.

Although there was quite strong inward migration from overseas, no outward migration is recorded by the Census for people returning overseas to live, so that it is difficult to calculate net migration from overseas. However, it is noted that of the 1,853 people who lived overseas 5 years ago, 1,493 of these were not born in Australia, which suggests that many are long-term or permanent migrants, so probably reflect a real gain in population. Community consultations reported elsewhere also suggest this is likely to be the case.

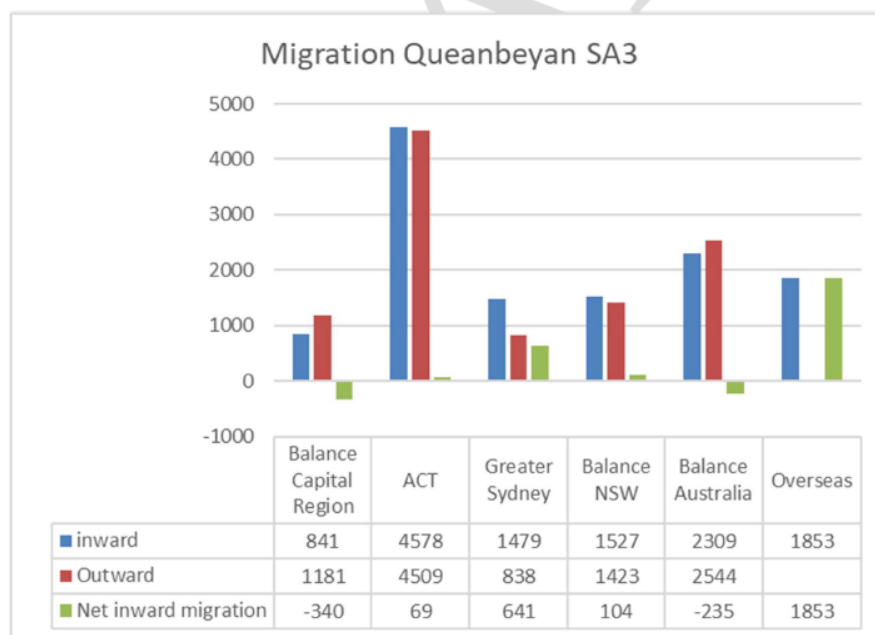


Figure 2.15: Inward, Outward and Net Migration (2011-16) QP LGA

Source: JSA 2022; ABS 2016 Census of Population and Housing, Table Builder

⁷ Including Yass, Goulburn Mulwaree, South Coast and Snowy Mountains.

Googong and Bungendore Inward Migration

It is also interesting to understand where people come from who are moving into some of the main areas of projected population increase. The graphs below show that:

- For Googong State Suburb, the main areas where people had lived in 2011 (before moving to Googong) were Queanbeyan LGA and the ACT, in roughly equal numbers. Much smaller numbers of people moved in from Greater Sydney, Balance NSW, Balance Australia and Balance Capital Region.
- For Bungendore State Suburb, the main areas where people had lived in 2011 were (in descending order) the ACT, Balance Capital Region and Queanbeyan LGA, with smaller numbers from Balance Australia, Balance NSW and Greater Sydney.

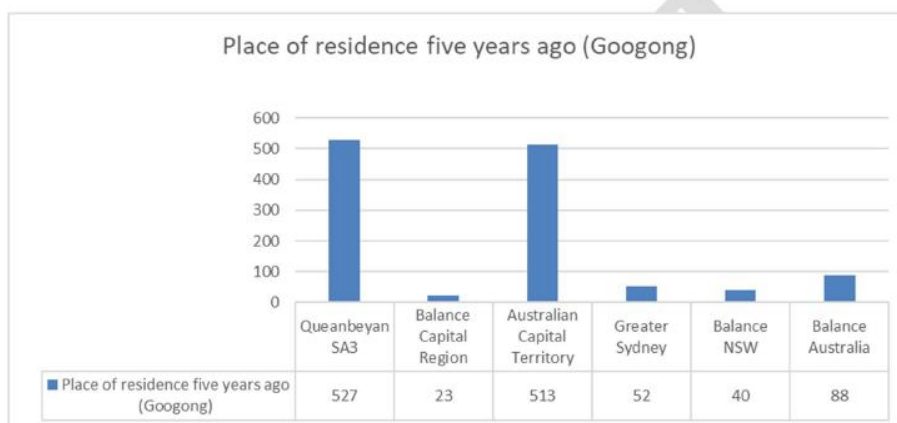


Figure 2.16: Place of Residence 5 Years Ago – Googong State Suburb

Source: JSA 2022; ABS 2016 Census of Population and Housing, Table Builder

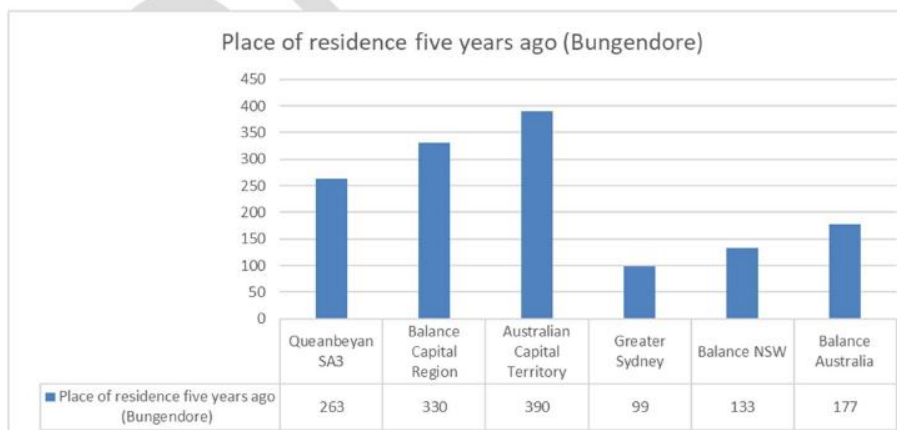


Figure 2.17: Place of Residence 5 Years Ago – Bungendore State Suburb

Source: JSA 2022; ABS 2016 Census of Population and Housing, Table Builder.

Migration by Income Profile

Net migration into Queanbeyan-Palerang LGA from 2011-16 was entirely by moderate and higher income people, with around 65% of net growth from those earning an individual income of around \$75,000 per annum.

Overall, 720 people on individual incomes of \$40,000 or more per annum moved into the LGA in net terms, and 683 people on less than \$40,000 per annum moved out of the LGA, meaning that there was basically a net exchange of higher income people for lower income people in net terms.

This is shown in the graph below.

Migration by Age Profile

In terms of the age profile of those migrating to the LGA, there was principally a net gain of people in age groups associated with young families, in particular those aged 30-39 years; and net outward migration by people aged 50+ years.

This is shown in the graph that follows.

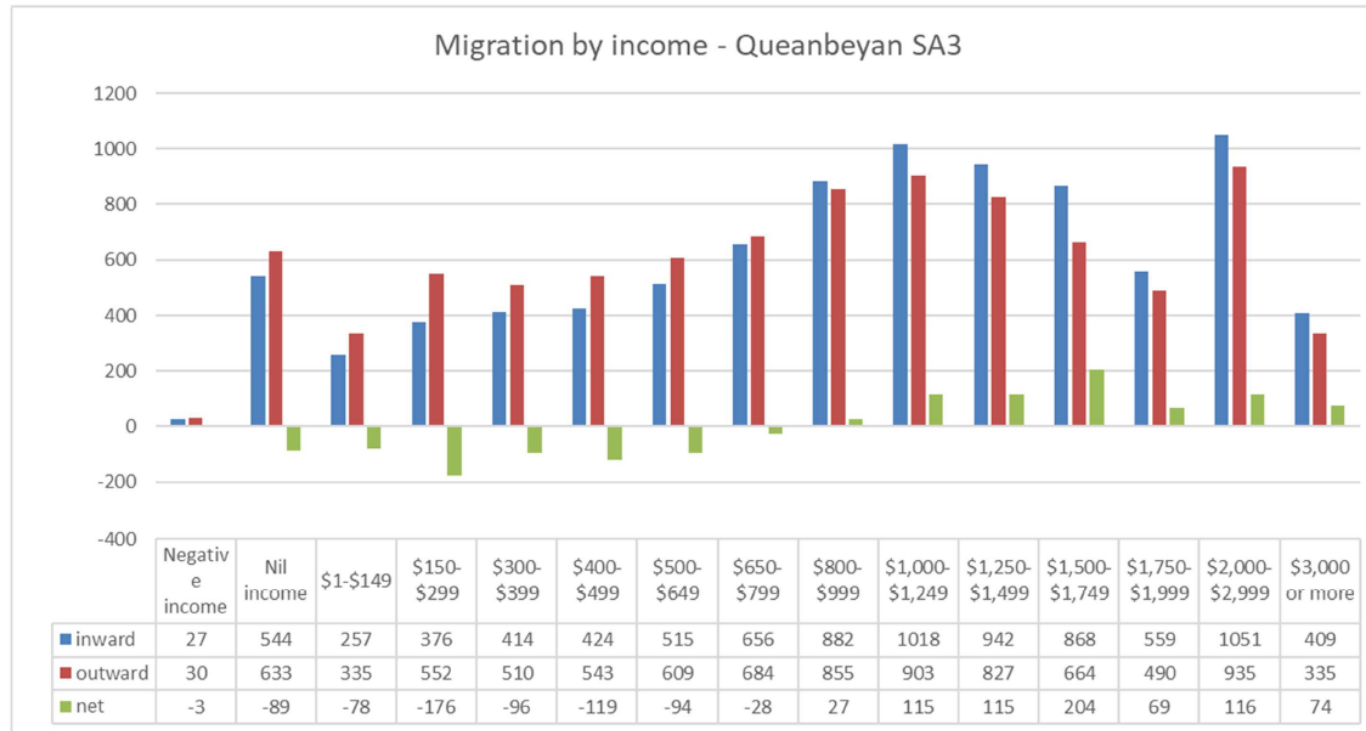


Figure 2.18: Inward, Outward and Net Migration by Individual Income (2011-16) QP LGA

Source: JSA 2022; ABS 2016 Census of Population and Housing, Table Builder

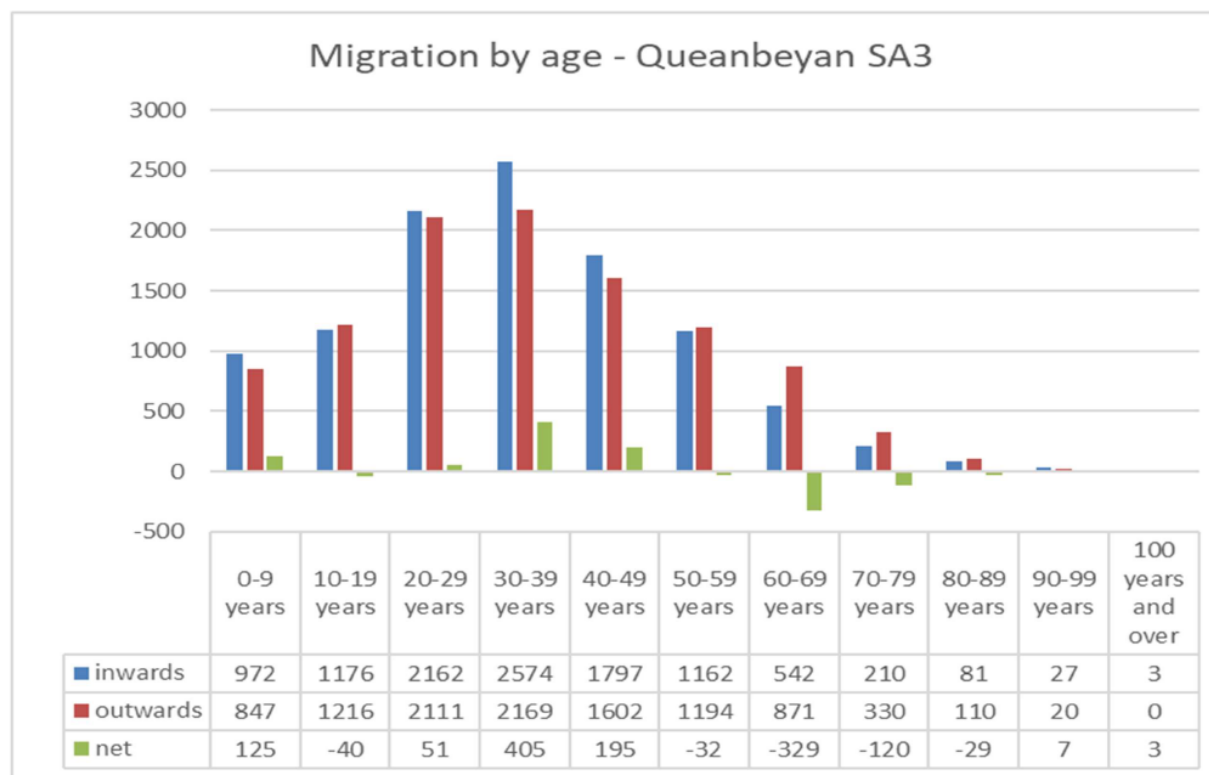


Figure 2.19: Inward, Outward and Net Migration by Age (2011-16) QP LGA

Source: JSA 2022; ABS 2016 Census of Population and Housing, Table Builder

2.12 Journey to Work

2.12.1 Employed Residents of QP LGA

Of the 29,952 employed people who lived in the Queanbeyan-Palerang LGA at the time of the 2016 Census, 62% worked in the ACT, 31% worked in the LGA, and 4% had no fixed place of employment. The remaining 3% of local employed people mainly worked in surrounding LGAs in NSW.

Table 2-9: Employed People who Live in Queanbeyan-Palerang LGA

SA3 of place of work	Total Persons	% of workers
ACT (amalgamated SA3s)	18,547	62%
Queanbeyan	9,264	31%
South Canberra	5,929	20%
North Canberra	5,145	17%
Canberra East	2,558	9%
Woden Valley	1,912	6%
Tuggeranong	1,284	4%
No fixed address	1,212	4%
Belconnen	985	3%
Gungahlin	696	2%
Weston Creek	250	1%

Source: ABS 2016, JSA calculation

2.12.2 Place of work in QP LGA (Local Employment)

In terms of **local jobs**, there were 14,895 people whose place of employment was Queanbeyan-Palerang LGA at the time of the 2016 Census. Of these, 62% of workers lived (and worked) in the LGA, and a further 30% commuted into the LGA from the ACT. Most of the remainder commuted from surrounding LGAs.

Table 2-10: People whose Place of Work is Queanbeyan-Palerang LGA

SA3 of usual residence	Total Persons	% of workers
Queanbeyan	9,264	62%
ACT (amalgamated SA3s)	4,477	30%
Tuggeranong	1,728	12%
Belconnen	798	5%
Gungahlin	762	5%
Woden Valley	407	3%
North Canberra	372	2%
South Canberra	357	2%
Goulburn - Mulwaree	260	2%
Weston Creek	241	2%
Young – Yass	191	1%

Source: ABS 2016, JSA calculation

Overall, this suggests a high level of connectivity between the Queanbeyan-Palerang LGA and ACT employment and housing markets.

3 Housing Context

3.1 Structure of Occupied Private Dwellings (OPDs)

3.1.1 Structure of OPDs (2021)

The structure of dwellings in the LGA is quite different to the NSW and ACT averages, having a higher proportion of separate houses and much lower than average rate of flats and units, as shown in the following graph.

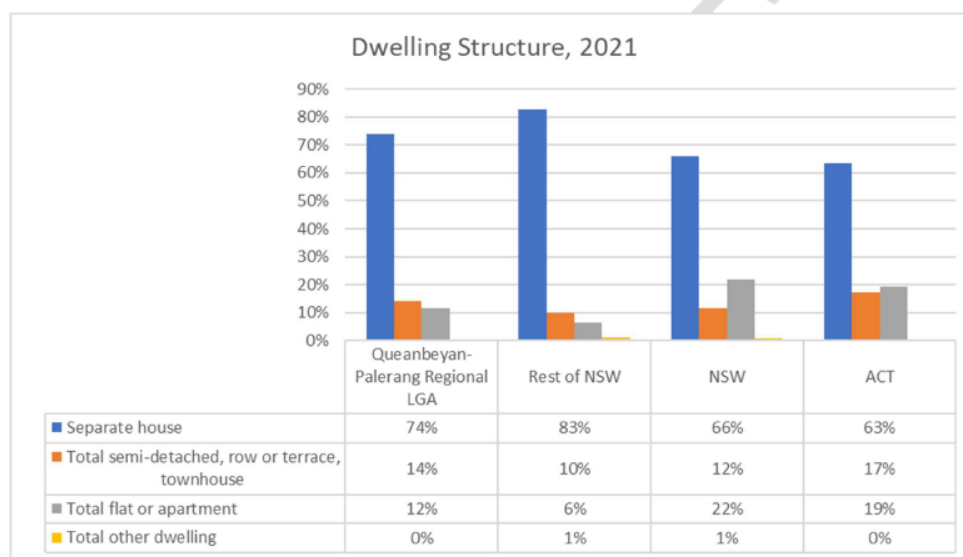


Figure 3.1: Dwelling structure profile Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (% of All OPDs)

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing, General Community Profiles

There are considerable differences across the LGA with regard to the profile of dwelling structure, with a much higher than average rate of flats and units, and of medium density dwelling types in Queanbeyan and Queanbeyan East SA2s, and almost all dwellings made up of separate houses in Bungendore and Googong, as shown below.

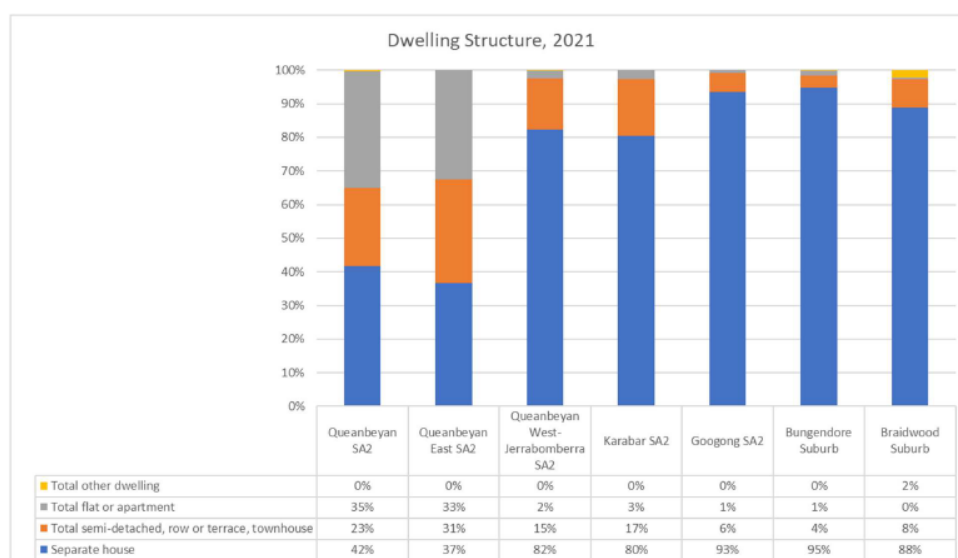


Figure 3.2: Dwelling structure profile small areas within QP LGA (% of All OPDs)

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing, General Community Profiles

Table 3-1: Structure of Occupied Private Dwellings (OPDs) as % of All OPDs in Selected Areas

Area	Separate House	Semi-detached, row, terrace, townhouse, etc	Flat or apartment	Other dwelling
Queanbeyan SA2	42%	23%	35%	0%
Queanbeyan East SA2	37%	31%	33%	0%
Queanbeyan West - Jerrabomberra SA2	82%	15%	2%	0%
Karabar SA2	80%	17%	3%	0%
Googong SA2	93%	6%	1%	0%
Bungendore Suburb	95%	4%	1%	0%
Braidwood Suburb	88%	8%	0%	2%
QPR LGA	74%	14%	12%	0%
Rest of NSW	83%	10%	6%	1%
NSW	66%	12%	22%	1%
ACT	63%	17%	19%	0%

Source: JSA 2022; ABS 2021

3.1.2 Change in Structure of OPDs (2006-2021)

Number change by dwelling structure type

By far the largest amount of growth in absolute terms in the LGA from 2006 to 2021 was in separate houses, followed by semi-detached, row and townhouse dwelling forms. There was relatively limited growth in flats and units over the period (only 5.4% of growth compared with 38% for NSW and 40% for ACT), as shown below.

Table 3-2: Change in Number of OPDs by Dwelling Structure (2006-21)

	Separate House	Semi-detached, row, terrace, townhouse, etc	Flat or apartment
	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)
Queanbeyan SA2	-24	649	414
Queanbeyan East SA2	115	262	161
Queanbeyan West - Jerrabomberra SA2	341	325	-79
Karabar SA2	-136	93	-127
Googong SA2	DNA 2006	DNA 2006	DNA 2006
Bungendore Suburb*	575	51	17
Braidwood Suburb*	37	44	-13
QPR LGA	3,888	2,747	376
Rest of NSW	125,115	48,457	-3,966
NSW	240,116	114,026	218,235
ACT	17,211	13,260	20,885

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing, General Community Profiles and ABS 2016 Census of Population and Housing, Time Series Profiles. *2016 TSP data not available, 2006 BCP data used for Bungendore and Braidwood Suburbs, geographies as at 2006 differ to 2021, see maps.

Percentage point change by dwelling structure type

There was a small increase in medium density dwelling types such as semi-detached, row and townhouses as a proportion of all dwellings that was in line with average increase over the past 15 years, but a small decrease in separate houses and flats and units as a proportion of all housing stock. It is possible that some of the increase in medium density dwelling types may be a result of some different classification of apartments. Again, this is different to the percentage point change in NSW and the ACT, as shown in the graphs and table below.

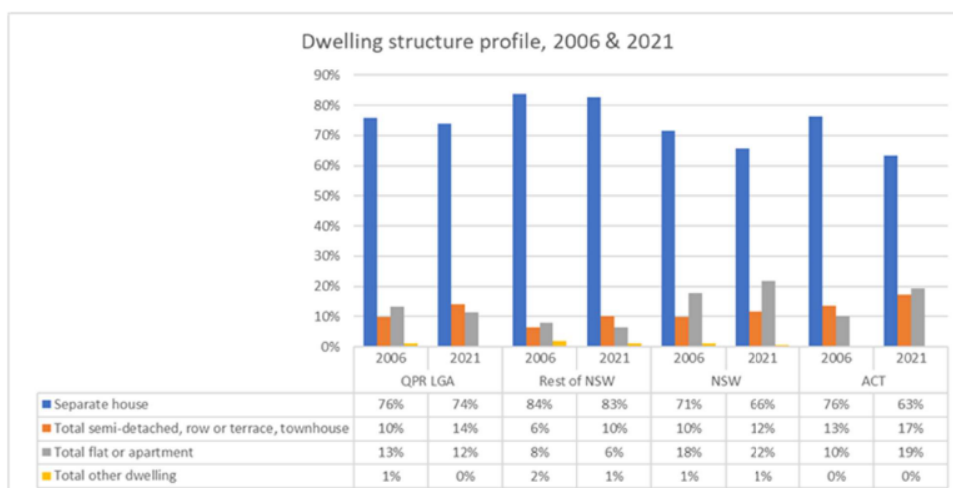


Figure 3.3: Dwelling structure change (%) Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (2006-21)

Source: JSA 2022 derived from ABS 2021 and ABS 2016

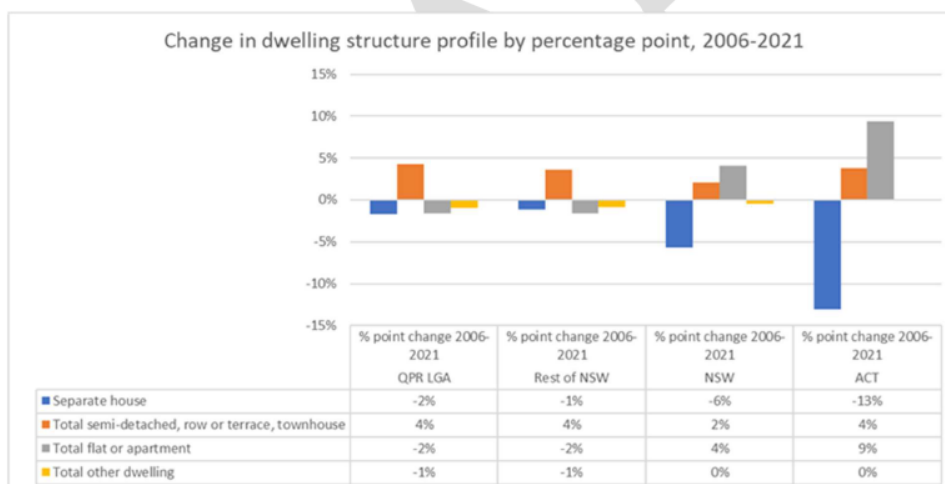


Figure 3.4: Dwelling structure change (percentage point) Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (2006-21)

Source: JSA 2022 derived from ABS 2021 and ABS 2016

Table 3-3: Change in OPDs by Dwelling Structure (Percentage Point) (2006-21)

	Separate House	Semi-detached, row, terrace, townhouse, etc	Flat or apartment
	Percentage point change 2006-21 (+/- %)	Percentage point change 2006-21 (+/- %)	Percentage point change 2006-21 (+/- %)
Queanbeyan SA2	-12%	11%	1%
Queanbeyan East SA2	-5%	6%	-1%
Queanbeyan West - Jerrabomberra SA2	-4%	6%	-2%
Karabar SA2	0%	4%	-4%
Googong SA2	DNA 2006	DNA 2006	DNA 2006
Bungendore Suburb	-4%	3%	1%
Braidwood Suburb	-7%	6%	-2%
QPR LGA	-2%	4%	-2%
Rest of NSW	-1%	4%	-2%
NSW	-6%	2%	4%
ACT	-13%	4%	9%

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing, General Community Profiles and ABS 2016 Census of Population and Housing, Time Series Profiles.

3.2 Household Tenure Profile 2021

3.2.1 Tenure Profile (2021)

Queanbeyan-Palerang LGA has a much lower than average rate of both private rental and social rental than the NSW average. In the case of private rental, this is likely related to the much lower proportion of flats and units, which are likely to enter the private rental market at a greater than average rate, and the relative lack of growth in such dwelling types in recent years.

In the case of social rental, there has been a lack of growth to meet increasing need and to maintain historical levels, and an apparent sell off and deterioration of social housing stock over some years.

In terms of owner occupied dwellings, a higher than average proportion of local residents are purchasing their home rather than outright home owners, as shown below.

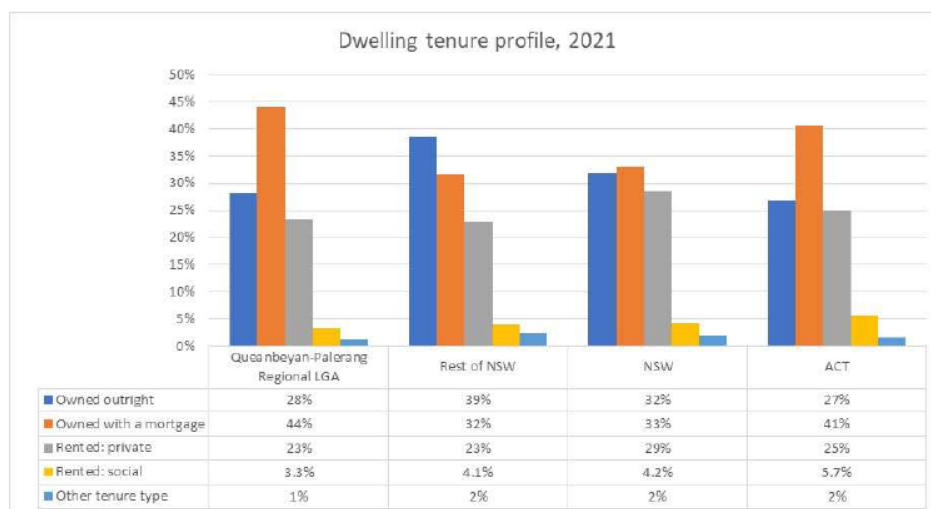


Figure 3.5: Dwelling tenure profile Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT 2021

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing

Most small areas analysed have a much lower than average rate of social housing, particularly Bungendore, Braidwood and Googong. The only area with an above average component of social housing is Karabar SA2, with 10.9% of its households in social housing.

There are much higher than average rates of private rental in Queanbeyan and Queanbeyan East SA2s, which is not surprising given the very high rate of medium and higher density housing stock in these areas. Again, areas with very low relative rates of private rental are those with limited housing diversity, in particular Bungendore, as well as Braidwood, Queanbeyan West-Jerrabomberra and Googong.

Very high rates of mortgagees are found in Bungendore and Googong in particular, where only 7% of dwellings are owned outright in the case of the latter, as shown below.

Table 3-4: Dwelling Tenure Profile (%) for Selected Areas (2021)

Tenure Type	Queanbeyan SA2	Queanbeyan East SA2	Queanbeyan West-Jerrabomberra SA2	Karabar SA2	Googong SA2	Bungendore Suburb	Braidwood Suburb	QPR LGA	Rest of NSW	NSW	ACT
Owned outright	23%	23%	29%	30%	7%	26%	48%	28%	39%	32%	27%
Owned with mortgage	32%	32%	47%	41%	72%	59%	27%	44%	32%	33%	41%
Rented (private)	39%	40%	20%	18%	20%	14%	21%	23%	23%	29%	25%
Rented (social)	4.2%	3.8%	2.5%	10.9%	0.5%	0.0%	0.4%	3.3%	4.1%	4.2%	5.7%
Other tenure type	2%	1%	1%	1%	0%	1%	1%	1%	2%	2%	2%

Source: JSA, 2022, based on data from ABS Census of Population and Housing 2021

3.2.2 Change in Tenure Profile (2006-2021)

There has been a small decline in private rental as a proportion of all stock over the past 15 years, noting also that private rental has been lower than average historically in the LGA as a whole. This is likely related to a large extent to the lack of growth in higher density housing stock, which enters the rental market at much higher rates than separate houses and medium density dwellings. This is more serious in the context of people staying longer or even permanently in the private rental market, pent up demand from household formation from younger people and those leaving a relationship, and the fact that many jobs in the local economy are contract and short- to medium-term, so would be expected to result in quite a lot of 'churn' in the rental market, as discussed later.

Of major concern is that social housing experienced a one percentage point decrease as a proportion of all dwellings from 2006-21 (declining from 4.4% to 3.3% of households in the LGA), as well as a loss of stock in absolute terms. This is particularly serious given the fact that need for social housing is increasing, with long waiting times, and that the main groups facing housing stress are very low and low income renters. It is also occurring in the context of a State-wide loss of social housing dwellings through sale and deterioration/vacancy of more than 3,500 dwellings over the past 15 years.

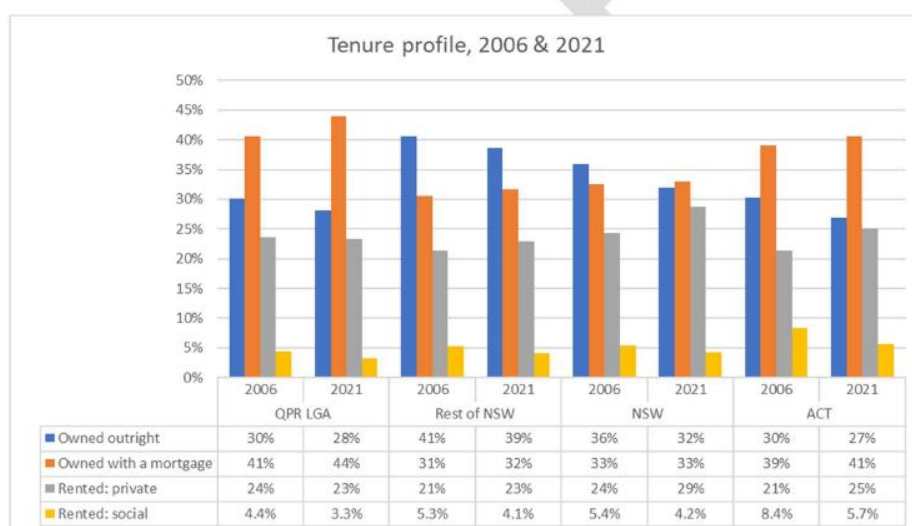


Figure 3.6: Household Tenure Change (%) Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (2006-21)

Source: JSA 2022 derived from ABS 2021

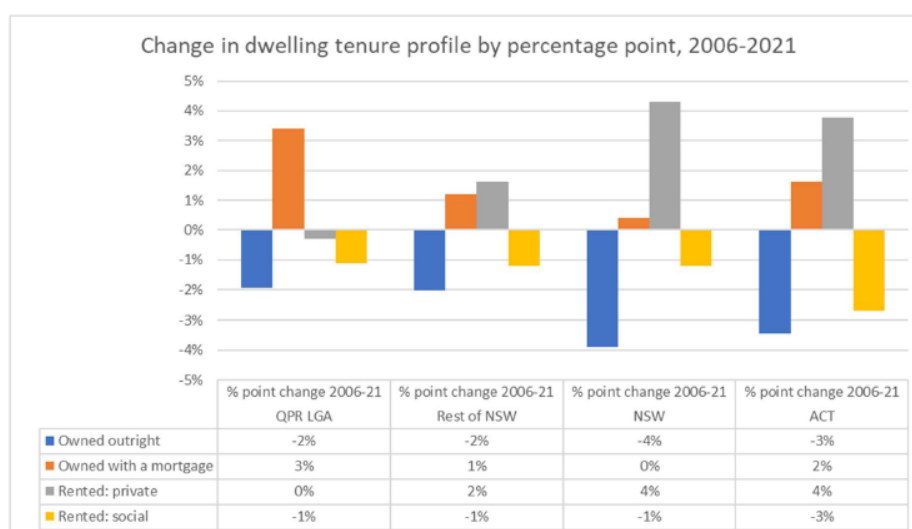


Figure 3.7: Household Tenure Change (percentage point) Queanbeyan-Palerang LGA compared with Rest of NSW, NSW and ACT (2006-21)

Source: JSA 2022 derived from ABS 2021 and ABS 2016

Table 3-5: Change in Number of OPDs by Tenure Type (2006-21)

	Owned outright	Owned with a mortgage	Rented: private	Rented: social	Other tenure type
	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)
Queanbeyan SA2	-19	440	557	56	21
Queanbeyan East SA2	108	172	195	26	14
Queanbeyan West - Jerrabomberra SA2	490	21	83	-27	13
Karabar SA2	-85	60	-64	-68	11
Googong SA2	DNA 2006	DNA 2006	DNA 2006	DNA 2006	DNA 2006
Bungendore Suburb*	150	438	70	-4	17
Braidwood Suburb*	40	33	10	-11	4
QPR LGA	1,256	3,063	1,265	-9	161

	Owned outright	Owned with a mortgage	Rented: private	Rented: social	Other tenure type
	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)	Absolute change 2006-21 (+/- n)
Rest of NSW	43,866	61,530	51,321	-4,213	15,650
NSW	93,995	197,469	262,152	-3,529	35,863
ACT	9,609	22,441	17,096	-189	2,043

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing, General Community Profiles and ABS 2016 Census of Population and Housing, Time Series Profiles. *2016 TSP data not available, 2006 BCP data used for Bungendore and Braidwood Suburbs, geographies as at 2006 differ to 2021, see maps.

Table 3-6: Change in OPDs by Dwelling Tenure Type (Percentage Point) (2006-21)

	Owned outright	Owned with a mortgage	Rented: private	Rented: social	Other tenure type
	Percentage point change 2006-21 (+/- n)	Percentage point change 2006-21 (+/- n)	Percentage point change 2006-21 (+/- n)	Percentage point change 2006-21 (+/- n)	Percentage point change 2006-21 (+/- n)
Queanbeyan SA2	-7%	3%	4%	0%	0%
Queanbeyan East SA2	-1%	0%	-1%	0%	0%
Queanbeyan West - Jerrabomberra SA2	9%	-7%	-1%	-1%	0%
Karabar SA2	-1%	4%	-1%	2%	0%
Googong SA2	DNA 2006	DNA 2006	DNA 2006	DNA 2006	DNA 2006
Bungendore Suburb*	-3%	5%	-2%	0%	1%
Braidwood Suburb*	0%	2%	-1%	-2%	0%
QPR LGA	-2%	3%	0%	-1%	1%
Rest of NSW	-2%	1%	2%	-1%	1%
NSW	-4%	0%	4%	-1%	1%
ACT	-3%	2%	4%	-3%	1%

Source: JSA 2022 derived from ABS 2021 Census of Population and Housing, General Community Profiles and ABS 2016 Census of Population and Housing, Time Series Profiles. *2016 TSP data not available, 2006 BCP data used for Bungendore and Braidwood Suburbs, geographies as at 2006 differ to 2021, see maps.

3.2.3 Change in social housing dwellings over 15 years (2006-2021)

In terms of the nature of change in the structure of social housing dwellings, the following graph indicates that there has been some redevelopment of separate houses to increase diversity. However, as noted, this has still resulted in a net loss of nine social housing dwellings, despite the expectation that such redevelopment would increase dwelling yield.

Redevelopment is also evident at the NSW scale, although with lower rates of units.

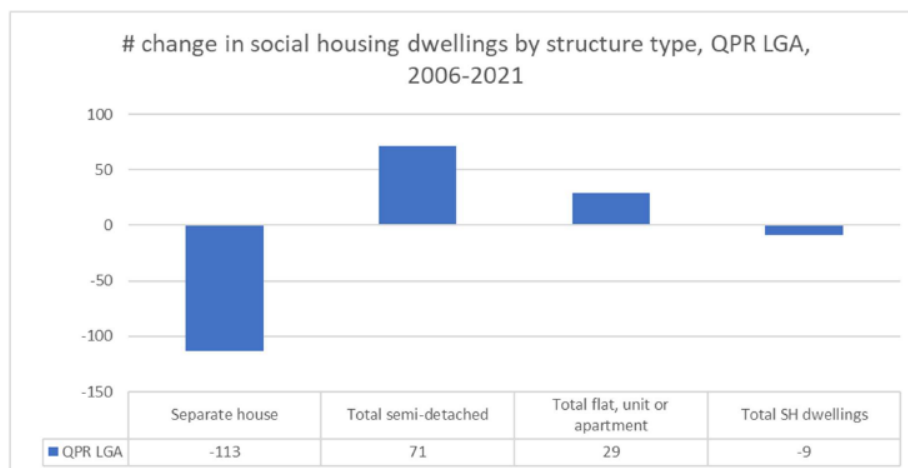


Figure 3.8: Change in no. of social housing dwellings by structure QP LGA 2006-2021

Source: JSA 2022 derived from ABS 2021 and ABS 2016

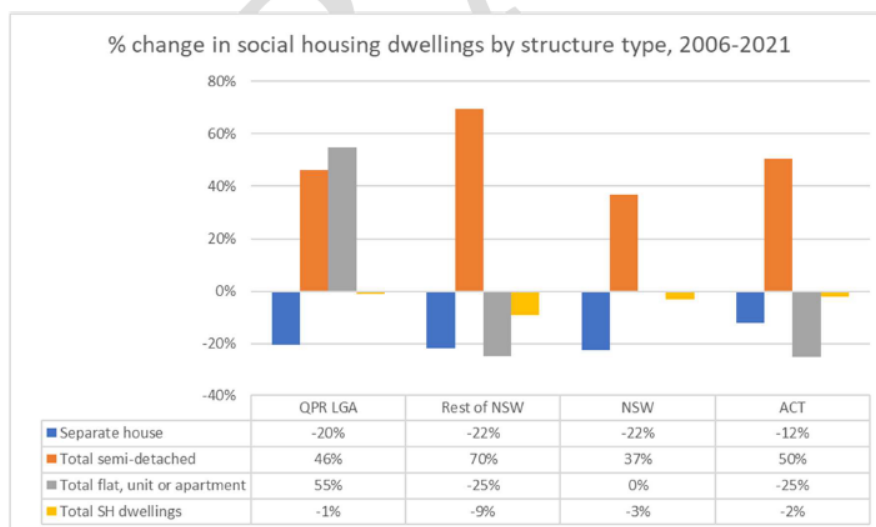


Figure 3.9: Percent change in social housing dwellings by structure type in QPR LGA compared with Rest of NSW, NSW and ACT, 2006-2021

Source: JSA 2022 derived from ABS 2021 and ABS 2016

3.2.4
Rental Data from ABS (2021) Census

As well as rental data from the NSW Rent and Sales Report, discussed later, information on rents by small area is available from the 2021 Census, although a limitation of this data is that it is self-reported, does not account for differences in dwelling types or size, and includes a range of rental arrangements including long-term rental and rents between related adults etc, rather than new bonds as reported in the NSW Rent and Sales Report.

Nonetheless, it provides some indicative data in terms of comparisons between small areas, and indicates that, overall, areas such as Bungendore and Googong are far more expensive than average, while the areas of Queanbeyan, Queanbeyan East, Karabar and Braidwood have lower rents overall compared with NSW, remembering that the latter is strongly influenced by the Greater Sydney housing market.

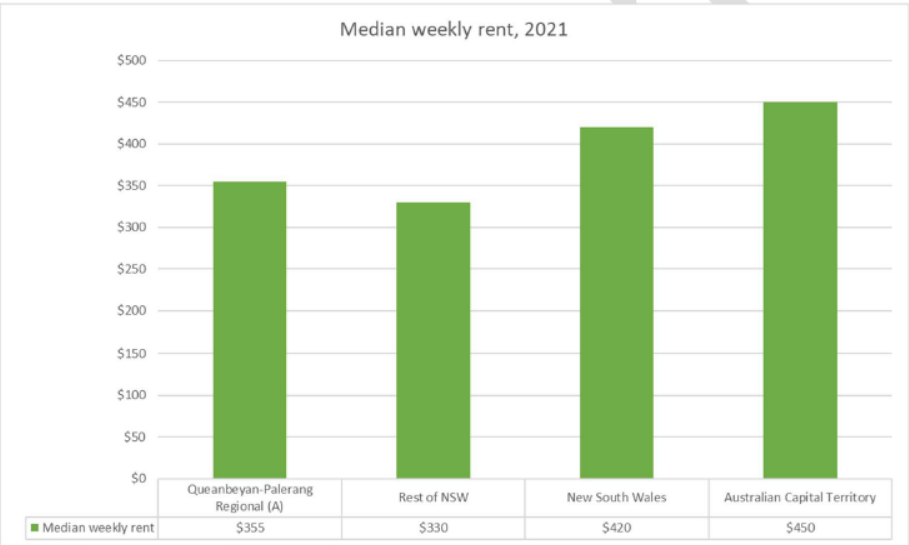


Figure 3.10: Median weekly rent, 2021
 Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

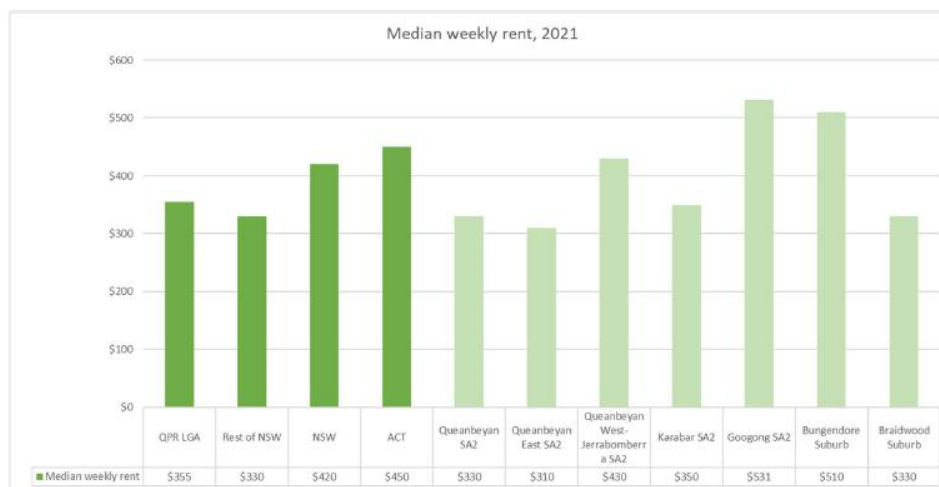


Figure 3.11: Median weekly rent including small areas, 2021

Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

3.2.5 Mortgage Data from ABS (2021) Census

The ABS (2022) Census also provides self-reported data on the amount of monthly mortgage repayments paid by a household. The following indicates that local mortgage repayments are comparable to the NSW average, and are in fact higher than for NSW. As discussed later, the cost of separate houses in the LGA is comparable to that of NSW generally, so this is probably not surprising.

In terms of small areas, households in Googong, Bungendore and Queanbeyan West-Jerrabomberra have above average mortgage repayments, whilst those in Queanbeyan, Queanbeyan East, Karabar and Braidwood have lower than average repayments, likely related to the size, nature and age of dwellings in the different areas.

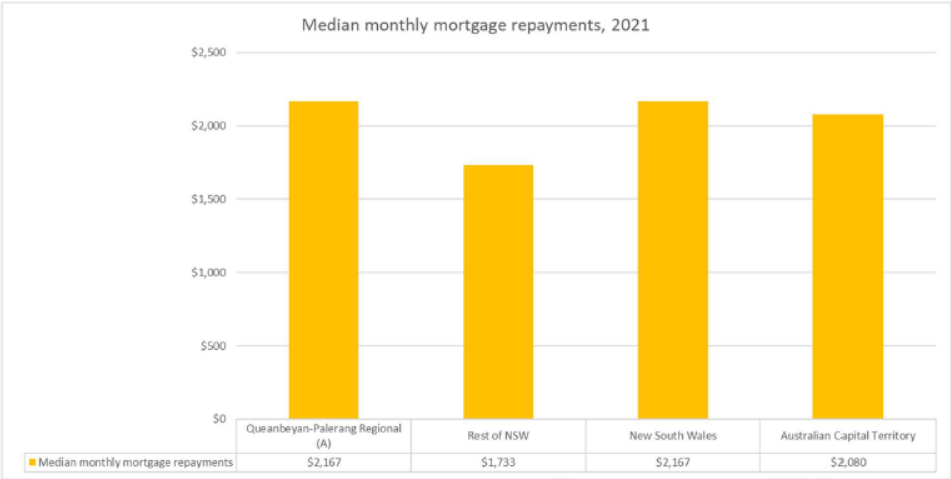


Figure 3.12: Median monthly mortgage repayments, 2021
Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

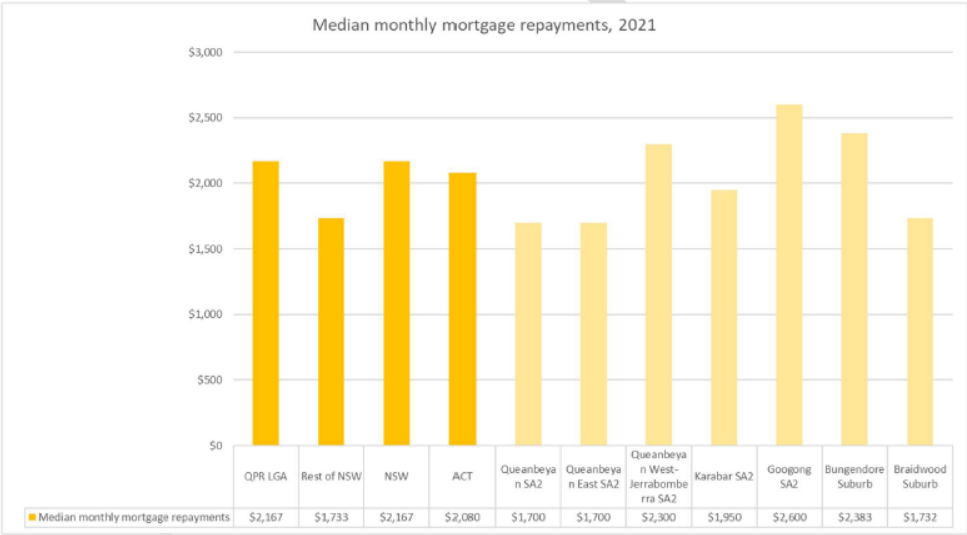


Figure 3.13: Median monthly mortgage repayments including small areas, 2021
Source: JSA 2022; ABS 2021 Census of Population and Housing, Quick Stats.

3.3 Homelessness and 'At Risk' of Homelessness

3.3.1 What is homelessness?

The Australian Bureau of Statistics defines homelessness as follows.⁸

When a person does not have suitable accommodation alternatives, they are considered homeless if their current living arrangement:

- is in a dwelling that is inadequate; or
- has no tenure, or if their initial tenure is short and not extendable; or
- does not allow them to have control of, and access to space for social relations.

Although some agencies and research categorise people as being in different degrees of homelessness,⁹ the ABS treats people in the following Census categories as 'homeless':

- Persons living in improvised dwellings, tents, or sleeping out
- Persons in supported accommodation for the homeless
- Persons staying temporarily with other households
- Persons living in boarding houses
- Persons in other temporary lodgings
- Persons living in 'severely' crowded dwellings

ABS counts people in the following Census categories as 'marginally housed',¹⁰ and therefore at risk of homelessness:

- Persons living in other crowded dwellings
- Persons in other improvised dwellings
- Persons who are marginally housed in caravan parks

3.3.2 General Characteristics of Homeless People

Of people accessing homelessness services in NSW in 2014-15,¹¹

- 58% were female
- 42% were male
- 51% were under 25, including 22% under 15¹²

⁸ ABS 4922.0 (2012) Information Paper – A Statistical Definition of Homelessness

⁹ For example, primary homelessness as 'sleeping rough', as well as secondary and tertiary homelessness as variously 'couch surfing', staying in more temporary forms of accommodation, etc.

¹⁰ ABS 20490DO005_2016 Census of Population and Housing: Estimating homelessness, 2016; greater detail on definitions is available in notes to the spreadsheet.

¹¹ NSW Government (2016) Foundations for change – Homelessness in NSW, page 8

¹² Other age groups were not available

- 25% were Aboriginal
- 51% were homeless and 49% were at risk of homelessness.

The primary reasons given for people accessing homelessness services were:¹³

- Housing crises (22%)
- Domestic and family violence (20%)
- Financial difficulties (11%)
- Inadequate or inappropriate dwelling conditions (8%)
- Relationship/family breakdown (7%)
- Previous accommodation ended (6%)
- Housing affordability stress (5%)
- Other reasons (21%).

The ABS' *General Social Survey* provides more detailed information on the characteristics of people who have experienced homelessness in the last ten years, indicating that they are disproportionately young people, whilst a high proportion are also middle aged.¹⁴

- 53% of people were aged 15-34 years compared to 33% of the general population aged 15 or over
- 43% of people were aged 35-64 years compared to 47% of the general population aged 15 or over
- 4% of people were aged over 65 years compared to 19% of the general population aged 15 or over.

The graphs below show:

- Situation ever experienced homelessness
- All reasons for most recent experience of homelessness
- Time since last experienced homelessness
- Length of time of most recent experience of homelessness
- Whether sought assistance from service organisation(s) during most recent experience of homelessness.

In summary, the most common response to homelessness is to stay with friends or relatives, while the most common cause of homelessness was relationship problems. Less than half of respondents had experienced homelessness in the last two years. The median time of homeless was around one month, with around one quarter of respondents homeless for six months or more. Only one

¹³ *Ibid*, page 8.

¹⁴ ABS 20490DO005_2016 Census of Population and Housing: Estimating homelessness, 2016

third of respondents sought assistance with homelessness, and of these, around 70% used housing service providers or crisis accommodation.

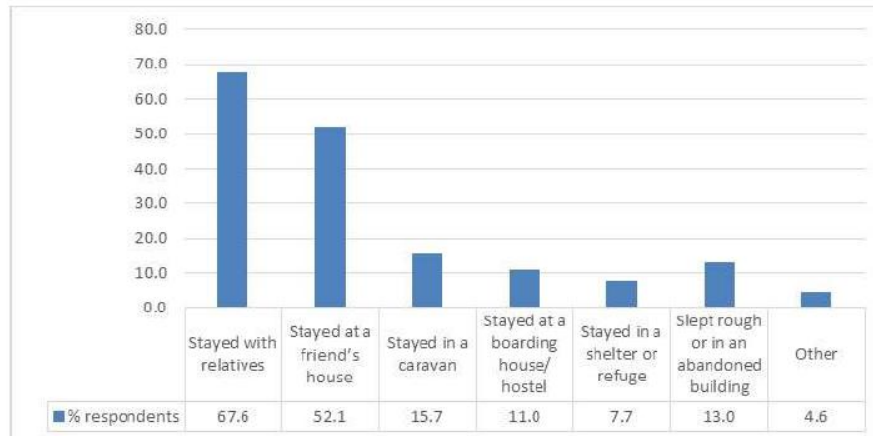


Figure 3.14: Situation ever experienced homelessness.

Source: JSA 2022, based on General Social Survey 2016

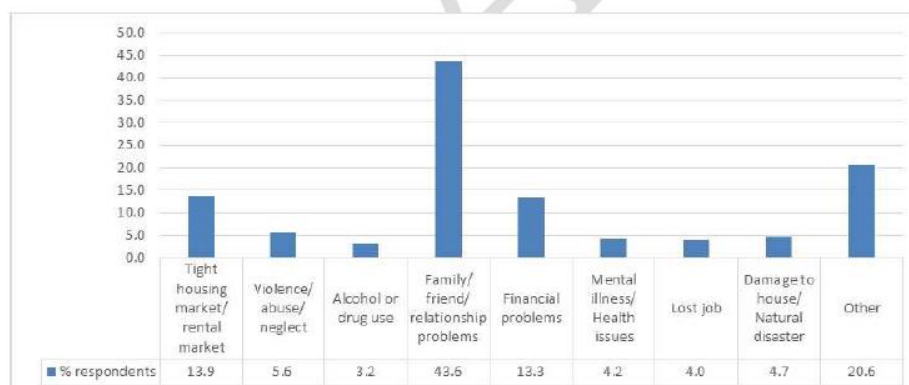


Figure 3.15: All reasons for most recent experience of homelessness.

Source: JSA 2022, based on General Social Survey 2016

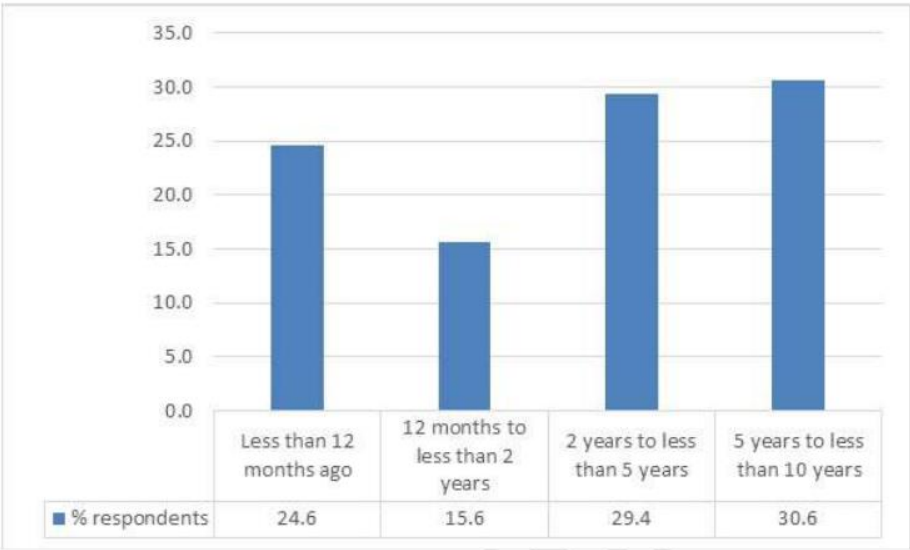


Figure 3.16: Time since last experienced homelessness.
Source: JSA 2022, based on General Social Survey 2016

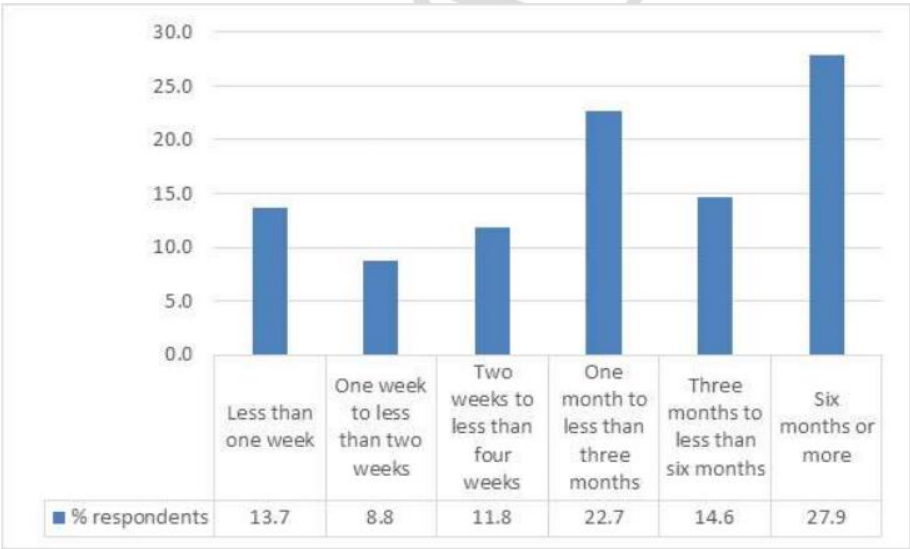


Figure 3.17: Length of time of most recent experience of homelessness.
Source: JSA 2022, based on General Social Survey 2016

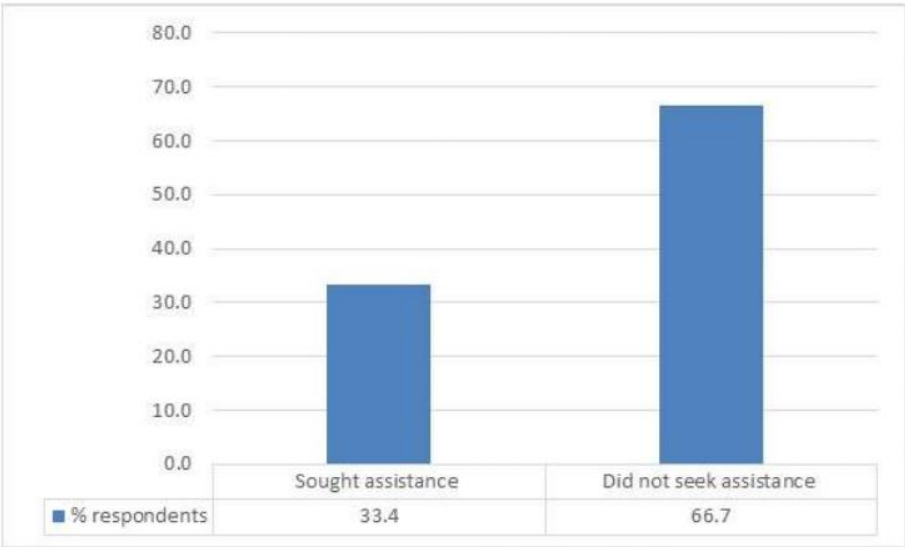


Figure 3.18: Whether sought assistance from service organisation(s) during most recent experience of homelessness.
 Source : JSA 2021, based on General Social Survey 2016

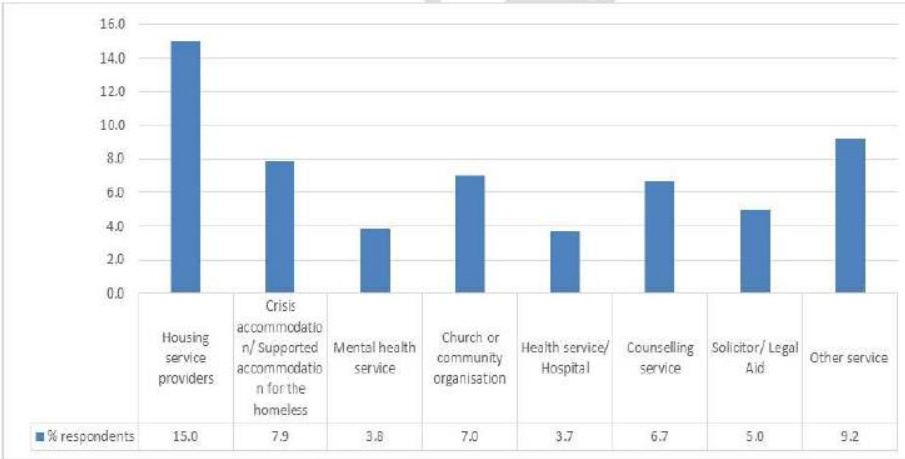


Figure 3.19: All types of service providers used during most recent experience of homelessness.
 Source : JSA 2021, based on General Social Survey 2016

3.3.3 Profile of homelessness in QP LGA (2016)

ABS Census Data

At the 2016 Census,¹⁵ ABS estimated there were 121 homeless people in Queanbeyan SA3, and an additional 126 people who were marginally housed, or 2.1 homeless people and 2.2 marginally housed people per 1,000 resident population.¹⁶

Major contributors to homelessness were people in supported accommodation for the homeless (n=52, 43%), people staying temporarily with other households (n=34, 28%) and people living in 'severely overcrowded dwellings' (n=17, 14%). Major contributors to marginally housed were people in other improvised dwellings (n=60, 48%) and people living in other crowded dwellings (n=59, 47%). By comparison, rates for NSW were 5.0 homeless people and 5.0 marginally housed people per 1,000 population, meaning that **Queanbeyan SA3's rate of homelessness was well below NSW averages in 2016.**

Equivalent rates in 2011 were 3.0 homeless people and 2.4 marginally housed people per 1,000 population for Queanbeyan SA3 and 4.0 homeless people and 3.9 marginally housed people per 1,000 population for NSW, suggesting that rates of homelessness and marginally housed people in Queanbeyan SA3 decreased between 2011 and 2016.

However, it is noted that consultations with key stakeholders interviewed in the preparation of this Background Report describe a significantly worsening situation for lower income renters and more vulnerable people over the past few years, and a considerable increase in the number and groups of people who are homeless. As such, this is **likely to be a significant underestimate of the extent and nature of homelessness at the present time.**

It is also noted that the above is an estimate of the number of people homeless or marginally housed on Census night 2016. However, the number of people experiencing homelessness in a year will be much greater, due to undercounting and the fact that the Census provides only a snapshot in time. An estimate of the **annual number** of homeless people in South Coast SA3 using homelessness duration data from the General Social Survey is **1,500 to 2,250 homeless people, with a best estimate of 1,875 homeless people in any given year.** Of these around 630 would be expected to seek assistance in total, 160 to obtain assistance from housing service providers and 90 to access crisis accommodation. This may represent repeat episodes of homelessness for some people, particularly those homeless in the short-term, so that this may be better thought of as homeless incidents in a given year.

It is further noted that many people counted as homeless on Census night are able to resolve their homelessness themselves with some assistance, for example, through staying with family or friends, or finding suitable private rental accommodation. However, people who have been homeless for three or more months are at serious risk of long-term homelessness. Considering duration data, this would be between 69 and 248 people who are at risk of entering long-term homelessness in the SA3 in any one year.

¹⁵ 2021 Census data estimating homelessness was not available at the time of writing (August 2022).

¹⁶ Usual resident population of Queanbeyan SA3 in 2016, was 57,333.

A midpoint of 160 people would be a reasonable assumption of the minimum number of dwellings/places that would be needed to accommodate this group, or 170 dwellings/places accounting for ongoing growth of homeless people and general population. This would be a minimum target for people at risk of chronic homelessness in addition to people in housing stress as a measure of affordable housing need, as discussed elsewhere. All of these dwellings/places would be required in Queanbeyan-Palerang LGA.

3.4 Boarding Houses

At the time of the ABS 2016 Census,¹⁷ no people in Queanbeyan-Palerang Regional LGA were enumerated in a 'boarding house or private hotel'. The NSW Office of Fair Trading Boarding House Register shows 3 general registered boarding houses, and one assisted boarding house, in the Queanbeyan-Palerang Regional LGA in 2022. These are:

- Benedict House, 39 Isabella Street Queanbeyan NSW (General)
- Glen Morton, 89 Morton Street Crestwood NSW (General)
- Kent Private Hotel, No 2 McQuoid Street Queanbeyan NSW (General)
- HOME in Queanbeyan, 284 Crawford Street Queanbeyan NSW (Assisted) – HOME in Queanbeyan provides long-term supported accommodation for twenty men and women with enduring mental illness. It features twenty self-contained residential apartments in a 'safe, loving, non-institutional setting'.¹⁸

Based on a 'rule of thumb' of 80% of median rent for a one-bedroom flat/unit, boarding house rooms/studio apartments in Queanbeyan-Palerang Regional LGA are expected to rent for around \$280 per week as per the March Quarter 2022 (\$350 for a median one bedroom flat/unit). An internet search conducted in 1 August 2022 showed only two boarding house rooms or similar (studio apartments) listed for rent in Queanbeyan area, both for \$320 per week.

This means that a room in a more recently constructed, purpose built boarding house would be affordable to around 50% of low income key workers, and possibly some older retired couples, particularly where they had some superannuation to augment their aged pension. However, it would not be affordable to around half of low income workers, nor to most people on Centrelink payments if rented through the private market.

¹⁷ 2021 Census data counting boarding houses and other non-private dwellings was not available at the time of writing.

¹⁸ Home in Queanbeyan website, <https://homeqbn.org/>, accessed 01/08/2022.



Figure 3.20: Studio apartment 27/25 Macquiod Street Queanbeyan - \$320 p/w 1/8/2022
Source: domain.com.au, accessed 01/08/2022

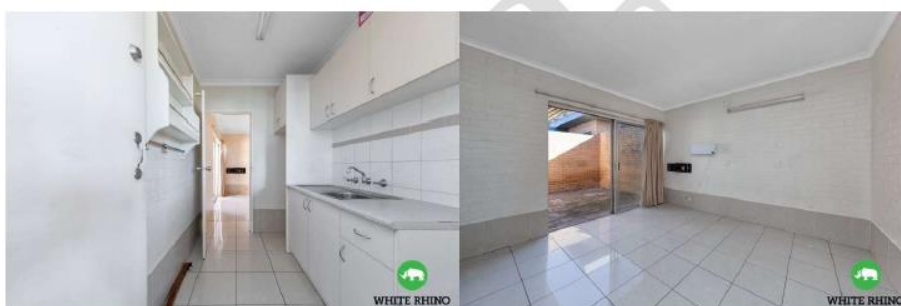


Figure 3.21: Studio apartment 2/13-15 Gilmore Place, Queanbeyan - \$320 p/w 1/8/2022
Source: domain.com.au, accessed 01/08/2022

3.5 Caravan/Residential Parks and MHEs

3.5.1 Demography of Caravan/Residential Parks and MHEs

The table below shows ABS (2016) Census data for people counted at home in Caravan/Residential Parks and Manufactured Housing Estates (MHEs) in Queanbeyan-Palerang LGA (permanent or long-term residents). At the time of the Census, around 56% (63 people) of the 113 people counted in Caravan/Residential Parks were permanent or long-term residents. There were no dwellings located in, nor people enumerated in dwellings located in, MHEs in the LGA at the time of the 2016 Census. Around 20% of residents lived in caravans and 80% lived in cabins.

Table 3-7: Caravan/Residential Parks in Queanbeyan-Palerang LGA

	Total Persons at home	All Dwellings located in Caravan/Residential Park or camping ground
Caravan	12	20
Cabin, houseboat	51	57
Improvised home, tent, sleepers out	0	4
House, house or flat attached to a shop, office	0	0
Not stated	0	0
Total	63¹⁹	80

Source: JSA 2022, derived from ABS Census 2016

The following table shows selected demographic characteristics of the 63 people counted at home in Caravan/Residential Parks in Queanbeyan-Palerang Regional LGA compared with the total population in Rest of NSW.

In summary, this indicates a somewhat older, working population of people largely living on their own or in a family group (couples and one parent families with children).

The median age of residents of caravan parks in the LGA was much older, but only a slightly larger proportion of residents were aged 55 years or older, compared to Rest of NSW. Median household income of those counted at home in a caravan/residential park was higher than Rest of NSW, with labour force participation higher and no persons enumerated as unemployed. The predominant household type was lone person household, and there was a much lower than average rate of families with children – all of those enumerated were one parent families. There were no people counted at home in caravan/residential parks in the LGA with a need for assistance with a core activity.

¹⁹ Sum total of people enumerated at home in dwellings located in caravan/residential parks by structure type, ABS total given n=59.

Table 3-8: People Counted at Home in Caravan/Residential Parks in Queanbeyan-Palerang LGA compared with All People in Rest of NSW

	Queanbeyan-Palerang Regional LGA	Rest of NSW
Median Age	66	43
Proportion 55 years and over	37%	34%
Median Household Income	\$1,361	\$1,168
Labour force participation rate	68%*	55%
Unemployment Rate	0%	6.6%
Need for assistance with core activities	0%	6.8%
Household Type:		
Lone Person	73%	27%
Couple with no children	12%	29%
Household with children	15%**	39%
Group Household	0%	3%

Source: JSA 2022, derived from ABS Census 2016; *All enumerated as employed, 0 enumerated as unemployed. **All households with children enumerated at home in caravan/residential parks in Queanbeyan-Palerang LGA were one parent households.

3.5.2 Caravan parks in Queanbeyan area

There are four caravan parks identified in the Queanbeyan-Palerang LGA:

- Queanbeyan Riverside Caravan Park in Queanbeyan
- Crestview Tourist Park in Karabar
- Capital Country Holiday Park in Sutton
- Eaglehawk Holiday Park in Sutton

All four parks are advertised online as holiday/tourist parks.

The showgrounds at Bungendore and Braidwood allow casual camping and caravanning on powered and unpowered sites. The Bungendore showgrounds advertise a maximum stay of 7 days.

JSA contacted the four caravan parks by telephone in early August 2022. Three of the parks report that they do not offer or have any permanent sites.


The Crestview Tourist Park reports that stays on powered sites are capped at 56 days with a weekly tariff of \$385. Stays in studio cabins may be for as 'long as the weekly rate is paid' which as at August 2022 was \$700 per week. Even if this were long-term accommodation, it would not be affordable rental for any of the target groups.

Eaglehawk Holiday Park offers medium term accommodation (up to 150 days) in its cabins, cottages and villas. Rates are reduced if the stay is for two weeks or longer at \$350 per week for a 1 bedroom cabin, \$660 per week for a 2 bedroom cottage and \$700 per week for a 3 bedroom cottage. If a one bedroom cabin were available for long-term rental it would be affordable to around 10% of low income households, and to all moderate income households. A two bedroom cottage would not be affordable to any of the target groups.

The Queanbeyan Riverside Caravan Park reports that the longest stay on any site is capped at 56 days. Weekly rates for a standard powered site are \$285 or \$315 depending on location of the site. There are no cabins, villas or cottages at this park. As such, the site would be affordable to most low income households for a short-term stay, although the resident would need to have their own caravan or mobile home.

The Capital Country Holiday Park reports that it has around 50 permanent residents who own their dwelling and pay weekly site fees of \$130.70 plus electricity and gas. The Park notes that they are not involved in the sales of permanent dwellings, with residents advertising their own sales via real estate agents or websites of their choice. Site rental would be affordable to a very low income household, provided they had their own caravan or mobile home, and there was a site available, which is unlikely in the current housing market context.

Otherwise, the park offers short term accommodation (up to 28 days) across its other sites, villas and cabins. There are no weekly rates. Daily rates for villas and cabins range from \$109 to \$180 per night (\$763 to \$1,260 per week). An internet search revealed an MHE at the Capital Country Holiday Park currently under offer and advertised by LJ Hooker with a sale price of \$260,000 (<https://zango.com.au/sale/60-47-bidges-road-sutton-nsw-2620-61064/>, accessed 10/08/2022). As such, this would not be affordable to any of the target groups, even as a short-term stay option.



60/47 Bidges Road SUTTON, NSW 2620

\$260,000 [Calculate repayments](#)

Block size: 100m²

Plan


3 Bedrooms

2 Bathrooms

2 Parking

Mortgage Free, Beautifully Presented, Ideal Location

An amazing opportunity just 15 minutes to Gungahlin Town Centre, 25 minutes to Canberra CBD. A superb 3 bedroom ensuite house on a reasonable sized plot in the beautifully maintained and managed Capital Country Holiday Park complete with tennis courts, mini-golf, extensive childrens play area, swimming pool, resort style barbeque area. This is a wonderful, safe and supportive community which offers excellent facilities. The house is located in the heart of the owner-occupied area. It offers gas cooking in a convenient and work-friendly space, dishwasher, generous sized fridge space. Climate is controlled by split system R/CAC. Hot water is continuous flow gas. Gas is centrally supplied. Easy-care floor coverings of quality linoleum, carpet and tiles in the bathrooms. The house is well positioned on the block and allows winter sunshines to flood the living areas. Call me now to book an inspection and an opportunity to discuss how you may secure it. \$260,000 Cash will buy this wonderful residence.


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4 Planning, Funding & Policy Environment

4.1 Overview

This section provides an overview of the funding and policy environment as a context to effective strategic responses to growing affordability issues in the Queanbeyan-Palerang Regional Council area.

4.2 Federal Government

4.2.1 Overview

Housing policies of the Australian Government following the May 2022 election will be determined by the Parliament. During the election campaign, the policy platform presented by the Labor party led by Anthony Albanese included these key initiatives (applicable to QPRC) that it aims to deliver while in government.

- Create the **Housing Australia Future Fund** to create 30,000 social and affordable housing dwellings in five years.
- Create the **Help to Buy (Shared Equity Scheme)** to assist 10,000 households each year to purchase their first home where the Federal Government provides an equity contribution up to a maximum of 40% of the purchase price of a new home and up to a maximum of 30% of the purchase price for an existing home.
- Create the **Regional First Home Buyer Scheme** to assist 10,000 households in regional Australia each year (for two years) to purchase their first home in a regional area where Federal Government will provide a guarantee of up to 15% of the purchase price.
- Create a **National Housing Supply and Affordability Council** that will develop a National Housing and Homelessness Plan, expand the National Housing Finance and Investment Corporation (NHFIC) and rename it Housing Australia.

Each of these is looked at in more detail below.

4.2.2 Housing Australia Future Fund (\$10 billion)²⁰

The Federal Government will create a \$10 billion Housing Australia Future Fund, which provides that each year its investment returns will be transferred to the National Housing Finance and Investment Corporation (NHFIC) to pay for social and affordable housing projects and some ongoing acute housing needs including:

- 30,000 new social and affordable housing in first five years, including:
 - 20,000 social housing properties – including 4,000 for women and children fleeing family violence and older women on low incomes at risk of homelessness.

²⁰ <https://www.alp.org.au/policies/safer-and-more-affordable-housing>, accessed 30/06/2022.

- 10,000 affordable housing properties for 'frontline workers' like police, nurses and cleaners 'who kept us safe during the pandemic'.
- 'A portion' of investment returns will fund acute housing needs on an ongoing basis. In the first 5 years these investments will fund:
 - \$200 million for repair, maintenance and improvements of housing in remote Indigenous communities;
 - \$100 million for crisis and transitional housing options for women and children fleeing family violence and older women on low incomes at risk of homelessness;
 - \$30 million for housing and specialist services for veterans experiencing or at-risk of homelessness.

4.2.3 Help to Buy (Shared Equity scheme)²¹

- The Help to Buy (Share Equity Scheme) will cost around \$329 million over the forward estimates.
- The program will be open to 10,000 Australians each financial year.
- Eligible home buyers will need a minimum deposit of 2%, with an equity contribution from the Federal Government of up to a maximum of 40% of the purchase price of a new home and up to a maximum of 30% of the purchase price for an existing home.
- Eligibility requirements – Australian citizen; at least 18 years of age; \$90k or less individual earning per annum or \$120k for couples; purchased home to be the principal place of residence; not own other land or property; 2% deposit with remainder of purchase through a standard home loan with participating lender; responsible for all associated and ongoing costs.
- Property price cap for NSW – Rest of State \$600k with max savings on new home purchase \$240k and existing home purchase \$180k (same cap and max savings for ACT).

4.2.4 Regional First Home Buyer Scheme²²

- The Regional First Home Buyer Scheme is expected to start January 2023 and will cost \$12.1 million to the end of 2024/25.
- The program will be open to 10,000 first home buyers a year in regional Australia.
- Provide government guarantee of up to 15% of the purchase price, first home buyer will save up to \$32,000 in mortgage insurance and be able to secure a home with a deposit of 5%.
- Eligibility – live outside a capital city, Australian citizen over 18, first home buyer, live in home purchased, taxable income of up to \$125k for singles and \$200k for couples, have

²¹ <https://www.alp.org.au/policies/helping-more-australians-into-home-ownership>

²² <https://www.alp.org.au/policies/regional-first-home-buyer-support-scheme>

been living in the region for at least 12 months, meet property price thresholds for the region under the existing First Home Loan Deposit Scheme.

- NSW – other (scheme geographic area that includes QPRC), property price cap \$600k, maximum mortgage insurance saving \$23,954.

4.2.5 Restoring Funding for Homelands and Improving Remote Housing

Not applicable to NSW.

4.2.6 National Housing Supply and Affordability Council²³

The Federal Government plans to establish a National Housing Supply and Affordability Council to ensure the Commonwealth plays a leadership role in the creation of social and affordable housing. It will develop a National Housing and Homelessness Plan and expand the role and work of the National Housing Finance and Investment Corporation (NHFIC) and rename it Housing Australia. Housing Australia will be the home of the National Housing Supply and Affordability Council.

4.3 NSW Government provision and management of social and affordable housing (LAHC, DCJ)

4.3.1 Future Directions for Social Housing in NSW (2016)

There have been a range of NSW State Government initiatives to support the growth and maintenance of social and affordable housing that have been delivered under the **ten-year strategy**, *Future Directions for Social Housing in NSW (2016)*. The strategy has three main priorities:

- To increase the supply of social housing in order to address demand, including a waiting list that has grown to 60,000 households;
- To develop/provide more opportunities, incentives and/or support for people to avoid social housing altogether or to shorten their length of tenure by successfully transitioning into the private market; and
- To improve the social housing experience for tenants.

The first priority, to grow the supply of social housing, is to be achieved through 'significant expansion and redevelopment of stock through partnerships with private sector developers and finance' by:

- Transferring the management or ownership of 35% of social housing stock in NSW to the community housing sector;
- Introducing measures to ensure that social housing is better utilised to meet the needs of tenants (e.g., reducing under occupancy, improving allocations, and building new

²³ <https://www.alp.org.au/policies/national-housing-supply-and-affordability-council>

dwellings that are smaller and more 'fit for purpose' including through the Communities Plus redevelopment program); and

- Providing \$1 billion in 'ongoing financial support' through the Social and Affordable Housing Fund (SAHF) for development of new social and affordable housing undertaken by consortiums and partnerships involving community housing providers.²⁴

There has been reasonable progress against these priorities by the NSW State Government over the past few years. However, it is understood that there has been limited funding and implementation of these initiatives in Queanbeyan-Palerang LGA.

Future Directions in regional and rural NSW

Importantly, *Future Directions for Social Housing in NSW* identifies that people living in regional and rural areas in NSW have different needs to those people living in urban areas, with 18 out of the 20 estates that were identified by the government as 'highly disadvantaged' being located in regional and remote areas.

Future Directions reports that a framework will be developed to focus on 'renewing and reconfiguring the regional portfolio' and 'expanding the types of houses built, including secondary dwellings and market testing other cost-effective housing delivery options, such as dual occupancy dwellings', and that:

- A program of acquisitions to replace existing stock and expand supply will be implemented in major regional centres which have good access to services and employment;
- Crown Land in rural and regional areas that may be suitable for the current and future needs of social housing will be identified under the Crown Lands Review; and
- Options for the use of shared equity loans will be investigated to help increase home ownership in regional areas where commercial lenders may be unwilling to take on the full mortgage risk, which could assist in freeing up the supply of private rental stock.²⁵

There is the potential for Queanbeyan-Palerang LGA to benefit from these types of strategies, which are relevant for discussions and negotiation with NSW LAHC, as discussed later.

Private Rental Assistance Programs

DCJ provides a number of programs under the housing pathways program to assist eligible people to enter or remain in the private rental market²⁶ including:

- **Private Rental Subsidy** program that assists people to access affordable accommodation in the private rental market who meet social housing eligibility criteria, are approved for priority status on the NSW Housing Register, have a disability or are at risk in their current accommodation. The rental subsidy (capped at the median rent for Sydney middle ring suburbs) is set so that a tenant pays no more than 25% of their income plus Commonwealth

²⁴ NSW Government (2016) *Future Directions for Social Housing in NSW*, <https://www.facs.nsw.gov.au/about/reforms/future-directions>, accessed 22/04/2021.

²⁵ NSW Government, *Future Directions for Social Housing in NSW*, pg. 25,

²⁶ NSW DCJ, *Help Renting in the Private Market*, <https://www.facs.nsw.gov.au/housing/help/ways/renting-private-market>, accessed 23/04/2021.

Rental Assistance in rent. The situation of tenants is thus similar to those renting from a CHP.

- **Tenancy Guarantee** of up to \$1,500 payable to landlords and real estate agents to cover possible rental arrears and/or property damage over and above the rental bond, intended to encourage private landlords and real estate agents to rent properties to people who are having difficulties entering the private rental market.
- **Brokerage Services** to assist with finding rental properties and entering into tenancy agreements.
- **Rent Choice** is a form of Private Rental Assistance (PRA) under Housing Pathways that supports households to access safe and affordable housing in the private rental market. It provides medium term financial assistance for up to three years for low to moderate income households, to enable them to secure and sustain a tenancy in the private rental market. The program assists clients to access support services, including training and employment opportunities, to build capacity to continue living independently after the Rent Choice assistance ends. It ensures that clients are supported in their transition to sustainable independence.²⁷

We were unable to find any specific data for Queanbeyan-Palerang LGA.

Community Housing Innovation Fund²⁸

The Community Housing Innovation Fund (CHIF) is a \$150 million program to deliver social and affordable housing in collaboration with Community Housing Providers (CHPs) in NSW. This program will be delivered over two rounds from 2021 to 2023. Round 1 funding has been allocated to seven different CHPs to deliver 171 dwellings (108 social housing and 63 other types – affordable rent, affordable purchase and transitional housing) across the state. There are no funded projects identified for the QPRC area.

Additional CHIF Stimulus funding was announced in October 2021 for Social Housing economic recovery and Domestic and Family Violence economic recovery package. This funding has been allocated to a range of providers and services across NSW. There are no funded projects identified for the QPRC area.

The CHIF Round 2 tender is planned to open in January-February 2023 and will allocate the remaining \$27 million of the program.

4.3.2 A pathway home: 2022-23 Housing Package

More recently, the Perrottet Government has announced a range of measures in line with existing policy directions.

Social and Affordable Rental Housing

In relation to **social housing**:

²⁷ NSW DCJ, Rent Choice Policy, 17 November 2020, <https://www.facs.nsw.gov.au/housing/policies/rent-choice-policy>, accessed 23/04/2021.

²⁸ <https://www.facs.nsw.gov.au/reforms/future-directions/partner-with-the-nsw-government/community-housing-innovation-fund-chif/chapters/chif-funding>, accessed 02/08/2022.

- \$300 million to upgrade 15,800 social homes.
- Together Home Program (May 2022) – continuation of additional homelessness support during COVID19 pandemic. \$37 million in partnership with CHPs to provide 120 new social homes for rough sleepers.

In relation to **regional housing**:

- \$174 million to deliver 270 new and refurbished homes for key workers 'like teachers and police in regional and remote communities.' This is in addition to \$75million previously announced for health worker housing.

In relation to **Aboriginal housing**:

- \$149.8 million to build 200 new and 260 upgraded homes for Aboriginal families.
- \$67.2 million over four years to continue and expand the Strong Family, Strong Communities Program.
- \$32 million additional funding for planning and infrastructure upgrades for Aboriginal communities.

Home ownership

There have also been a range of initiatives announced in relation to affordable home ownership. These include the following.

Proposed change to NSW property tax system - **First Home Buyer Choice**²⁹ including:

- First home buyers purchasing properties for up to \$1.5 million will be able to choose to pay an annual property tax instead of stamp duty.
- Existing stamp duty concessions for first home buyers are available for purchases of up to \$800,000, and these concessions will continue. The property tax option will be available for properties for up to \$1.5 million.
- The Government intends that legislation to establish the property tax will be introduced into the NSW Parliament during the second half of 2022.
- There are income and asset eligibility requirements.

Shared Equity Scheme (two-year trial) including:

- 3,000 places available per year for two-year pilot of a Shared Equity Scheme.
- The government will contribute an equity share up to 40% of the property price for a new dwelling or 30% for an existing dwelling. The trial scheme is planned to begin in January 2023.
- The shared equity scheme will help single parents, older singles and first home buyer teachers, nurses and police to purchase their own home.
- Households eligible for the shared equity scheme can have a maximum gross income of up to \$90,000 for singles and \$120,000 for couples.

²⁹ <https://www.nsw.gov.au/initiative/first-home-buyer-choice>

- The maximum value of the property that can be purchased is \$950,000 in Sydney and regional centres including Central Coast, Illawarra, Newcastle, North Coast and Lake Macquarie, and \$600,000 in other parts of NSW.

Rent-to-buy including:

- NSW Land and Housing Corporation will lead a pilot rent-to-buy program to support eligible low-income earners, will be led by them in partnership with community housing providers.
- The scheme offers tenants a stable and affordable rental lease for a fixed period, allowing the household to accumulate savings. At the end of the lease tenants would have the opportunity to buy the property.

4.3.3 Land and Housing Corporation Portfolio Strategy 2040

The Land and Housing Corporation (LAHC) Portfolio Strategy sets a twenty-year vision and priorities to grow and change the State-owned housing portfolio in order to 'house more vulnerable people and families in better quality modern homes and improve our financial sustainability as a self-funded housing provider'.³⁰

The strategy sets out why changes are needed and what the organisation will 'do more of, less of and differently' with a key focus on generating alternate funding to create new social housing through their broker role, new financing partnerships and building market homes to rent/sell to fund social projects; working in partnership with industry, CHPs and the Aboriginal Housing Office (AHO) to leverage and make the best use of public land and property; and importantly using local area strategies and portfolio analysis to inform decision making and in assessing impacts of decisions on portfolio value.³¹ It would be useful to review any local area strategies and portfolio analysis that LAHC has undertaken for the LGA. Council could consider requesting this information from LAHC for the purpose of developing the Affordable Housing Strategy.

4.3.4 Covid-19 Stimulus Funding for Social and Affordable Housing

NSW Government reports that \$250m in stimulus funding in the 2020/21 Budget was earmarked to accelerate delivery of new social housing homes by LAHC, including 298 new homes across 24 projects in regional areas. Moreover, \$200m was allocated to accelerate repairs and maintenance and upgrade more than 3,500 social housing dwellings across NSW. We are not aware of any funding that was directed specifically to Queanbeyan-Palerang LGA.³²

³⁰ NSW LAHC, Portfolio Strategy 2020, December, <https://www.dpie.nsw.gov.au/land-and-housing-corporation>, accessed 27/04/2021.

³¹ NSW LAHC, 2Portfolio Strategy 2020, December, <https://www.dpie.nsw.gov.au/land-and-housing-corporation>, accessed 27/04/2021, pp 2.

³² NSW DPIE, Social and affordable housing and jobs created in regional NSW: Achievements and Activities April 2019 to December 2020, March 2021, https://www.dpie.nsw.gov.au/__data/assets/pdf_file/0004/365008/Regional-Achievements-Brochure-A4-10-MAR-2021.pdf, accessed 23/04/2021.

4.4 The NSW Planning Context

4.4.1 Affordable Housing support in EP&A Act and related policies

There are significant opportunities for local government to support the creation and maintenance of affordable housing through core planning legislation and policies in NSW compared to most Australian states. However, there are also constraints to action by local government, principally arising from its subordinate relationship to state government in Australia, its lack of planning autonomy, the prescriptive nature of the land use zoning system compared with other international jurisdictions like the UK, its constrained economic position and constraints to raising capital through debt financing.

Nonetheless, local government has an implicit role in affordable housing and an impact on affordability through land use zoning, controls, the timing of land release, location of services and facilities, and the levying of rates and development contributions. It can also choose to play a more proactive role in the creation and retention of affordable housing through active intervention in the market through the development of appropriate planning mechanisms and strategies, including under relevant provisions of the *Environmental Planning and Assessment Act 1979 (NSW)*.

4.4.2 Opportunities and constraints of principal legislation

Overview

Unlike some other Australian jurisdictions, where the principal planning legislation is silent on the matter of affordable housing, the *Environmental Planning and Assessment Act 1979 (NSW)* (the Act) has express provisions related to the delivery and maintenance of affordable housing (section 1.3(d)), and others which may be used to support such housing through the planning and approvals process. Accordingly, local government in NSW has roles and responsibilities related to affordable housing under planning legislation including state environmental planning policies (SEPPs). There are definitions and benchmarks related to 'affordable housing' in core legislation and related policy, particularly under the *State Environmental Planning Policy (Housing) 2021* (the Housing SEPP), discussed later.

Further, it is a requirement of the Act that a consent authority take into account the social and economic impacts of a development application as part of a merits assessment under s4.15(1)(b). This has obvious applicability to development applications that may result in the loss of affordable or low cost housing, such as low cost flats, boarding houses and caravan parks, as well as the assessment of the benefits of an application involving the creation of affordable housing, particularly where this is balanced against other factors as part of the merits assessment. The ability to seek mitigation for loss of affordable housing as part of conditions of consent is also possible under this head of consideration. A growing body of case law in the NSW Land and Environment Court related to social impacts is also relevant.

Likewise, a consent authority is required to consider whether a proposed development is in the public interest under s 4.15(1)(e), and a growing body of case law has likewise determined that it is in the public interest to give effect to the objectives of relevant legislation. It is relevant in this regard that the Act has as an objective 'the delivery and maintenance of affordable housing'

(1.3(d)), as well as express provisions related to the levying and negotiation of mandatory and voluntary affordable housing contributions, discussed below.

As such, local government has a role and indeed a statutory responsibility to seek to preserve and create affordable housing through the planning and assessment process, notwithstanding limitations outlined above.

Affordable Housing Contributions

In June 2000, amendments were made to the Act to provide consent authorities with the power to require, as a condition of consent, the dedication of land free of charge or the payment of a monetary contribution for affordable housing in certain circumstances. Sections 7.32 and 7.33 were introduced to provide consent authorities with the express power to impose such conditions 'if a State Environmental Planning Policy (SEPP) identifies that there is a need for affordable housing within an area' and certain other conditions are met.

Until recently, the relevant SEPP for this purpose was *State Environmental Planning Policy 70 Affordable Housing (Revised Schemes)* (SEPP 70), which amended relevant local and regional environmental planning instruments to enable the levying of development contributions to provide for affordable housing, but was limited to only a handful of planning schemes in inner Sydney.

Amendments to SEPP 70 in 2019 means that all Councils in NSW can now develop an Affordable Housing Contributions Scheme (AHCS) provided they are able to demonstrate 'affordable housing need' in accordance with DPE's *Guideline for Developing an Affordable Housing Contribution Scheme*, and 'economic viability' using the DPE's 'Viability Tool'.

More recently, the *Housing SEPP* brought together relevant housing SEPPs, including SEPP 70, under the one instrument. The relevant part for the purpose of the development of AHCSs and levying of contributions is Chapter 1 Affordable Housing: Part 1 Preliminary.

Voluntary Planning Agreements

Section 7.4 of the Act provides for the making of a voluntary planning agreement in relation to a proposed amendment to a planning instrument or development application. Under such a planning agreement, the developer is required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or any combination of them, to be used for or applied towards a public purpose. 'Affordable housing' as defined in the Act is one of the listed 'public purposes'.

A planning agreement is generally advertised in conjunction with the development or rezoning application to which it relates, and forms part of the conditions of consent. A planning agreement is registered and runs with the title to the land, and is binding on, and enforceable against, the owner of the land from time to time as if each owner for the time being had entered into the agreement. The provisions also provide for administrative, reporting, review and other accountability requirements like other forms of development contributions, and may be used in place of or as well as levies with respect to other infrastructure under normal development contributions provisions of the Act. Importantly, a planning agreement does not have to demonstrate nexus between the development and the public purpose for which it was made.

4.4.3 SEPP (Housing) 2021

Overview

The gazettal of the Housing SEPP in November 2021 brought together relevant SEPPs (SEPP 70, *SEPP Affordable Rental Housing 2009*, *SEPP (Housing for Seniors and People with a Disability) 2004*, *SEPP 21 (Caravan Parks)* and *SEPP 36 (MHEs)*) under the one instrument, and rationalised, amended and/or added to existing provisions.

It also introduced new types of development, and revises controls on a range of developments. Relevant types of developments facilitated by the SEPP are set out below, along with more relevant provisions, including their impact on the provision of affordable housing.

Affordable Housing

Requirements for Affordable Housing are set out in Chapter 2 of the SEPP. Section 1.4(1) of the Environmental Planning and Assessment Act defines affordable housing as “*housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument*”.

Clause 13 of the SEPP defines a very low, low and moderate income household as a household that:

(a)(i) has a gross income within the following ranges of percentages of the median household income for Greater Sydney or the Rest of NSW—

(A) very low income household—less than 50%,

(B) low income household—50–less than 80%,

(C) moderate income household—80–120%, and

(ii) pays no more than 30% of the gross income in rent, or...

(b)(i) is eligible to occupy rental accommodation under the National Rental Affordability Scheme, and

(ii) pays no more rent than the rent that would be charged if the household were to occupy rental accommodation under the Scheme.

The definition under clause 13(a) above is commonly referred to as social rent, with the rent being set by the tenant's income. The definition under clause 13(b) above is commonly referred to as affordable rent, as the rent is at a discount (no more than 80%) of market rent. In 2019, typical maximum income limits for eligible households under the National Rental Affordability Scheme (NRAS) were \$51,398 for a single adult household, \$71,061 for a two adult household and \$105,161 for a couple household with two children.

Clause 7.32(1) of the *Environmental Planning and Assessment Act 1979* sets out requirements for conditions that require land or contributions for affordable housing. The section is applicable if “*a State environmental planning policy identifies that there is a need for affordable housing within the area*”. Clause 14 of the SEPP identifies a need for affordable housing within each area of the State.

Amongst other things, the contribution must be reasonable. The NSW Department of Planning, Industry and Environment has developed an affordable housing viability tool to assist Council's in calculating contribution rates that will not adversely impact on development, and assist in calculating an appropriate rate of contribution.

In-fill affordable housing

Clause 17 provides for an additional (bonus) FSR for residential development that will be used for affordable housing. Formulae for estimating the quantum of the bonus FSR are set out in clause 17.

There are a number of restrictions on the application of the bonus. These include:

- The development must be permissible under another instrument;
- At least 20% of the floor area will be used for the purposes of affordable housing.

In the Greater Sydney, Newcastle or Wollongong region, the development must be within an accessible area. An accessible area is defined by access to public transport, including within 800 metres of a railway station or ferry wharf, within 400 metres of a light rail station, or within 400 metres of a bus stop providing one service per hour between 6 am and 9 pm weekdays and 8 am and 6 pm on weekends.

In other areas, development must be within 400 metres of land zoned B1 Neighbourhood Centre, B2 Local Centre or B4 Mixed Use.

An addition incentive may be provided by lower rates of parking set out in clause 18, including, for example, 0.5 parking spaces for a two bedroom dwelling for a social housing provider and 1 parking space for a two bedroom dwelling otherwise.

The affordable housing component of the development must be used for affordable housing for 15 years, and must be managed by a registered community housing provider.

There are limited opportunities to use this part of the SEPP to provide incentives for delivery of affordable housing in Queanbeyan-Palerang LGA, as planning instruments typically do not rely on FSR as a development control, other than in B4 Mixed Use and B2 Local Centre zones under the Queanbeyan LEP 2012; and there is extensive use of the B3 zone in Queanbeyan that precludes these provisions.

Boarding Houses

Boarding houses are permissible with consent only where allowed under another planning instrument. In addition, boarding houses are only allowed in R2 Low Density Residential zones where:

- In the Greater Sydney region, the land is within an accessible area; and
- Otherwise, the land is within 400 metres of land zoned B2 Local Centre or B4 Mixed Use.

Where Residential flat buildings are permitted, an FSR bonus is available.

A range of development standards are set out. Notably, the Apartment Design Guide applies to developments of 3 or more stories, and minimum parking is 0.2 spaces per boarding room in an accessible area and 0.5 spaces otherwise.

The boarding house must be used for affordable housing and managed by a registered community housing provider.

Boarding houses developed by Aboriginal Housing Office and Land and Housing Corporation have somewhat less stringent controls including being generally permissible in R2 Low Density Residential zones, subject to accessibility requirements, and can be carried out without development consent.

Supportive Accommodation

Supportive accommodation is allowed where residential flat buildings or boarding houses are permissible under another planning instrument, and is allowable without consent if delivery does not include erection, alteration or addition to a building.

Residential Flat Buildings

Public authorities or social housing providers can carry out development for residential flat buildings where they are not otherwise permissible on:

- Land in the Greater Sydney Region within 800 metres of a rail or light rail station; and
- Land zoned B3 Commercial Core or B4 Mixed Use within nominated regional centres, including Queanbeyan.

A site compatibility certificate must be obtained for development consent.

Car parking is not required for the portion used for affordable housing. Street frontages must not be used for residential purposes.

The development must be used for affordable housing for 15 years, 50% of dwellings must be used for affordable housing, and the affordable housing must be managed by a registered community housing provider.

Residential Development by AHO and LAHC

The Aboriginal Housing Office and Land and Housing Corporation can carry out a range of developments without consent.

Retention of existing affordable housing

Clauses 45 - 48 allows a consent authority to refuse development consent, or to collect a contribution for affordable housing where development will result in the loss of low rent accommodation.

Secondary dwellings

Construction of secondary dwellings is permissible with consent in a range of residential zones subject to meeting a range of standards set out in the SEPP.

Group Homes

Development for group homes carried out by or on behalf of a public authority and developments of less than ten bedrooms may be carried out without consent.

Co-living housing

Co-living housing (similar to a boarding house) is allowable with consent where co-living housing, residential flat buildings or shop top housing is permissible.

Bonus FSR of 10% is available for this type of development. The requirement for parking is 0.2 spaces per room in an accessible area, and 0.5 spaces per room otherwise. The building must comply with the Apartment Design Guide if three storeys or more, and cannot be sub-divided. A range of development standards are set out in clauses 68 and 69.

Build to Rent Housing

Construction of build to rent housing for at least 50 dwellings allows the development of multi dwelling housing, residential flat buildings and shop top housing where residential flat buildings are permitted or in Zone B3 Commercial Core, B4 Mixed Use and B8 Metropolitan Centre. The building must be subdivided for 15 years. A range of development standards are set out, including reduced parking in the Greater Sydney Region and active street frontages in business zones.

Housing for seniors and people with a disability

Housing for seniors and people with a disability is permissible with consent in a wide range of zones including all residential and business zones, subject to providing adequate access to facilities and services. A range of development and design standards are set out. Housing for seniors and people with a disability includes self-care housing, hostel accommodation and residential care facilities.

Development by the Aboriginal Housing Office and Land and Housing Corporation is allowable without development consent.

Short term rental accommodation

Development for hosted short term rental accommodation is exempt development, and development for non-hosted short term rental accommodation is also exempt, and is subject to maximum usage of 180 days in a 365 day period in prescribed areas.

Manufactured home estates

Manufactured home estates are permissible where caravan parks are permissible with the exception of certain land including crown reserves and a number of LGAs, including Queanbeyan-Palerang.

Caravan parks

Caravan parks can be used for long term use, short term use or both. Manufactured homes are allowable within caravan parks, and subdivision is allowable, noting that the restrictions on caravan parks are much less onerous than the restrictions on manufactured home estates.

Temporary emergency accommodation

Development for the purposes of caravan parks or camping grounds for a period of use of five years may be carried out without consent if the development is a response to a natural disaster.

4.4.4 NSW Housing Strategy

In May 2021, the NSW Government released *Housing 2041: NSW Housing Strategy* and the 2021-2022 Action Plan. *Housing 2041: NSW Housing Strategy* sets out 'a 20-year end-to-end housing strategy which covers everything from homelessness to home ownership' for the state for the first time.³³

The issue of affordable housing is a priority of the Strategy, with 'Affordable Housing' listed as one of the four 'Housing System Pillars'.³⁴ The Strategy notes that apart from existing planning mechanisms already embedded at the local level, there is potential for NSW Government to increase the delivery of well-designed and well-located affordable housing across the state through:

- development of appropriate government-owned land for affordable housing;
- planning and development projects that encourage build-to-rent;
- new communal living models; and
- encouraging incentives to build affordable housing in mixed-tenure communities.³⁵

The importance of the use of State Government land for affordable housing is emphasized at a number of points in the Strategy, noting that,

...the NSW Government has an important role to play in the provision of social and affordable housing solutions, including through the use of government owned land. We know that safe, secure and affordable housing contributes to physical and mental health benefits and positive wellbeing outcomes. By investing in housing on government-owned land, we can deliver more social housing and improve housing affordability for our communities. Similarly, responses to homelessness have the potential to contribute to reduced healthcare costs, reduced crime and improved outcomes for employment or education opportunities. By providing more direct investment, the NSW Government can support transition pathways across the housing spectrum.³⁶

The Strategy also aims to provide increased support for those most in need including by continuing to invest in the social housing portfolio, reducing social housing waiting times, supporting the community housing sector, providing ongoing support and programs to reduce homelessness and support those with complex needs, and by '*increasing the supply for affordable housing to meet agreed targets in both metropolitan and regional areas*'.³⁷

The *Housing 2041: 2021-2022 Action Plan* details short-term actions to address and respond to the COVID-19 pandemic and recent environmental disasters (drought, bushfires and floods) against the five priority areas including:

³³ NSW Department of Planning, Infrastructure and Environment, *Discussion Paper: A Housing Strategy for NSW*, May 2020, <https://www.planning.nsw.gov.au/Policy-and-Legislation/Housing/A-Housing-Strategy-for-NSW>, accessed 22/04/2021.

³⁴ NSW Department of Planning, Infrastructure and Environment (2021) *Housing 2041: NSW Housing Strategy*, p 9.

³⁵ NSW DPIE, *Housing 2041: Housing Strategy NSW*, pp 32.

³⁶ NSW Department of Planning, Infrastructure and Environment (2021) *Housing 2041: NSW Housing Strategy*, p 7.

³⁷ NSW DPIE, *Housing 2041: Housing Strategy NSW*, pp 26.

- Enabling access to and promoting the use of **data** and evidence-based decision making through co-ordinating access to housing data, enhancing the ePlanning program and cross-sector collaboration and coordination through improved access to NSW Government housing data and evidence;
- Providing planning, **regulation** and guidelines to support NSW Government housing objectives;
- Maximising the impact of **government owned land**, investment or assets and government-led development projects or funding to achieve the housing vision;
- Establishing a **research agenda** that invests in best practice and new ways of building and living, to promote innovation and delivery of effective housing solutions and to promote sustainable and energy efficient homes; and
- Working with **local governments and communities** to achieve the NSW Government housing objectives including collaboration to plan for and deliver housing.³⁸

With regard to regional NSW, *Housing 2041* notes that short-term impacts of the COVID-19 pandemic have reduced affordability in some regional housing markets due to increased demand from people within metropolitan areas moving to regional areas but that the long-term effects are uncertain.³⁹

The 2021-2022 Action Plan sets out a range of activities, many of which are relevant to a Councils and other proponents seeking to grow the supply of affordable housing. Some of these include:

- Establishing a Regional Housing Supply Monitor to provide a more reliable and consistent approach across the State to allow Councils and State Government to better plan for new services and align infrastructure investments with housing and employment opportunities (Action 1.2.2);
- Establishing a register of NSW Government land and assessing its suitability for housing outcomes that will be publicly available and allow stakeholders (like CHPs and others) to identify opportunities and submit proposals for the use of state-owned land for housing (Action 1.3.2 and Action 3.6.1);
- Finalising the Housing SEPP (Action 2.1.2, see sub-section 4.4.4 above);
- Investigate development of new sources of sustainable funding for affordable housing (Action 2.1.5);
- Undertake a review of key worker housing provision across NSW (Action 2.1.6);
- Implement proposed changes to the build to rent sector (Action 2.6.1);
- Partner with local governments, CHPs and developers to trial ways of facilitating temporary accommodation options for people experiencing homelessness (Action 2.6.2);
- Support on-going growth of CHPs (Action 3.1.1);
- Partner with councils to develop modern, fit-for-purpose social and affordable housing on LAHC land and support implementation of local housing strategies (Action 5.1.2);
- Support councils to explore potential use of under-utilised operational land for the purpose of housing (Action 5.1.3); and

³⁸ NSW DPIE, *Housing 2041: Housing Strategy NSW*, 2021-22 Action Plan, <https://www.planning.nsw.gov.au/Policy-and-Legislation/Housing/A-Housing-Strategy-for-NSW>.

³⁹ NSW DPIE, *Housing 2041: Housing Strategy NSW*, pp 4.

- Encourage all NSW councils to develop an affordable housing contribution scheme and seek changes to their LEP to capture affordable housing contributions under SEPP 70 (Action 5.2.1).

4.5 The Regional Planning Context

4.5.1 Regional Growth and Development

Queanbeyan-Palerang Regional Council area is part of the South East and Tablelands region for planning purposes.⁴⁰ The DPIE's *South East and Tablelands Regional Plan 2036* indicates that around 280,000 people currently live in the Region. The population of the region is projected to increase by 45,450 people between 2016 and 2036, mainly in places within commuting distance of Canberra and Sydney, in the strategic centres and along the coast. Across the Region, at least 28,500 new homes will be needed to meet population growth and change.

In terms of regional aspirations, the *Regional Plan* notes that, by 2036, more than 320,000 people will live in the Region, 'enjoying varied and distinct scenic landscapes from the highlands to the coast', with visitors seeking out 'vibrant arts and cultural experiences, as well as year-round recreation and adventure activities'.

It is also envisaged that the South East and Tablelands will be part of a 'borderless region with Canberra as the Metropolitan City at its heart'. As such, Canberra Airport is 'the catalyst for diverse growth opportunities for farmers and agricultural producers, who supply markets across Asia'. In terms of employment, people from across the region will 'access the jobs and services in the nation's capital', with the integrated relationship between the ACT and the South East and Tablelands as a unified 'Canberra region' offering a 'stronger, growing economy within Australia's most geographically diverse natural environment'.

Recognition of the importance of cross-border education, employment and higher order service access has led to a more innovative approach to the development of the *South East and Tablelands Regional Plan 2036*. It takes a cross-border approach to economic investment, infrastructure delivery, servicing provision and housing development. This will facilitate sustainable growth and optimise economic prospects.

Aboriginal Capacity Building, Choice and Empowerment

In line with Opportunity, Choice, Healing, Responsibility and Empowerment (OCHRE), the NSW Government's plan for Aboriginal affairs, which includes building the community's capacity, choice and empowerment to plan for their own future, there is an opportunity to review the landholdings of Local Aboriginal Land Councils to see how they can best be planned, managed and developed for the benefit of the local Aboriginal community. This will allow Aboriginal people to gain greater economic benefit from their land and increase opportunities for economic independence.

⁴⁰ NSW Government (2017) South East and Tablelands Regional Plan to 2036, <https://www.planning.nsw.gov.au/Plans-for-your-area/Regional-Plans>.

Aboriginal Affairs NSW, the Department of Primary Industries and the Department of Planning, Industry and Environment will work with the Local Aboriginal Land Councils to identify their landholdings and map the level of constraint at a strategic scale for each site. This information can inform practical options for the potential commercial use of the land, such as Aboriginal housing and employment opportunities. It could provide economic returns to the Local Aboriginal Land Councils that can be invested in assistance programs in the region.

Housing Supply, Choice and Affordability

The *Regional Plan* notes that having a ready supply of well-located land for residential development will create downward pressure on house prices, maximise the use of existing infrastructure and protect environmentally sensitive areas. It notes that Local Housing Strategies need to consider community aspirations, be flexible and responsive to shifts in local housing markets for both greenfield and infill developments, and deal with unforeseen constraints, including uneven rates of development or unexpected population growth.

These strategies should plan for a range of housing choices, including retirement villages, nursing homes and opportunities to modify existing dwellings to enable people to stay in their homes as they age. The *Regional Plan* notes that by far the greatest increase in households to 2036 will be in lone person and couple only households, with a decreasing average household size (from an average of 2.9 ppd in 2016 to 2.2 ppd in 2036), so that an increase in well-located, adaptable dwellings will be critical.

The *Plan* reports that existing planning strategies show there is enough zoned land with development potential for the market to supply housing in a range of locations; and that the overwhelming need is for greater housing choice in existing centres to cater for the decrease in the average household size. The need for more affordable housing, including for an ageing population, is also noted.

It noted that 'focusing growth in existing centres rather than isolated land releases is a sustainable option because it takes advantage of existing job markets, commercial and retail opportunities, and infrastructure such as public transport'.

Of relevance to the forthcoming Affordable Housing Strategy, ***Direction 27: Deliver more opportunities for affordable housing***, notes that appropriate planning controls and incentives that can help deliver affordable housing include:

- affordable housing contributions to fund the provision of new housing by community housing providers;
- planning and development controls to facilitate affordable housing development by local community housing organisations;
- incentives to influence housing affordability include planning incentives, such as increases in density, and new generation boarding houses and secondary dwellings, such as granny flats.

Related Actions are listed as being to:

27.1 Deliver greater housing affordability by incorporating policies and tools into local housing strategies and local planning controls that will enable a greater variety of housing types and incentivise private investment in affordable housing.

27.2 Facilitate greater housing diversity, including studios and one- and two-bedroom dwellings, to match forecast changes in household sizes.

4.6 The Local Planning Context

4.6.1 Queanbeyan-Palerang Local Environmental Plan 2020

The *Queanbeyan-Palerang Local Environmental Plan 2020* contains no specific aims related to affordable housing, although the following aims could be seen as broadly supportive of affordable and diverse housing:

cl 2(a) to protect and improve the economic, environmental, social and cultural resources and prospects of the community; and

cl 2(c) to provide for a diversity of housing to meet the needs of the community into the future.

There are a range of impediments to affordable and diverse housing in the LEP and/or relevant Development Control Plans, including related to parking requirements above actual ownership rates; requirements for ground floor commercial in Shop top housing in B3 and B2 zones, and extensive use of B3 zoning that precludes RFBs in Queanbeyan, and also restricts the operations of the Housing SEPP; height constraints in the R4 zone; ground floor open space requirements in RFBs; site area per dwelling in Multi dwelling housing and minimum lot size in the former Palerang areas.

This is discussed in more detail in Section 7.3 of this Background Report.

4.6.2 Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement

Overview

The *Local Strategic Planning Statement* (LSPS) was adopted by Council in July 2020, and sets out the 20 year vision for land-use in the LGA.

The LSPS notes that the LGA is one of the fastest growing within regional NSW, so that it is imperative that Council has 'a clear vision of how we will sustainably plan for our future to ensure we preserve the things we value most whilst at the same time properly managing our growth'.⁴¹

It notes the importance of its environmental and lifestyle attributes and the need to balance future urban development with environmental considerations and rural lands for future agricultural production. The LSPS notes that the region will be defined by 'a hierarchy of attractive and well serviced townships that sit within scenic rural and environmental landscapes', with the distinct local character of these different settlements offering a range of lifestyle options.

The strategic importance of linkages with the Canberra housing, educational and labour markets is also noted as a key strategic opportunity, and that 'Queanbeyan-Palerang's position within a borderless Canberra region allows the realisation of excellent transport connections throughout

⁴¹Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 1.

the region that drive a strong economy, support great centres, and provide easy access to jobs for all'.⁴²

Three main urban centres of Queanbeyan, Bungendore and Braidwood are identified, with key activities common to these centres being improved access to services and facilities, and rejuvenation of the town centre or CBD.

It notes that the LSPS is framed by a hierarchy of strategic documents, including the Act, SEPPs and *Regional Plan*, outlined above, noting that these documents all have as an objective or key action provision of affordable housing. In particular, Goal 4 Environmentally Sustainable Housing Choices of the Regional Plan is noted, specifically:

- Direction 24 Deliver greater housing supply and choice;
- Direction 25 Focus housing growth in locations that maximise infrastructure and services; and
- Direction 27 Deliver more opportunities for affordable housing.

The importance of the delivery of the vision for the LGA and relevant frameworks through the LEP, DCP, and other relevant local plans and strategies is also noted.

The LSPS sets out a vision and a range of key strategies for different areas of the LGA, with those most relevant to the forthcoming Affordable Housing Strategy being Queanbeyan and Surrounds including suburbs of Crestwood, Queanbeyan, Queanbeyan East, Queanbeyan West, Carwoola, Greenleigh, The Ridgeway, Karabar, Jerrabomberra and Googong), Bungendore and Braidwood.

Queanbeyan and Surrounds

The LSPS notes that Queanbeyan is the largest city in south eastern NSW, and offers access to higher order services and other urban resources such as health, education and employment opportunities. Although it has been a working town servicing the needs of a growing Canberra', the LSPS notes that it is 'transforming into a modern and dynamic city offering a distinct and attractive lifestyle to that available in the ACT'.⁴³

The vision for Queanbeyan and Surrounds is that it will 'retain its point of difference to Canberra and respect its traditional roots', enjoying 'country living with city benefits'. Key aspirations relevant to the forthcoming Strategy include that, by 2040,

A variety of housing options will be available in distinct communities of Queanbeyan, Jerrabomberra and Googong. These will offer a range of housing types from new dwellings to existing homes in established areas. Additional opportunities for medium and higher density housing will also be available in areas close to important services.

⁴⁴

Dwelling and population forecasts for Queanbeyan and Surrounds is provided in the LSPS, however, it is understood that these have been updated in the detailed projections by forecast area in more recent .id Consulting data.

⁴² Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 5.

⁴³ Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 5.

⁴⁴ Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 5.

Relevant Planning Priorities include the following.

Planning Priority 2

4.2.1 Ensure new developments are provided with appropriate open space and play equipment including well designed shade.

4.2.4 Investigate allowing higher density development on land adjoining areas where such open space provides increased amenity and recreational opportunities

Planning Priority 3

4.3.3 Investigate opportunities for infill and mixed-use development where that provides additional forms of housing to suit the changing demographics of our communities.

4.3.7 Investigate opportunities for increasing densities in the city centre to reduce travel needs and promote reinvigoration.

Planning Priority 4

4.4.9 Provide a range of housing choices at different costs to meet the changing needs of the community and consider the options for community housing provider partnerships to provide affordable housing.

Planning Priority 9

4.9.8 Identify transport corridors including active transport for increased development densities while accounting for the protection of freight corridors.

Bungendore

The LSPS notes that **Bungendore** is a rural town with 'a strong visual setting on the open plain south of Lake George, bounded by significant ridges to the east, west and south'; and a 'clear divide between the rural landscape and the town'. Four roads converge on the town, linking it with Braidwood and the South Coast, Queanbeyan, Canberra, Goulburn and Sydney.

The vision for Bungendore in 2040 is for a 'vibrant town with a historic village character that attracts visitors and residents alike'. The 'country feel of single story houses on big blocks prevails', whilst the community also enjoys the Common/Turallo Creek corridor, which has been expanded to connect new residential areas to the north and eastern parts of Bungendore. The vision is also for increasing local employment opportunities in 'fit for purpose industrial and commercial areas that have ample parking and services to support the local town; and for a commuter rail service that 'allows Bungendore residents and visitors a fast, convenient and more sustainable alternative to private car use to access HQJOC, Queanbeyan and Canberra'.⁴⁵

Relevant Planning Priorities include the following.

Planning Priority 2

4.2.4 Investigate allowing higher density development on land adjoining areas where open space provides increased amenity and recreational opportunities.

⁴⁵ Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 46.

Planning Priority 3

4.3.3 Investigate opportunities for infill and mixed-use development where that provides additional forms of housing to suit the changing demographics of our communities.

Planning Priority 4

4.4.9 Provide a range of housing choices at different costs to meet the changing needs of the community and consider the options for community housing provider partnerships to provide affordable housing.

Planning Priority 8

4.8.3 Review endorsed Structure Plans for main townships every five years and consider the need for the preparation of infill housing strategy.

Planning Priority 9

4.9.8 Identify transport corridors including active transport for increased development densities while accounting for the protection of freight corridors.

Planning Priority 10

4.10.5 Investigate housing and service needs to support additional aged population in Braidwood and Bungendore.

Braidwood

The LSPS notes that **Braidwood** is located on the Kings Highway, half way between Canberra and the South Coast and is 'the service town for the surrounding rural industries such as sheep and cattle grazing, mining and forestry operations'. It noted that the town 'retains a strong sense of its 19th century history' and is the only town in NSW to be listed on the NSW Heritage Register, including more than 150 buildings and structures of local heritage significance. The importance of its natural setting is also noted, with the town 'surrounded by rural landscapes and pristine natural areas' including the Monga, Budawang and Deua National Parks.⁴⁶

The vision for Braidwood in 2040 is for continued protection of its high quality heritage environment while allowing for 'sympathetic growth that ensures suitable residential, business, industrial and recreational lands are available to meet the needs of the community'. It is also hoped that the town will be serviced by the necessary infrastructure to support additional work at home opportunities such as high speed internet connection, as well as continuing to be a service centre for the surrounding farming and extractive industries.⁴⁷

Relevant to the forthcoming Strategy, Planning Outcomes for Braidwood include that '**Housing supply meets the growing and changing needs of the Braidwood community, including options for short-term, aged housing and caravan park accommodation**'.⁴⁸

Relevant Planning Priorities include the following.

⁴⁶ Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 52.

⁴⁷ Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 52.

⁴⁸ Towards 2040: Queanbeyan-Palerang Regional Council Local Strategic Planning Statement, p 56.

Planning Priority 3

4.3.3 Investigate opportunities for infill and mixed-use development where that provides additional forms of housing to suit the changing demographics of our communities.

Planning Priority 4

4.4.9 Provide a range of housing choices at different costs to meet the changing needs of the community and consider the options for community housing provider partnerships to provide affordable housing.

Planning Priority 9

4.9.8 Identify transport corridors including active transport for increased development densities while accounting for the protection of freight corridors.

Planning Priority 10

4.10.5 Investigate housing and service needs to support additional aged population in Braidwood and Bungendore.

4.6.3 Community Strategic Plan 2018-28

There are no explicit strategic statements or actions related to affordable housing in the *Community Strategic Plan*.

4.6.4 Bungendore Structure Plan

The Bungendore Structure Plan 2048 has the following key components:

- Delivery of an additional 1,384 dwellings between 2016 and 2041 to accommodate ongoing medium growth of 3.3% per annum, with the population projected to more than double over the period;
- Retention of the existing character of Bungendore village through focussing development on the conversion of rural land to residential land, and largely retaining the existing residential character of Bungendore, being single houses on large lots;
- Adopting a minimum lot size of 850 m².

4.6.5 Googong Local Planning Agreement

The Googong Urban Development Local Planning Agreement 2012 makes the following commitments:

- Affordable housing is defined as a house and land selling for \$337,000 and indexed regularly in accordance with the *Cordell Housing Index Price*;
- Sets out a process for collecting and disbursing Development Contributions; and
- Sets out quotients for dwelling mix based on people per dwelling.

Under the Googong DCP Part 3, clause 3.22, 10% of total housing in Googong is to be provided as Affordable Housing (in the form of “Affordable Home Packages” as defined and indexed at a price determined within the current Voluntary Planning Agreement (VPA)).

5 Housing Cost and Affordability

5.1 What is Affordable Housing?

Housing is generally considered to be 'affordable' when households that are renting or purchasing are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education.

'Affordable housing' also has a statutory definition under the *NSW Environmental Planning and Assessment Act 1979 (NSW)*, being housing for very low, low or moderate income households. *SEPP (Housing) 2021* defines 'very low-income' households as those on less than 50% of median household income; 'low-income' households as those on 50-80% of median household income, and 'moderate-income' households as those on 80-120% of median household income for Rest of NSW.⁴⁹

As a commonly used rule of thumb, affordable housing is taken to be housing where households pay less than 30% of their gross household income on housing costs. This is often regarded as the point at which such households are at risk of having insufficient income to meet other living costs, and deemed to be in 'housing stress'. Those paying more than 50% of gross income are regarded as being in 'severe housing stress'.

'Low cost' housing is often, though not always, 'affordable'. For example, in a premium location, even a small, lower amenity strata dwelling may be 'unaffordable' to a very low-, low- or moderate-income household.

The following table provides benchmarks that are used in this policy when referring to 'affordable housing', in **March Quarter 2022 dollars**, and are consistent with relevant NSW legislation.

It can be seen from the table below that, for rental to be 'affordable' under statutory definitions, rental costs would need to be less than \$223 per week for a very low income household, between \$224 and \$356 for a low income household, and between \$357 and \$534 for a moderate income household as per the **Rest of NSW benchmarks**.

Table 5-1: Affordable Housing Income, Rental and Purchase Benchmarks – Rest of NSW

	Very Low Income Household	Low Income Household	Moderate Income Household
Income Benchmark	<50% of Gross Median Household Income for Rest of NSW	50%-80% of Gross Median Household Income for Rest of NSW	80%-120% of Gross Median Household Income for Rest of NSW
Income Range (2)	<\$742 per week	\$743-\$1,187 per week	\$1,188-\$1,781 per week
Affordable Rental Benchmarks (3)	<\$223 per week	\$224-\$356 per week	\$357-\$534 per week
Affordable Purchase Benchmarks (4)	<\$255,000	\$255,001-\$406,000	\$406,001-\$610,000

Source: JSA 2022, based on data from ABS (2021) Census of Population and Housing, ABS (2022) Consumer Price Index, indexed to Mar Quarter 2022 dollars, ANZ Home Loan Repayment Calculator <https://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/>

⁴⁹ Rest of NSW is NSW less the greater Sydney area, i.e., regional NSW.

- (1) All values reported are in March Quarter 2022 dollars
- (2) Total weekly household income
- (3) Calculated as 30% of total weekly household income
- (4) Calculated using ANZ Loan Repayment Calculator, using 05 July 2022 interest rate (3.94% pa) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

5.2 Why is Affordable Housing important?

There is a common misconception that 'affordable housing' refers only to social (public or community) housing. However, many residents facing affordability problems in the Queanbeyan-Palerang LGA are likely to fall outside the eligibility criteria for such housing or be unlikely to access it due to long waiting times.

Anyone in the community could need affordable housing. This includes a young person seeking to live near where they grew up, a recently separated or divorced person with children for whom conventional home ownership may no longer be economically viable, households dependent on one (or even two) low or median waged, key worker jobs, or an older person on a reduced retirement income, including after the death of a spouse.

Lack of affordably priced housing affects the quality of life of individual families, who may be sacrificing basic necessities to pay for their housing. It also has a serious impact on employment growth and economic development. The loss of young families and workers in lower paid essential service jobs can adversely affect local economies, which is contributing to labour shortages in some regions of NSW. The displacement of long-term residents reduces social cohesion, engagement with community activities (such as volunteering), and extended family support.

As well as impacting on the health and wellbeing of low income families, and older and younger people, this can contribute to a lack of labour supply among 'key workers' who are essential to various services including childcare, aged services, health care, tourism, hospitality and emergency services, but whose wage increasingly does not allow them to access rental or purchase housing close to where they work. Affordably priced housing is thus an important form of community infrastructure that supports community wellbeing and social and economic sustainability, including a diverse labour market and economy, and strong and inclusive communities.

Finally, the location of affordably priced housing is a key issue in terms of social equity and sustainability. Providing a mix of affordably priced housing for different target groups in well-located areas provides for social mix and reduces the potential stigma that can be associated with such accommodation. Locating such housing close to transport and services also provides for the needs of key groups including those with a disability and the frail aged, and reduces car dependency and the cost of transport, which can be a significant impost on very low, low and moderate income households⁵⁰ and on the environment.

⁵⁰ See for example Gleeson, B. and Randolph, B. (2002) 'Social disadvantage and planning in the Sydney Context', in *Urban Policy and Research Vol. 20(1) pp101-107*; and Kellett, J. Morrissey, J. and

5.3 What are the types of 'Affordable Housing'?

'Affordable housing' **products** include the full range of housing for various target groups. This can include housing that is **subsidised** in some way, from special needs accommodation such as group homes and social (community and public) rental housing for those most disadvantaged in the housing market; to 'key worker' (discount market rent) housing, and assisted or subsidised purchase for households who still need some assistance to enter the home ownership market. In *some* areas or housing markets, it also includes housing **delivered through the private market**, typically smaller, lower cost accommodation such as boarding houses, smaller apartments, secondary dwellings and the like.

Social housing and special needs accommodation generally requires 'deep subsidies' to be affordable, and rent is tied to a proportion of income (generally no more than 25-30% for a very low or low-income social housing tenant). Affordable housing for moderate-income households including groups like key workers is generally offered at a discounted rate on the rent that would normally apply (typically around 70-80% of market rent); or as subsidised purchase, shared equity and the like for moderate-income purchasers. The latter groups generally do not need such large subsidies for their housing to be 'affordable' compared with people who would normally qualify for social rental housing, for example, where deep subsidies will generally be required.

Increasingly, a mix of income groups will be accommodated in the same affordable housing development, along with housing provided on the open market, as part of 'mixed tenure' developments.

It should be remembered that only around 5% of dwellings are social rental or special affordable housing products, and that these are generally tightly targeted. As such, the private market constructs the vast amount of housing, so that reducing the cost and increasing the affordability of private rental and purchase housing is an important part of providing for the housing needs of low- and moderate-income households, as well as those on very low incomes who would not be eligible for social housing.

The following table provides an overview of the types of **affordable rental housing** most relevant to the Australian market and policy context.

Karuppannan, S. 2012. 'The Impact of Location on Housing Affordability', *Presentation to 6th Australasian Housing Researchers Conference*, 8-10 February 2012, Adelaide, South Australia.

Table 5-2: Types of Affordable Rental Accommodation

AFFORDABLE RENTAL ACCOMMODATION

Social Rental Housing:

- General

Rental housing provided through the public or community sector where rental costs are generally no more than 25% of gross household income. Social renters are generally on very low-incomes and will often have other special needs. Stringent eligibility criteria (including income and asset tests) generally apply.
- Special needs accommodation

Housing for target groups incl. aged persons, Aboriginal people, people with disabilities, youth and homeless people. May be provided with support agreements with service providers, or as supported group homes, managed communities or other forms of supported accommodation.
- Boarding Houses

Generally multiple single occupants, generally with their own room and sometimes ensuite or other private amenities, with shared or communal facilities, on site management and house rules. This is generally provided in one building, though it may be configured in multiple facilities. May also be provided through the market as private lodging or boarding houses, lower cost private hotels, student accommodation, etc.
- Public Housing

Social housing owned and/or managed by a public authority (NSW Department of Communities and Justice - DCJ).
- Community Housing

Social housing owned and/or managed by a Registered Community Housing Provider (CHP). Much of the growth in social housing is likely to be achieved through such providers in the future, either through stock transfers from NSW DCJ, government grants or their own revenue raising and development programs.
- Aboriginal Housing

Aboriginal housing is housing owned by the Aboriginal Housing Office. DCJ or community housing providers manage Aboriginal housing on behalf of the Aboriginal Housing Office. DCJ manages most properties with tenancy conditions similar to those of public housing.

Co-Operative Housing

Housing owned and/or managed by a tenant co-operative on a not-for-profit basis. May be provided within one complex, or as dispersed dwellings. Often formed on the basis of some common need or issues, e.g. women's, disability, Aboriginal or student co-operative.

Discount Market Rental Housing in perpetuity	Sometime referred to as 'key worker housing', an effective rental subsidy is provided on the market rental that would otherwise apply (generally discounted by 20-30%). Generally, most appropriate for moderate-income households, but may also make rental affordable to low-income households, depending on the local market. Generally owned and/or managed by a Registered Community Housing Provider. Such housing has been developed, for example, using the National Rental Affordability Scheme (NRAS).
Time limited Discount Market Rental Housing	An offset is provided to the developer (e.g. additional density, taxation rebate or other subsidy) to provide rental accommodation at typically 80% of market rent to moderate income households for a limited period, typically 10 years. The actual or effective subsidy offsets additional financing costs to the developer, whilst there is an opportunity for additional profit or capital gain at the end of the period for which it must remain 'affordable housing'. Such housing has been developed, for example, using the National Rental Affordability Scheme (NRAS) and/or SEPP (Affordable Rental Housing) 2009.
Private Rental through the Market	Dwellings provided through the market that can be rented for less than other dwellings due to savings related to construction materials or methods, amenity, size or development standards or the local housing market ('lower cost housing'). This private rental housing may also be 'affordable' to very low, low- or moderate-income households, <i>provided</i> it meets the income and housing cost benchmarks set out in Table 5.1 above.

Source: JSA 2015, derived from various sources

The following table provides an overview of the types of **affordable purchase products** most relevant to the Australian market and policy context.

Table 5-3: Types of Affordable Purchase Housing

AFFORDABLE PURCHASE ACCOMMODATION	
Rent-To-Buy Products	Rent-to-buy schemes are typically a form of vendor finance, where a purchaser may pay a small deposit and more than market rent, with the balance going towards paying off the home. Ownership remains with the vendor until the transaction is complete. ⁵¹ Other schemes operated by public or community sector housing providers have provided for all or a portion of rent normally paid to go toward building up equity in the home. This has included sale to sitting tenants.
Shared-Equity Products	The cost of purchase is shared with an equity partner (preferably a public or community-housing provider). Housing is kept 'affordable' in perpetuity through contractual arrangements (e.g. secured through a deed of sale and/or covenant against title) that provides for buy-back by the equity partner at an appropriate share of equity and capital gain when the low- to moderate-income purchaser wants to sell. The share is then sold to another purchaser who needs affordable housing. Alternatively, when the dwelling is sold, the sale price, including any capital gain, is split between the equity partners. Other states including WA have a more developed sector than

⁵¹ Consumer protection agencies, such as NSW Fair Trading publish warnings against such schemes where they are operated privately (as distinct from schemes offered by a social housing provider).

AFFORDABLE PURCHASE ACCOMMODATION

	NSW in this regard (e.g. through GoodStart (general and for those with a disability), and Aboriginal shared equity scheme).
Property Covenants	Similar to shared-equity in that the title is covenanted to ensure either resale to the sponsoring agency at an affordable price, or sale to others at an affordable price, thereby ensuring that a 'windfall' profit is not gained by the first subsidised purchaser.
Land Trusts	The land is owned by an organisation, such as a community housing provider, who leases the land to an occupier, with the occupier constructing a house on the land. There are often additional opportunities for the occupier to contribute sweat equity to the construction of dwellings. Alternatively, the land might be sold at a lower price, with a covenant requiring sale back to the sponsoring organisation. The effect of such arrangements is to keep the purchase and repayments cost lower than would be the case if the full cost of land were included, and to maintain the housing as affordable housing in perpetuity.
Assisted Purchase	Where there is some other mechanism that provides support or assistance to enter the home purchase market. This is more advanced in some states than in NSW. For example, the WA Department of Housing's <i>Keystart</i> program provides low deposit loans to low to moderate income purchasers to purchase 100% of a property. Other approaches involve support for the prospective buyer to bridge the deposit gap through provisions of low interest deposits, or provision of finance on a sliding scale for interest or repayments.
Private Market Housing	Dwellings provided through the market that can be purchased for less than other dwellings due to savings related to construction materials or methods, amenity, size or development standards. This private market housing may also be 'affordable' to low- or moderate-income households, <i>provided</i> it meets the income and housing cost benchmarks set out in Table 5.1 above.

Source: JSA 2015, derived from various sources

5.4 Comparative Housing Cost (Rental & Purchase)

5.4.1 Overview

This section provides an overview in the change in the real cost of housing (rental and purchase) for indicative housing products from September Quarter 2017 to March Quarter 2022 for Queanbeyan-Palerang LGA compared with NSW (the smallest scale and longest timeframe for which this published data is available). The data is adjusted for inflation to March Quarter 2022 dollars.

This provides a context to the affordability discussion below, and also provides an understanding of relative demand for selected housing products, including during more recent events such as the COVID 19 pandemic.

In summary, although rents for flats and units have historically been well below the NSW average (which is strongly influenced by Greater Sydney), there has been a convergence in these rents over time, particularly since early 2020, which is likely influenced by increased movement out of Sydney to regions like QP LGA. Importantly, there were insufficient rentals of one and two bedroom units in areas like Bungendore and Braidwood for data to be reported. In contrast, rent on separate houses has historically been more expensive than the NSW average in the LGA, with local rents increasing at a higher than average rate over the past two years.

In terms of purchase, the cost of strata dwellings has remained relatively flat in real terms over the past five years, and is cheaper than the NSW average, although this is likely due to the relative age and amenity of much of the strata available in the LGA that would influence the median price. It is again noted that there were insufficient strata sales outside Queanbeyan and surrounds for DCJ to report data. The trends of separate houses are quite different, with prices and rates of increase in the LGA closely mirroring the NSW average, and a steep increase in real sale prices over the past two years.

The results of JSA's regression analysis, discussed later, indicate strong price growth over the past two years, with around a 22% and 40% real growth in sales price for houses and strata dwellings respectively over the period, controlling for other factors, including dwelling and lot size and amenity of dwelling. Vacant land had increased by almost 30% in real terms over the past 2 years, controlling for land area.

5.4.2 Comparative Rents & Change Over Time (2017-2022)

Comparative Median Rents March Quarter 2022

Apart from PC 2620 (Queanbeyan and Surrounds) there were generally insufficient one and two bedroom flats and units for data to be reported by DCJ. In the case of this post code area, units had considerably higher rents than the regional NSW average, but were much lower than NSW rents, which are strongly influenced by the Greater Sydney Housing market. This was similar for the LGA, noting that most of the units rented would likely be in PC 2620.

The situation was quite different for separate houses, where a house in the LGA as well as in PC 2620 and particularly in PC 2619 Jerrabomberra were considerably more expensive than both the

regional and NSW median rents. It is also noted that there were again insufficient houses for rent in Braidwood and Bungendore for data to be reported by DCJ, as shown below.

Table 5-4: Median Rents for 1 & 2 B/R Units and 3 B/R Houses for Selected Areas (March Quarter 2022)

Location	Median Weekly Rent: 1 B/R UNIT	Median Weekly Rent: 2 B/R UNIT	Median Weekly Rent: 3 B/R HOUSE \$
PC 2619 – Jerrabomberra	-	-	690
PC 2620 – Queanbeyan & surrounds	350	415	590
PC 2621 – Bungendore & surrounds	-	-	-
PC 2622 – Braidwood & surrounds	-	-	-
Queanbeyan-Palerang LGA	350	420	600
Rest of State	270	340	435
NSW	455	500	510

Source: NSW Department of Communities and Justice Rent Tables March 2022 Quarter (Issue 139), s = 30 or fewer bonds lodged during quarter, - = 10 or fewer bonds lodged.

1 BR Flat/Unit Change in Real Rent 2017-22

The rent for a one bedroom unit in the LGA has historically been far lower than for NSW. However, these have been gradually converging since at least 2017, with local rents quite flat in real terms and a decrease in rents for NSW, which is strongly influenced by the Greater Sydney market.

There has been a more rapid convergence in rents since late 2021, with NSW relatively flat and local rents increasing more steeply, likely related to local constraints in supply including in the context of changes in working and residential patterns arising from COVID 19.

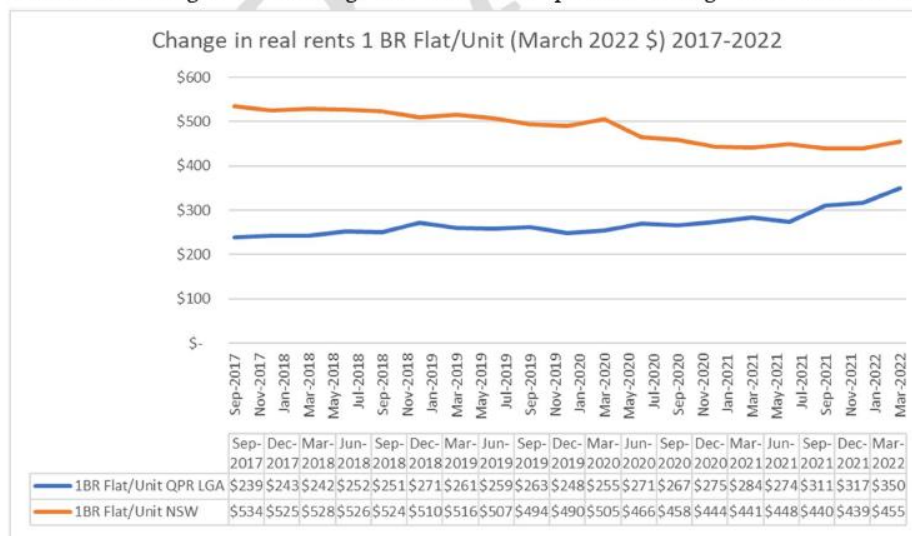


Figure 5.1: Change in real rents 2017-2022 (March Quarter 2022 \$), Median 1 BR Flat/Unit, Queanbeyan-Palerang LGA and NSW

Source: JSA 2022; DCJ Rent and Sales Reports 2017-2022

2 BR Flat/Unit Change in Real Rent 2017-22

A similar trend to that reported for one bedroom units above is evidenced for two bedroom units, although there has been an ongoing and gradual increase in rent for the LGA, and a steeper increase from late 2021 compared with ongoing gradual decline in real rents for NSW, again noting that this is strongly influenced by the Greater Sydney market.

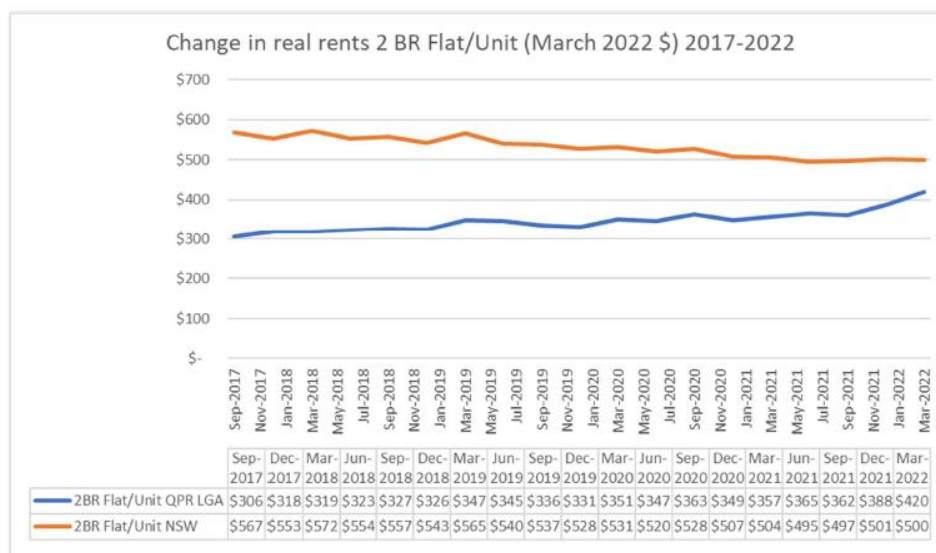


Figure 5.2: Change in real rents 2017-2022 (March Quarter 2022 \$) Median 2 BR Flat/Unit, Queanbeyan-Palerang LGA and NSW

Source: JSA 2022; DCJ Rent and Sales Reports 2017-2022

3 BR House Change in Real Rent 2017-22

Unlike rents for units, the rent for a three bedroom house has historically been higher in the LGA than for NSW. Rent for houses gradually fell in NSW from September 2017 to July 2020, from which time it has continued to rise gradually. Local rents were quite flat with some volatility until March 2020, when they began to steadily rise to the most recent quarter for which data is available. Again, it is possible that some COVID 19 effects are apparent in this, although it may also be the nature of stock that is being constructed and general constraints in rental supply.

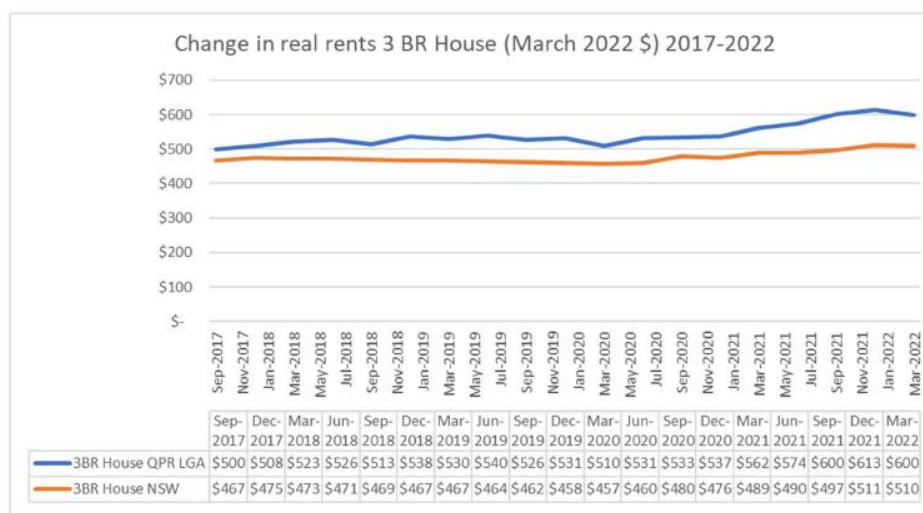


Figure 5.3: Change in real rents 2017-2022 (March Quarter 2022 \$) Median 3BR House, Queanbeyan-Palerang LGA and NSW

Source: JSA 2022; DCJ Rent and Sales Reports 2017-2022

5.4.3 Comparative Purchase & Change Over Time (2017-2021)

Comparative Median Sales Price (Rent & Sales Report Dec Quarter 2021)

The purchase cost of strata dwellings in the LGA was substantially lower than for regional NSW and particularly NSW, with the latter strongly influenced by the Greater Sydney housing market. This is likely related to the nature of supply in the LGA, with flats and units tending to be older and of lower amenity in areas around Queanbeyan and Queanbeyan East suburbs and so influencing the median, and noting that there were insufficient sales in other areas for data to be reported by DCJ.

However, median houses prices in the LGA were well above the regional NSW average and comparable with the NSW median. PC 2619 which includes Jerrabomberra was particularly expensive, as shown below.

Table 5-5: Median Sales Price for Strata & Non-Strata Dwellings (Dec Quarter 2021)

Location	Median Sales Price \$'000	Median Sales Price \$'000
	STRATA	NON-STRATA
2619 – Jerrabomberra	No data	1200
2620 – Queanbeyan & surrounds	365	958
2621 – Bungendore & surrounds	No data	1000
2622 – Braidwood & surrounds	No data	640
2623 – Captains Flat	No data	-
Queanbeyan-Palerang LGA	390	945
Rest of State	535	600
NSW	757	955

Source: JSA 2022, based on data from NSW Department of Communities and Justice Sales Tables Dec Quarter 2021

Strata Dwellings Change in Real Purchase Price (Rent & Sales Report 2017-21)

Overall, the purchase cost of strata dwellings in NSW has been relatively flat from 2017 to December 2021, with some volatility over this period, and sales prices slightly lower in real terms at the end of 2021 compared with mid-2017 (-1% overall).

In contrast, there has been an increase of 8% in real terms of the purchase price of strata dwellings in the LGA, again likely indicating some supply constraints compared with NSW overall.

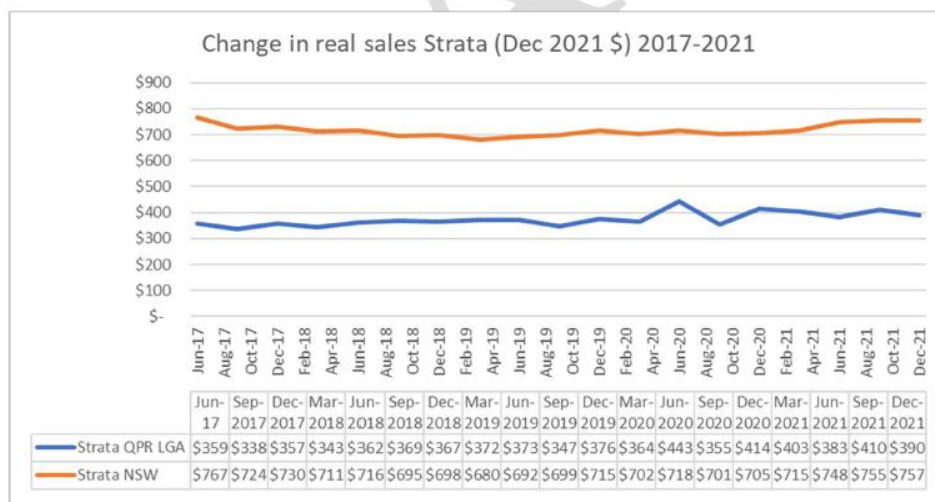


Figure 5.4: Change in real sales 2017-2021 (Dec Quarter 2021 \$'000) Median Strata QP LGA & NSW

Source: JSA 2022; DCJ Rent and Sales Reports 2017-2021

Non-Strata Dwellings Change in Real Purchase Price (Rent & Sales Report 2017-21)

Interestingly, real increases in the purchase price of local non-strata dwelling (generally separate houses) from mid-2017 to the end of 2021 closely tracked those in NSW overall, with each experiencing stronger than historical price growth from around September 2020, and overall growth of 38% for the LGA compared with 25% for NSW from 2017-21.

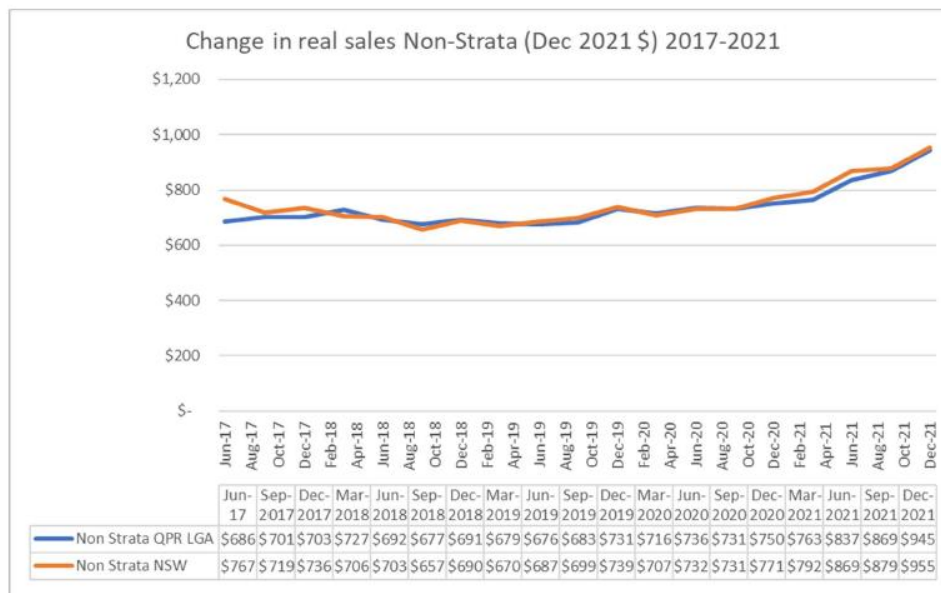


Figure 5.5: Change in real sales 2017-2021 (Dec Quarter 2021 \$'000) Median Non-Strata, Queanbeyan-Palerang LGA and NSW

Source: JSA 2022; DCJ Rent and Sales Reports 2017-2021

EAC RedSquare Regression Analysis

A further analysis of RedSquare sales data has been carried out to understand the impact on prices of various factors such as location, number of bedrooms and lot size, with the results of the analysis shown in more detail below.

In summary, JSA's analysis show that there have been even more significant increases in the real purchase price of housing in the LGA in the past 2 years (since mid-2020), controlling for factors such as dwelling size, amenity, site area and location.

For **separate houses**, JSA's modelling suggests **annual increases of 11%** when adjusting for variables acting as proxies for the quality of housing, and noting that price increases with additional bedrooms, bathrooms and site area.

For **strata dwellings**, real prices have risen significantly from mid-2020, with **annual increases of about 20%** over the period. Price increases with additional bedrooms and additional bathrooms.

This is discussed in more detail later.

5.5 Comparative Affordability of Housing

5.5.1 Overview

This section looks at the relative *affordability* of various rental and purchase products delivered through the private market, that is, whether very low, low and moderate income households would be paying more than 30% of their gross household income on housing costs in accordance with the statutory definition and benchmarks set out in **Table 5.1** above. It is important to understand the extent to which the market is providing, or can potentially provide, affordably priced housing for key target groups so as to evaluate the extent to which market intervention through the planning system is required, and the most effective types of intervention. Further, the vast majority of housing is delivered through the market, so that understanding its capacity to deliver affordability in the local context is crucial.

5.5.2 Rental Affordability

Rent and Sales Report

The NSW Department of Communities and Justice *Rent and Sales Report* provides quarterly data on the cost of rental by LGA and post code area. The following is relevant with regard to the most recent quarter available at the time of writing (March 2022) in postcode areas postcode 2619 (Jerrabomberra), postcode 2620 (Queanbeyan and surrounds), postcode 2621 (Bungendore and surrounds), postcode 2622 (Braidwood and surrounds), postcode 2623 (Captains Flat)⁵² and the Queanbeyan-Palerang LGA.

The following tables shows the affordability of rental properties by different housing types (three-bedroom house, one-bedroom flat/unit and two-bedroom flat/unit) in these areas compared with the benchmark areas of Rest of State and NSW for the March Quarter 2022.

There were no rental dwelling types that were affordable to a very low income household in Queanbeyan-Palerang LGA from the published data.

Rental dwellings in the Queanbeyan-Palerang LGA, when looking at postcode areas within the LGA, were generally affordable to moderate income or higher earning households only.

Although **one bedroom flats and units** in the 2620 postcode of Queanbeyan and surrounding suburbs were just affordable to the upper 5% of low income households, this likely reflected the influence of older flats in Queanbeyan and Queanbeyan East. A third quartile one bedroom unit was only affordable to moderate income households, and this is more likely to reflect newer stock, so that there is in reality likely to be no affordability of even this housing product for low income renters in the future. It is also noted that there was virtually no supply of one bedroom units elsewhere in the LGA.

Very low and low income households were likewise unable to affordably rent a median rent **two bedroom apartment**; although a third quartile two bedroom apartment could be affordably rented

⁵² Note that data for postcode 2623 (Captains Flat) is only available for houses and total dwellings.

by a moderate income household, again noting that this is likely to reflect newer stock. There was insufficient two bedroom apartments rented in other parts of the LGA for data to be reported.

A **moderate-income household** could affordably rent a third quartile one-bedroom flat/unit and all two-bedroom flat/units (first, median and third quartile) in the 2620 postcode and LGA.

Three-bedroom houses were affordable to **higher income households only** across all areas within the LGA. As such, moderate income families with children would generally be unable to rent affordably in the LGA.

As such, there is a serious affordability problem for very low and low income renters in the Queanbeyan-Palerang LGA, and particularly outside of postcode 2620 Queanbeyan and surrounds, such as in Bungendore and Braidwood, where there are no flat/units and very few dwellings for rent.

Key to Tables:

Affordable to very low-income households (<\$223 per week)
Affordable to low-income households (\$224-\$356 per week)
Affordable to moderate-income households (\$357-\$534 per week)
Affordable to higher-income households only (\$535 or more per week)

Table 5-6: March Quarter 2022 Rent Report for 1 & 2 BR Flats/Units in Postcodes 2619, 2620, 2621, 2622, Queanbeyan-Palerang LGA, Rest of State and NSW by affordability bands

Location	# B/Rs	First Quartile Weekly Rent for New Bonds \$	Median Weekly Rent for New Bonds \$	Third Quartile Weekly Rent for New Bonds \$
2619 – Jerrabomberra	1	-	-	-
2620 – Queanbeyan & surrounds	1	320	350	390
2621 – Bungendore & surrounds	1	-	-	-
2622 – Braidwood & surrounds	1	-	-	-
Queanbeyan-Palerang LGA	1	320	350	395
Rest of State	1	205	270	350
NSW	1	370	455	534
2619 – Jerrabomberra	2	-	-	-
2620 – Queanbeyan & surrounds	2	380	415	470
2621 – Bungendore & surrounds	2	-	-	-
2622 – Braidwood & surrounds	2	-	-	-
Queanbeyan-Palerang LGA	2	380	420	480
Rest of State	2	270	340	420
NSW	2	400	500	650

Source: NSW Department of Communities and Justice Rent Tables March 2022 Quarter (Issue 139), s = 30 or fewer bonds lodged during quarter, - = 10 or fewer bonds lodged.

Table 5-7: March Quarter 2022 Rent Report for 3 BR Houses in Postcodes 2619, 2620, 2621, 2622, Queanbeyan-Palerang LGA, Rest of State and NSW by affordability bands

Location	First Quartile Weekly Rent for New Bonds \$	Median Weekly Rent for New Bonds \$	Third Quartile Weekly Rent for New Bonds \$
2619 – Jerrabomberra	660	690	700
2620 – Queanbeyan & surrounds	535	590	660
2621 – Bungendore & surrounds	-	-	-
2622 – Braidwood & surrounds	-	-	-
2623 – Captains Flat	-	-	-
Queanbeyan-Palerang LGA	543	600	690
Rest of State	365	435	520
NSW	430	510	635

Source: NSW Department of Communities and Justice Rent Tables March 2022 Quarter (Issue 139), s = 30 or fewer bonds lodged during quarter, - = 10 or fewer bonds lodged

Snapshot of Rental in the Major Centres of Queanbeyan-Palerang LGA

A search on www.Domain.com.au was conducted in the weeks commencing 6 June and 4 July 2022. This is reported in detail in Appendix A.

In the week commencing 4 July, there were only 62 properties for rent in the whole of the LGA, with 35 (57%) of these in Queanbeyan SA2, with most of these strata dwellings. The three SA2s that make up Queanbeyan area (including Crestwood and Jerrabomberra) made up 70% of advertised rental properties.

Eleven (18%) were in Googong SA2, and most of these were 4+ bedroom houses. There were few rentals in other key areas, including Braidwood and Bungendore, and all properties advertised for rent were houses.

The findings of the rental snapshots largely validates the analysis from published data from the Rent and Sales report above with regard to the shortage of supply of more diverse stock outside of Queanbeyan and surrounds, as well as the lack of affordability for very low and low income renters. It also supports the consultations with local real estate agents, reported elsewhere, about a vacancy rate that is close to zero at the time of interview.

Although a studio apartment in Queanbeyan SA2 was affordable to low income households, there was only one available at the time of the rental snapshot.

Table 5-8: Median rentals for strata and non-strata properties x bedroom x SA2

Dwelling Type	# B/Rs	Queanbeyan SA2 (inc. Crestwood)		Queanbeyan East SA2		Queanbeyan West-Jerrabomberra SA2		Karabar SA2		Googong SA2		Bungendore SS		Braidwood SS		TOTAL
		\$	# Props	\$	# Props	\$	# Props	\$	# Props	\$	# Props	\$	# Props	\$	# Props	
Strata	Studio	250	1	0	0	0	0	0	0	0	0	0	0	0	0	1
	1	350	8	0	0	0	0	320	1	465	2	0	0	0	0	11
	2	420	13	420	1	525	1	0	0	0	0	0	0	0	0	15
	3	570	7	0	0	0	0	0	0	0	0	0	0	0	0	7
Non-Strata	2	480	1	0	0	0	0	0	0	0	0	495	1	0	0	2
	3	630	2	710	1	700	1	650	1	0	0	660	1	530	1	7
	4+	750	3	0	0	850	4	0	0	840	9	775	3	0	0	19
TOTAL			35		2		6		2		11		4		1	62

Source: JSA (2022) derived from survey of all advertised properties for rent on www.Domain.com.au

5.5.3 Social Housing Waiting Times for Queanbeyan (as at June 2021)

Public Housing

Expected waiting times for a social dwelling in DCJ's Allocation Zones of Queanbeyan as at June 2021 (the most recent publicly available data) are also an important indicator of affordable housing need, in this case, amongst those eligible for social (public and community) housing.

For the Queanbeyan Allocation Zone, expected waiting times for all dwelling types are 5 to 10 years. As at 30 June 2021, there were 304 applicants on the waiting list for the Queanbeyan allocation zone (91% general and 9% priority applicants).⁵³



Figure 5.6: Social housing waiting times for Queanbeyan Allocation Zone as at June 2021

Source: DCJ website, <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>, accessed 07/06/2022.

Community Housing

The following table has been adapted from data provided by Argyle Housing with regard to a breakdown of the common waiting list for social (public and community) housing by area and dwelling need.

It can be seen that more than 60% of need is for one bedroom dwellings and a further 30% of need is for two bedroom dwellings (more than 90% in total), which also validates findings in relation to the high unmet need for such dwellings by very low and low income renting households more generally. Virtually all of the applications relate to the Queanbeyan area, although this is likely due to the fact that there is no identified social housing in Bungendore, and only a handful of such dwellings in Braidwood.

⁵³ Department of Communities and Justice, Expected Waiting Times, <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>, accessed 07/06/2022.

Table 5-9: Breakdown of Waiting List for Social Housing by Type and Area

	Queanbeyan area			Bungendore	Braidwood		
	Includes applications for multiple dwelling types				Includes applications for multiple dwelling types		
	No. applicants on SH Waitlist as at Aug 2022	No. Priority approved applications	Est no. hholds on SH Waitlist	No. applicants on SH Waitlist as at Aug 2022	No. applicants on SH Waitlist as at Aug 2022	No. Priority approved applications	Est no. hholds on SH Waitlist
1BR	269	35	269	0	3	0	3
2BR	396	60	127	0	3	0	0
3BR	161	30	34	0	0	0	0
4BR	42	16	8	0	0	0	0
Total	868	141	438	0	6	0	3

Source: JSA 2022, adapted from data provided by Argyle Housing (2022).

5.5.4 Purchase Affordability

NSW Rent and Sales Report

The following table shows sale prices for strata and non-strata dwellings sold in postcodes 2619, 2620, 2621, 2622, Queanbeyan-Palerang LGA, Rest of State and NSW in March Quarter 2022, the most recent data available at the time of writing. The affordability of these sale prices has been evaluated as per the Rest of NSW benchmarks.

Key to tables:

Affordable to very low-income households (<\$255,000)

Affordable to low-income households (\$255,001-\$406,000)

Affordable to moderate-income households (\$406,001-\$610,000)

Affordable to higher-income households only (\$610,001 or more)

The upper 25% of low-income purchasing households and all moderate-income purchasing households could afford to purchase a **median priced strata dwelling** in postcode 2620 (Queanbeyan and surrounds) and in the Queanbeyan-Palerang LGA, noting that there are significant supply issues in most other areas of the LGA, with no data for the sale of any strata dwellings in the postcodes of 2621 (Bungendore and surrounds), 2622 (Braidwood and surrounds) and 2623 Captains Flat in the Quarter.

A moderate-income household could affordably purchase a **third-quartile strata dwelling** in postcode 2620 (Queanbeyan and surrounds) and in the Queanbeyan-Palerang LGA, and a **first-quartile non-strata dwelling** in postcode 2622 (Braidwood and surrounds).

Median priced non-strata dwellings (houses) purchased in these postcodes and LGA would be affordable to higher-income households only.

Table 5-10: Sale Prices for Strata & Non-Strata Dwellings for Selected Areas (Dec Quarter 2021)

Location	Dwelling Type	First Quartile Sales Price \$'000	Median Sales Price \$'000	Third Quartile Sales Price \$'000
2619 – Jerrabomberra	Strata	-	-	-
2620 – Queanbeyan & surrounds	Strata	290	365	490
2621 – Bungendore & surrounds	Strata	No data	No data	No data
2622 – Braidwood & surrounds	Strata	No data	No data	No data
2623 – Captains Flat	Strata	No data	No data	No data
Queanbeyan-Palerang LGA	Strata	299	390	500
Rest of State	Strata	380	535	710
NSW	Strata	599	757	1065
2619 – Jerrabomberra	Non-strata	925	1200	1350
2620 – Queanbeyan & surrounds	Non-strata	830	958	1273
2621 – Bungendore & surrounds	Non-strata	850	1000	1325
2622 – Braidwood & surrounds	Non-strata	450	640	888
2623 – Captains Flat	Non-strata	-	-	-
Queanbeyan-Palerang LGA	Non-strata	800	945	1247
Rest of State	Non-strata	395	600	870
NSW	Non-strata	680	955	1555

Source: JSA 2022, based on data from NSW Department of Communities and Justice Sales Tables December Quarter 2021

5.5.5 EAC Red Square Database

A search of EAC Red Square database was undertaken to explore residential dwellings sold in the two years prior to the time of writing (May 2020 to May 2022) including all residential dwellings (strata and non-strata) sold in the Queanbeyan-Palerang LGA.

Records were culled by removing those with a sales price of \$0 and \$1, sales between family members of the same name (with many of these records for a sale of \$0 or \$1), sales of vacant land/where no bedroom number given and sales where the vendor listed is Defence Housing Australia as the DHA sells properties for investment under long-term leaseback arrangements.⁵⁴

During this two-year period, records for 2,195 residential properties were sold in the Queanbeyan-Palerang LGA including 776 strata (35%) and 1419 non-strata dwellings (65%).

⁵⁴ Defence Housing Australia, <https://www.dha.gov.au/investing/why-invest-with-dha>, 08/06/2022.

Sales records by strata and non-strata residential dwellings were assessed by number of bedrooms and by postcode location. The tables below provide an overview of the sales data for strata and non-strata dwellings sold in the Queanbeyan-Palerang LGA during the two-year period to May 2022 by the Rest of NSW affordability benchmarks.

Strata Dwellings

Table 5-11: EAC Red Square Sales of Residential Strata Dwellings, May 2020-May 2022, Queanbeyan-Palerang LGA

Location	Dwelling Type	No. sales	First Quartile Sales Price \$	Median Sales Price \$	Third Quartile Sales Price \$
Queanbeyan-Palerang LGA	Strata w/ BR given	776	\$270,000	\$385,000	\$515,000
	Strata 0-1 BR	142 (18%)	\$185,500	\$220,000	\$324,500
	Strata 2 BR	437 (56%)	\$279,000	\$373,000	\$448,000
	Strata 3 BR	175 (23%)	\$508,750	\$575,000	\$650,000
	Strata 4+ BR	22 (3%)	\$588,500	\$625,000	\$723,750
2619 postcode Jerrabomberra	Strata w/ BR given	46 (6%)	\$475,000	\$627,500	\$745,000
2620 postcode Queanbeyan and surrounds	Strata w/ BR given	721 (93%)	\$265,000	\$375,000	\$500,000
2621 postcode Bungendore and surrounds	Strata w/ BR given	5 (0.6%)	\$515,000	\$532,000	\$570,000
2622 postcode Braidwood and surrounds	Strata w/ BR given	4 (0.5%)	\$402,500	\$437,500	\$475,000

Source: JSA 2022, based on data from EAC Red Square

Affordable to very low-income households, Rest of NSW benchmark (<\$255,000)

Affordable to low-income households, Rest of NSW benchmark (\$255,001-\$406,000)

Affordable to moderate-income households, Rest of NSW benchmark (\$406,001-\$610,000)

Affordable to higher-income households only, Rest of NSW benchmark (\$610,001 or more)

Key findings: Strata dwellings

Compared with Rest of NSW affordability bands, during the two years to May 2022 there were affordable purchase options for strata dwellings for low income, moderate income and even very low income households for a first quartile or median price 0-1 bedroom strata dwelling in the Queanbeyan-Palerang LGA.

The vast majority (93%) of sales of strata dwellings were located in the 2620 postcode area of Queanbeyan and surrounds which also includes the suburbs of Crestwood, Googong, Greenleigh,

Karabar, Queanbeyan, Queanbeyan East and Queanbeyan West. Within the 2620 postcode the first quartile for strata dwellings was \$265,000, affordable to 93% of the low income band; while the median for a strata dwelling was \$375,000, affordable to the upper 21% of the low income band.

Larger strata dwellings (3 or 4+ bedrooms) and those located in postcode 2619 Jerrabomberra and surrounds were affordable to moderate income or higher income households only.

There were very few sales of strata dwellings (where number of bedrooms were registered) in the Bungendore and Braidwood areas (postcode 2621 and 2622). While those sales show affordability of strata dwellings for moderate income households in these areas, results should be considered with caution due to the very small number of sales, five in Bungendore and four in Braidwood.

There no records of sales of strata dwellings in the 2623 postcode (Captains Flat) area during the period.

Non-Strata Dwellings

Table 5-12: EAC Red Square Sales of Residential Non-Strata Dwellings, May 2020-May 2022, Queanbeyan-Palerang LGA

Location	Dwelling Type	No. sales	First Quartile Sales Price \$	Median Sales Price \$	Third Quartile Sales Price \$
Queanbeyan-Palerang LGA	Non-Strata w/ BR given	1419	\$695,250	\$851,500	\$1,115,000
	Non-Strata 1 BR	9	\$360,000	\$525,000	\$700,000
	Non-Strata 2 BR	67	\$466,000	\$550,000	\$720,000
	Non-Strata 3 BR	459	\$600,000	\$695,000	\$815,000
	Non-Strata 4+ BR	884	\$815,000	\$980,000	\$1,262,750
2619 postcode Jerrabomberra	Non-Strata w/ BR given	224	\$857,125	\$981,000	\$1,268,750
2620 postcode Queanbeyan and surrounds	Non-Strata w/ BR given	840	\$700,000	\$830,250	\$1,075,000
2621 postcode Bungendore and surrounds	Non-Strata w/ BR given	205	\$760,000	\$912,000	\$1,145,000
2622 postcode Braidwood and surrounds	Non-Strata w/ BR given	111	\$530,000	\$665,000	\$828,750
2623 postcode Captains Flat	Non-Strata w/ BR given	33	\$290,000	\$350,000	\$440,000

Source: JSA 2022, based on data from EAC Red Square

Affordable to very low-income households, Rest of NSW benchmark (<\$243,750)

Affordable to low-income households, Rest of NSW benchmark (\$243,751-\$390,000)

Affordable to moderate-income households, Rest of NSW benchmark (\$390,001-\$581,250)

Affordable to higher-income households only, Rest of NSW benchmark (\$581,251 or more)

Key findings: Non-Strata dwellings

In contrast, sales of non-strata dwellings in the Queanbeyan-Palerang LGA were generally affordable to moderate and higher income households only.

There was some affordability for smaller non-strata dwellings (one and two bedroom properties) for some low income and moderate income households, and for non-strata dwellings sold in postcode 2622 (Braidwood and surrounds) and postcode 2623 (Captains Flat).

It is noted that the decommissioned Lake George Mine at Captains Flat is part of the NSW Government's Legacy Mines Program and is subject to on-going rehabilitation works including a Lead Management Plan for the town of Captains Flat that aims to reduce community exposure to

lead resulting from historic mining in the town.⁵⁵ In February 2021, the NSW EPA carried out precautionary testing of surface soils in public and community spaces at Captains Flat to check for lead beyond the former Lake George Mine.⁵⁶ The affordability of dwellings sold in the Captains Flat area in the last two years should be considered within this context.

Vacant Land

A search of EAC Red Square database was undertaken to explore vacant land sold for the two years prior to the time of writing, May 2020 to May 2022 including all sales in the Queanbeyan-Palerang Regional LGA.

Records were culled by removing those with a sales price of \$0 and \$1, sales between family members of the same name (with many of these records for a sale of \$0 or \$1), sales of vacant land/where no bedroom number given and sales where the area was greater than 1,500 m².

Summary data is shown below.

Table 5-13: EAC Red Square Sales of Vacant Land, May 2020-May 2022, Queanbeyan-Palerang LGA – Affordability is based on construction of an entry level project home at \$210,000⁵⁷

Location	Dwelling Type	No. sales	First Quartile Sales Price \$	Median Sales Price \$	Third Quartile Sales Price \$
Queanbeyan-Palerang Regional LGA	Vacant Land	661	\$309,000	\$342,000	\$385,000
2619 postcode Jerrabomberra	Vacant Land		No data		
2620 postcode Queanbeyan and surrounds	Vacant Land	580	\$308,000	\$340,000	\$373,000
2621 postcode Bungendore and surrounds	Vacant Land	61	\$345,000	\$416,000	\$425,000
2622 postcode Braidwood and surrounds	Vacant Land	12	\$181,000	\$218,000	\$252,000
2623 postcode Captains Flat	Vacant Land	6	\$119,000	\$123,000	\$159,000

Source: JSA 2022, based on data from EAC Red Square

⁵⁵ NSW Government, Regional NSW, Captains Flat (Lake George Mine), <https://www.regional.nsw.gov.au/meg/exploring-and-mining/legacy-mines-program/case-studies/captains-flat-lake-george-mine>, accessed 09/06/2022.

⁵⁶ NSW EPA, Important Captains Flat community notice, last updated 26 July 2021, <https://www.epa.nsw.gov.au/working-together/community-engagement/community-news/captains-flat>, accessed 09/06/2022.

⁵⁷ Rawlinsons Basic Standard 140 m², brick veneer plus 10% for GST and 30% for other costs

Affordable to very low-income households, Rest of NSW benchmark (<\$243,750)
Affordable to low-income households, Rest of NSW benchmark (\$243,751-\$390,000)
Affordable to moderate-income households, Rest of NSW benchmark (\$390,001-\$581,250)
Affordable to higher-income households only, Rest of NSW benchmark (\$581,251 or more)

Key findings: Vacant Land

Sales of vacant land generally provide affordable purchase opportunities to moderate income households in Queanbeyan-Palerang LGA.

5.5.1 Regression Analysis of Sales Prices

A further analysis of RedSquare sales data has been carried out to understand the impact on prices of various factors such as location, number of bedrooms and lot size. The results of the analyses are shown in the tables below.

For **separate houses**, prices have risen significantly since mid-2020, with the modelling suggesting **real increases of 11% annually** when adjusting for variables acting as proxies for the quality of housing. Price increases with additional bedrooms, bathrooms and site area. The impact of site area is significant, with an increase of lot size from 200 m² to 1200 m² adding \$490,000 to the cost of a house; or from 200 m² to 700 m² adding \$245,000.

Number of parking spaces was not a statistically significant predictor of price (although as discussed later, this is a factor in relation to viability of strata dwellings).

There is considerable variation in house price across different areas, with houses in Captains Flat \$400,000 less than Queanbeyan, those in Braidwood \$189,000 less and those in Bungendore \$120,000 less when adjusted for lot and house size. While adjusted prices are lower in Bungendore, median prices are higher, with this explained by the generally larger lot sizes in Bungendore.

A two bedroom, one bathroom dwelling on a 200 m² block in Bungendore is predicted to sell for \$451,000, and so be affordable to around half of moderate income households. By comparison, a similar dwelling in Googong is predicted to sell for \$745,000, and would not be affordable.

Table 5-14: Linear regression analysis for separate houses for suburbs in QP LGA

Variable	Results	Comment
R ²	0.70	The model predicts 70% of the variation in house prices
Days	\$513.80, p=0.000	Average prices increased by \$190,000 over the period when adjusted for dwelling quality, a rise of about 21% over the period
Bedroom	\$42,318, p=0.000	Each bedroom adds \$42,000 to the price of a house
Bathroom	\$93,558, p=0.000	Each bathroom adds \$94,000 to the price of a house
Area	\$487.59, p=0.000	Each additional square metre of land area adds \$488 to the price of a house
Braidwood	-\$188,980, p=0.000	Houses in Braidwood are \$189,000 less compared to Queanbeyan
Bungendore	-\$119,280, p=0.000	Houses in Bungendore are \$119,000 less compared to Queanbeyan
Captains Flat	-\$395,550, p=0.000	Houses in Captains Flat are \$396,000 less compared to Queanbeyan
Googong	\$174,780, p=0.000	Houses in Googong are \$175,000 more compared to Queanbeyan
Jerrabomberra	\$150,730, p=0.000	Houses in Jerrabomberra are \$151,000 more compared to Queanbeyan
Karrabar	-\$63,637, p=0.000	Houses in Karrabar are \$64,000 more compared to Queanbeyan
Queanbeyan East	-\$60,530, p=0.000	Houses in Queanbeyan East are \$61,000 less compared to Queanbeyan
Queanbeyan West	-\$51,094, p=0.000	Houses in Queanbeyan West are \$51,000 less compared to Queanbeyan
Constant	\$338,820, p=0.000	

Source: JSA 2022, based on EAC RedSquare database.

For **strata dwellings**, real prices have risen significantly from mid-2020, with **annual increases of about 20% over the period**. Price increases with **additional bedrooms** and **additional bathrooms**.

Strata dwellings in Jerrabomberra, Karabar and Queanbeyan West are more expensive when compared to Queanbeyan, dwellings in Crestwood are slightly less than in Queanbeyan, and dwellings in Braidwood, Bungendore and Queanbeyan East were similar in price to Queanbeyan.

The effect of smaller dwellings on affordability can also be seen here. As an example, a two bedroom, one bathroom villa or apartment in Bungendore or Queanbeyan is predicted to sell for

\$446,000, making this dwelling affordable to most moderate income households. More importantly, 73% of privately owned apartments in Queanbeyan-Palerang LGA are in private rental as are 50% of semi-detached, row houses etc, so that **increasing the supply of apartments and multi dwelling housing will increase the supply of private rental stock, and increasing the supply of smaller dwellings will add to affordable rental stock through the market**. By contrast, around 15% of privately owned separate houses are rented.

Table 5-15: Linear regression analysis for strata properties in Queanbeyan-Palerang LGA

Variable	Results	Comment
R ²	0.72	The model predicts 72% of the variation in house prices
Days	\$230.33, p=0.000	Average prices increased by \$168,000 over the period when adjusted for dwelling quality, a rise of about 38% over the period
Bedroom	\$104,210, p=0.000	Each bedroom adds \$104,000 to the price of a dwelling
Bathroom	\$100,920, p=0.000	Each bathroom adds \$101,000 to the price of a dwelling
Crestwood	-\$18,851, p=0.000	Dwellings in Crestwood are \$19,000 less compared to Queanbeyan
Jerrabomberra	\$147,330, p=0.000	Dwellings in Jerrabomberra are \$147,000 more compared to Queanbeyan
Karrabar	\$53,989, p=0.000	Dwellings in Karrabar are \$54,000 more compared to Queanbeyan
Queanbeyan West	\$54,421, p=0.000	Houses in Queanbeyan West are \$54,000 more compared to Queanbeyan
Constant	\$136,500, p=0.000	

Source: JSA 2022, based on EAC RedSquare database.

As for other sales types, the price of land increased by 29% over the period, an **annual rise of around 15% in real terms**. The price of land in Braidwood and Bungendore is much less than that for land in Queanbeyan.

The development of vacant land in Bungendore on smaller lots is likely to contribute to the supply of affordable housing, with entry level project homes estimated to cost around \$210,000,⁵⁸ giving a total price of \$416,000 on a 300 m² lot, and affordable to most moderate income households. A lot size of 225 m² would be just affordable to a low income household.

⁵⁸ Rawlinsons Basic standard 140 m², brick veneer plus 10% for GST and 30% for other costs.

Table 5-16: Linear regression analysis for land sales for suburbs in QP LGA

Variable	Results	Comment
R ²	0.21	The model predicts 21% of the variation in land prices
Days	\$142.05, p=0.000	Average prices increased by \$104,000 over the period when adjusted for area and location, a rise of about 29% over the period
Area	\$341.78 p=0.000	Each additional square metre of site area adds \$342 to the price of a block of land
Braidwood	-\$285,720, p=0.000	Blocks of land in Braidwood are \$286,000 cheaper on average compared to Queanbeyan and surrounds
Bungendore	-\$159,740, p=0.000	Blocks of land in Bungendore are \$160,000 cheaper on average compared to Queanbeyan and surrounds
Constant	\$262,790, p=0.000	

Source: JSA 2021, based on EAC Red Square database.

5.6 Housing Stress

5.6.1 Overview

A commonly used measure of underlying **need for affordable housing** is the number of households in 'housing stress', or at risk of after-housing poverty.⁵⁹ A broad 'rule of thumb' for 'housing stress' is when a very low, low or moderate income household is paying more than 30% of its gross income on rental or mortgage repayments, and 'severe housing stress' when such a household is paying more than 50% of its income on such housing costs.

Other factors will clearly affect the financial and social wellbeing of a family, including the adequacy and appropriateness of their housing, and costs that are unequally borne by some households, for example, high health care or transport costs where they live in a regional or rural area.⁶⁰

As such, housing stress is useful as a broad metric for understanding the comparative affordability of an area, and indicates the potential scale of the problem for strategic planning purposes.

⁵⁹ See for example Yates, J. 2007. *Housing Affordability and Financial Stress*, AHURI Sydney University, who notes that, often 'housing stress' is defined by the 30-40 rule, that is, that a low income household (in the lowest 40% of household income) will pay no more than 30% of its gross income on housing costs. This broad rule of thumb is often extended to the low to moderate income groups as defined under SEPP (Housing) 2021.

⁶⁰ See for example Gleeson, B. and Randolph, B. (2002) 'Social disadvantage and planning in the Sydney Context', *Urban Policy and Research* Vol 20(1) pp101-107; and Kellett, J. Morrissey, J. and Karuppannan, S. 2012. 'The Impact of Location on Housing Affordability', *Presentation to 6th Australasian Housing Researchers Conference*, 8-10 February 2012, Adelaide, South Australia.

In total, there were around 2,200 households in housing stress in the LGA in 2016, comprising 1,599 households in rental stress and 599 households in purchase stress.

By far the most serious affordability problem when considering housing stress is among **very low and low income renters**, who combined make up 56% of all households in housing stress in the LGA. When moderate income renters are added, **renters make up around three-quarters of those in housing stress**. Very low income households (renting or purchasing) are far more likely to be in **severe housing stress** than other income groups, that is, paying more than 50% of their gross household income in rent.

Very low, low and moderate income purchasing households make up 27% of those in housing stress, with the largest proportion those on moderate incomes. With regard to very low and low income households in mortgage stress, it is likely that many in these income groups have experienced a change in life circumstances after purchasing their home, for example, divorce, unemployment or retirement, as such income groups would generally be unable to obtain a housing loan without significant capital or savings.

As well as the overrepresentation of renters among those in housing stress, it is also noted that home purchasers often have an appreciating asset and their income to repayments ratio generally decreases over time. Long-term renters do not have these benefits, and are particularly hard hit where the real cost of rental continues to grow. The following table shows this in more detail.

Table 5-17: Break Down of Relative Housing Stress among Income and Tenure Groups

Housing Stress Summary: Queanbeyan-Palerang LGA			
INCOME BAND	RENTAL STRESS (Severe + Moderate)	PURCHASE STRESS (Severe + Moderate)	TOTAL STRESS
Very Low	739 (34%)	95 (4%)	834 (38%)
Low	478 (22%)	166 (8%)	644 (29%)
Moderate	382 (17%)	338 (15%)	720 (33%)
Total	1,599 (73%)	599 (27%)	2,198 (100%)

Source: JSA 2022, derived from ABS 2016 Census, Table Builder

This is now looked at in more detail for different tenure groups.

5.6.2 Housing Stress among Renters

As noted above, at the time of the 2016 Census (the most recent data available at the time of writing)⁶¹, there were almost **1,599 renting households in housing stress** in Queanbeyan-Palerang LGA (73% of all very low, low and moderate income households in housing stress).

⁶¹ The first release data does not include TableBuilder that would enable housing stress to be analysed. This should be available in October 2022 in the second release data.

There is a similar rate of housing stress among very low and low renting income households in the Queanbeyan-Palerang LGA compared with Rest of NSW, with 82% of all local very low income renters in housing stress, and 55% of low income renting households in housing stress. The rate amongst moderate income renters was much lower than for these other income groups (34%).

The following graph shows the relative housing stress among renters for these areas.

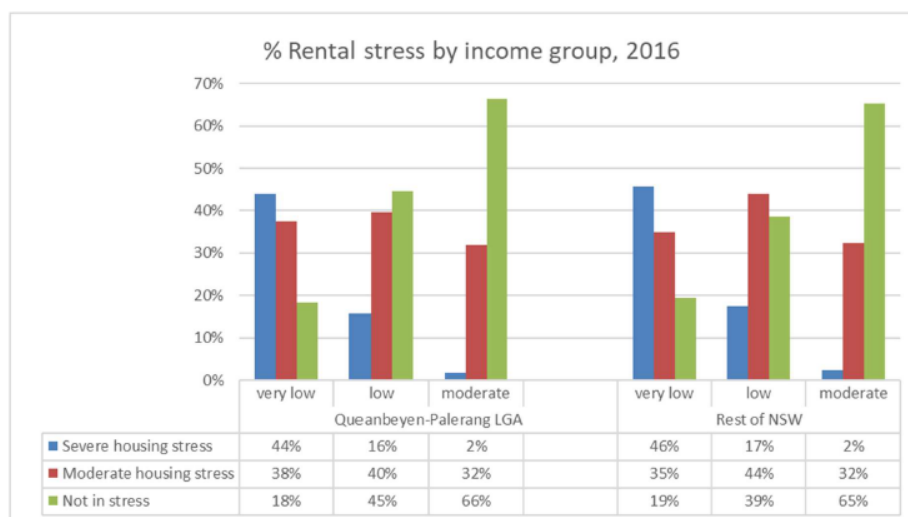


Figure 5.7: Housing Stress among very low, low and moderate income renting households in Queanbeyan-Palerang LGA compared with Rest of NSW

Source: JSA 2022, derived from ABS Census, Table Builder 2016

The following table shows that the majority (76%) of the 1,599 households in rental stress in the LGA were on **very low and low incomes**, with 24% on moderate incomes.

However, rental stress is experienced disproportionately by some household types.

- Lone person households also make up the largest proportion of the renting households in stress (779 households or 51% of renting households in housing stress). When couple only households are included, this is around 60% of renting households that would need smaller dwellings. **Given the very high proportion of very low and low income lone person households, the need for studio and one bedroom apartments is a priority.**
- Larger households (family households and group households) make up the balance of renters in housing stress, meaning that 40% of renting households would need dwellings that are larger and/or suitable for family households.

NOTE: the numbers below differ from those in Table 5.16 above due to the non-inclusion of 'not stated', 'non-classifiable', 'group' and 'visitor only households', as well as Census randomisation. Table 5.16 is relied upon for absolute numbers.

Table 5-18: Renting Households in Housing Stress for Queanbeyan-Palerang LGA

	All Renting Households	Lone person renting Households	Couple renting Households	One family w/ children renting H/hs	Group and other renting H/hs
Very Low Income Households	739 (46%)	471 (60%)	26 (20%)	188 (33%)	4 (9%)
Low Income Households	478 (30%)	206 (26%)	52 (40%)	202 (36%)	7 (16%)
Moderate Income Households	382 (24%)	102 (13%)	52 (40%)	174 (31%)	32 (73%)
Total in Stress	1,599 (100%)	779 (100%)	130 (100%)	564 (100%)	44 (100%)
Total very low, low, mod income renting households	2,901 (55% of whom are in stress)	1,451 (54% of whom are in stress)	287 (45% of whom are in stress)	903 (62% of whom are in stress)	81 (55% of whom are in stress)

Source: JSA 2022, based on data from ABS Census of Population and Housing 2016 (Table Builder)

5.6.3 Housing Stress among Home Purchasers

At the time of the 2016 Census, there were around 600 purchasing households in housing stress in the Queanbeyan-Palerang LGA.

Compared to Rest of NSW, there is a somewhat lower rates of housing stress among very low and moderate income purchasing households in the LGA, while purchase stress among low income purchasers is slightly higher as shown in the following graph. It is likely that the situation will be quite different when 2021 Census data is able to be analysed.

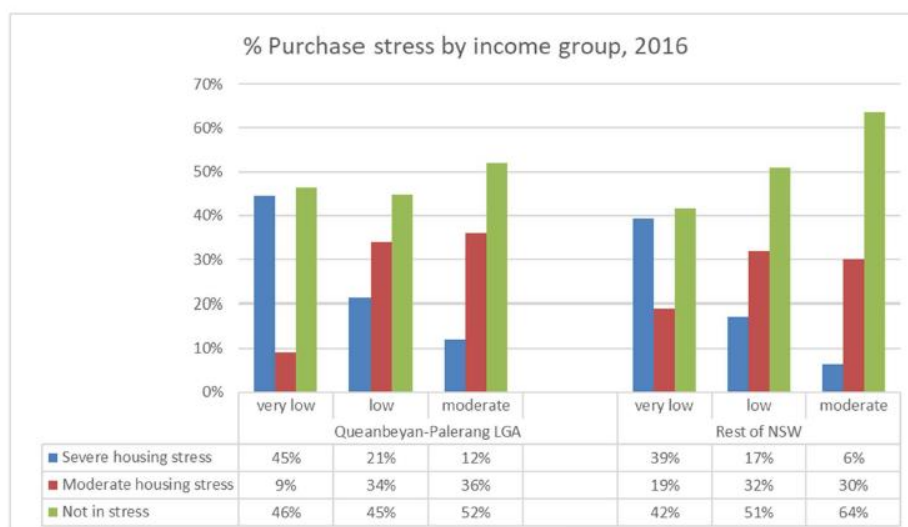


Figure 5.8: Housing Stress among very low, low and moderate income purchasing h/holds in Queanbeyan-Palerang LGA compared with Rest of NSW

Source: JSA 2022, derived from ABS Census, Table Builder 2016

Again, purchase stress is not evenly distributed across households.

The largest group were lone person households. When couple only households are included, this means that 60% purchasers in housing stress would need smaller dwellings, with the balance (40%) needing larger/family dwellings

The breakdown in income and main household type of those in purchase stress in Queanbeyan-Palerang LGA is set out in the table below.

NOTE: the numbers below differ from those in Table 5.16 above due to the non-inclusion of 'not stated', 'non-classifiable', 'group' and 'visitor only households', as well as Census randomisation. Table 5.16 is relied upon for absolute numbers.

Table 5-19: Purchasing Households in Housing Stress for Queanbeyan-Palerang LGA

	All Purchasing Households	Lone person purchasing Households	Couples without children H/hs	One family w/ children Households
Very Low Income Households	95 (16%)	22 (10%)	0 (0%)	7 (4%)
Low Income Households	166 (28%)	56 (27%)	17 (29%)	57 (32%)
Moderate Income Households	338 (56%)	132 (63%)	42 (71%)	116 (64%)
Total in Stress	599 (100%)	210 (100%)	59 (100%)	180 (100%)
Total very low, low and moderate income purchasing households	1,181 (51% of whom are in stress)	464 (45% of whom are in stress)	147 (40% of whom are in stress)	316 (57% of whom are in stress)

Source: JSA 2022, based on data from ABS Census of Population and Housing 2016 (Table Builder)

The affordability and housing need data discussed above indicate a significant housing affordability problem for the LGA, much of which is not readily able to be addressed through the market, particularly for very low and low income renting households, and for low and moderate income purchasing families.

5.7 Case Studies

5.7.1 Key Worker Case Studies

Overview

We have analysed the indicative incomes for different types of 'key workers' likely to be on very low, low and moderate household incomes, and the amount that they could affordably pay in rent. This helps to put a more 'human face' on the problem of affordability in the local context.

Award rates for key workers have been taken from the Fair Work Ombudsman website,⁶² with key worker industries including aged care, health, education, and hospitality.

Examples of some of these very low, low and moderate income 'key worker' households, using the maximum income benchmarks set out above, are provided below.

Very Low Income Key Worker Households (<\$742 p/w)

Some examples of very low income key worker households are as follows:

⁶² <https://calculate.fairwork.gov.au/findyouraward> accessed 5 August 2022.

- A lone person working part-time as a lower-level aged care worker. This person would earn around \$700 for a 30 hour week.
- A lone person working part-time as a cleaner. This person would earn around \$650 for a 25 hour week.
- A couple with a young child, with one person caring for the child and the other working part-time as a first year nursing assistant. This couple would be on an income of around \$700 for a 30 hour week. Note that this family may receive Commonwealth Rental Assistance of up to \$73 per week depending on their level of Family Tax Benefit.

These households would need to pay less than \$210 rent per week for their housing.

A very low income key worker household would therefore be unable to affordably rent even a studio or one bedroom apartment or a room in a Boarding House in Queanbeyan-Palerang LGA.

Low Income Key Worker Households (\$743-\$1,187 p/w)

Some examples of low income key worker households are as follows:

- An adult process worker, who would earn around \$835 per week.
- A lone person working full-time as a level 2 aged care worker. This person would earn around \$896 per week.
- An adult working full time as a storeman or in warehousing, who would earn around \$886 per week.
- A lone person working full time as a cleaner. This person would earn around \$865 per week.
- A couple with a young child, with one person caring for the child and the other working full-time as an experienced nursing assistant. This couple would be on an income of around \$941 per week. Note that this family may receive Commonwealth Rental Assistance of up to \$73 per week depending on their level of Family Tax Benefit.
- A single parent working full-time as an experienced enrolled nurse. This person would earn around \$984 per week.

These households would need to pay between \$250 and \$295 rent per week for their housing to be affordable under relevant benchmarks.

They would be unable to afford to rent any dwellings of any size in Queanbeyan-Palerang LGA, although at the upper end, they could likely afford a room in a Boarding House or Co-Living Housing development, although this would not be suitable for a family.

Moderate Income Key Worker Households (\$1,188-\$1,781)

Some examples of moderate income key worker households are as follows:

- A lone person working full-time as an ambulance officer. This person would earn around \$1,116 per week.
- A lone person working as a teacher with a four year degree and five years experience. This person would earn around \$1,574 per week depending on grade.

- A lone person working as a level two registered nurse. This person would receive a gross weekly income of around \$1,265 per week.
- A couple with one person working part-time as a cleaner and the other as an Enrolled Nurse. This couple would receive an income of around \$1,658 per week.

These households would need to pay between \$350 and \$500 rent per week for their housing to be affordable under relevant definitions.

None of these moderate income key worker households could affordably rent a separate house. At the lower end, they could afford to rent a one bedroom apartment, or a room in a Boarding House or Co-Living Housing, and at the higher end, a two bedroom apartment.

5.7.2 Centrelink Recipients Case Studies

As a subset of households on very low incomes, people who are receiving some form of Centrelink payment, such as a single aged pension, disability support pension or NewStart allowance, would be excluded from affordable rental in most housing products in the LGA.

Some examples of the affordability situation of very low income households dependent on Centrelink payments are as follows:

- A single aged pensioner with no superannuation would have an income of \$494 per week including relevant supplements, and could afford to pay \$221 in rent including Commonwealth Rental Assistance.⁶³ **This household could not affordably rent even a one-bedroom apartment or Boarding House room in Queanbeyan-Palerang LGA.**
- An aged pensioner couple with no superannuation and receiving Commonwealth Rental Assistance. This household would have an income of \$744 per week including relevant supplements, and could afford to pay \$292 in rent including Commonwealth Rental Assistance.⁶⁴ **This household could not affordably rent even a one-bedroom apartment in Queanbeyan-Palerang LGA, although they could likely afford a room in a lower amenity Boarding House.**
- A single person on JobSeeker Allowance would have an income of \$321 per week, and could afford to pay \$169 in rent including Commonwealth Rental Assistance.⁶⁵ **This household could not affordably rent anything in Queanbeyan-Palerang LGA.**
- A single parent household with two children who is receiving parenting allowance and relevant supplements would be on an income of \$779 per week, and could afford to pay \$307 per week in rent including Commonwealth Rental Assistance.⁶⁶ **This household could not affordably rent anything in Queanbeyan-Palerang LGA.**

⁶³ Around \$73 per week for eligible households.

⁶⁴ Around \$69 per week for eligible households.

⁶⁵ Around \$73 per week for eligible households.

⁶⁶ Around \$73 per week for eligible households.

5.8 Gap Analysis

5.8.1 Need for affordable housing

Based on levels of housing stress in Queanbeyan-Palerang LGA in 2016, around 2,200 very low, low and moderate income households were estimated to be in housing stress at the 2016 Census. By 2041, this is projected to **grow by 1,575 households to a total of 3,775 households** in housing stress.

Of these, around **75% are likely to be renters** and the balance purchasers. Of renters, **around 55% of are likely to be very low income households**, with around 25% low income households, and 20% moderate income households.

Forecasts by .id Consulting indicate that there will be an additional 11,942 dwellings required from 2016 to 2041, or an increase of 50% of dwellings over the period, as discussed above. A 50% in housing stress pro rata increase has been assumed across household, income and tenure types to calculate additional housing need from 2016-41.

Of additional dwellings, 4% of dwellings were rented as social (public and community) housing in NSW in 2021. Although the local rate is somewhat lower, given the extent and nature of housing stress amongst very low income renters in the LGA, it is reasonable to assume that at least the same proportion as NSW should be provided as social housing in the future. As such, an **additional 478 social rental housing dwellings** would be required by 2041. Based on household type distribution for very low income renters in housing stress, this would need to be configured as 60% smaller dwellings and 40% family dwellings. It is also noted that this is far less than the number of very low income renters in private rental in housing stress, so that a much larger amount of social housing will in reality be needed by 2041.

This breakdown is shown in the table below for existing affordable housing need, projected affordable housing need 2016 to 2041, and total projected affordable housing need (current plus projected).

Table 5-20: Need for Affordable (including Social) Housing to 2041 (Current and Additional)

		Renting Households			Purchasing Households		
		Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
Total Required (at 2016) (1)	Affordable to Very Low Income Households	532	207	739	71	24	95
	Affordable to Low Income Households	258	220	478	93	73	166
	Affordable to Moderate Income Households	160	222	382	202	136	338
Additional Required 2016-2036 (2)	Affordable to Very Low Income Households	266	104	370	36	12	48
	Affordable to Low Income Households	129	110	239	47	37	83
	Affordable to Moderate Income Households	80	111	191	101	68	169
Social Rental Housing (3)	SH Affordable to Very Low Income Households	287	191	478	n/a	n/a	n/a

		Renting Households			Purchasing Households		
		Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
Total Required in 2041 (2)	Affordable to Very Low Income Households	798	311	1109	107	36	143
	Affordable to Low Income Households	387	330	717	140	110	249
	Affordable to Moderate Income Households	240	333	573	303	204	507
	TOTAL	1,712	1,165	2,877	549	350	899

Source: JSA calculations, using data from ABS Census of Population and Housing 2016 and .id Consulting Population Forecasts

- (1) Housing stress analysis has been undertaken using ABD 2016 Census data as the data that would enable the analysis for 2021 to be conducted through TableBuilder had not been released at the time of writing.
- (2) Calculated using pro-rata household growth from population projections, that is, a 50% growth in dwellings from 2016-41.
- (3) Minimum number of the projected dwellings from 2016-41 required to maintain the proportion of social housing dwellings at the current NSW rate (4%), and distributed in accordance with smaller and larger households in housing stress (60%/40%).

5.9 Ability of the Market to Supply Affordable Housing

Overview

There is very limited opportunity for the market to provide affordable housing to meet current and projected need, as outlined above.

With regard to **renters**, no very low and low income renters would be able to rent affordably in the private market, particularly considering that newly constructed dwellings in the future are likely to reflect at least median and likely third quartile rents. The upper 50% of moderate income households could affordably rent a smaller strata dwelling, but those needing accommodation suited to families would likely be excluded.

This means that around 95% of very low, low and moderate income renters in housing need would be excluded from renting affordably through the private market, although the provision of **studio and one bedroom apartments** would be highly beneficial in terms of lower cost housing and increased diversity of supply, and **boarding housing and co-living accommodation** would be affordable to some of these target groups if it were available. It is also noted that around 75% of flats and units and 50% of medium density housing types in the local housing market are in private rental compared with only around 15% of houses.

Lower cost caravan parks and MHEs, where these were community housing managed and/or where people could bring their own lower cost home to a site, would also be affordable to some of the target group.

In terms of **purchasers**, it is positive that smaller (one and two bedroom) strata dwellings are likely to be affordable to around 25% of low income purchasers and all moderate income purchasers, with these more likely to be suitable for smaller households. However, in general, non-strata dwellings (houses) were not affordable to any families in the target groups, although smaller families could likely be suitably housed in larger strata dwellings.

This means that around 55% of very low, low and moderate income purchasers would be excluded from affordable purchase in the future, although it is positive that an increase in the supply of strata dwellings would provide affordable purchase for around 45% of the relevant target groups, and lower cost (if not affordable) accommodation for others, and increased diversity around key centres. Again, MHEs and caravan parks where people could bring their own dwelling (rather than one subject to exorbitant mark ups), as well as smaller entry level project homes on small lots, would also likely be beneficial in terms of lower cost (if not always affordable) accommodation.

When renters and purchasers are combined, this means that around 85% of current and projected affordable housing need is unlikely to be met by the private housing market in the future.

This has strategic implications, including with regard to the current planning and development regime, the nature and location of future supply, and the nature of market intervention that is likely to be effective, as discussed in the following section.

6 Stakeholder consultation

6.1 Overview

Judith Stubbs and Associates conducted a series of telephone and video conferences with targeted stakeholders to better understand the current context of the local housing market and need for affordable housing and homelessness services in the Queanbeyan-Palerang LGA, with particular focus on the key centres of Queanbeyan and surrounds, Bungendore and Braidwood.

Stakeholders from within QPRC, NSW government, community housing providers, specialist homelessness services, other relevant housing/support services, local real estate agents and developers interviewed included:

- QPRC Program Coordinator, Community.
- Department of Communities and Justice (DCJ) – Southern NSW (Commissioning and Planning and Senior Project Officer Homelessness)
- Land and Housing Corporation (LAHC) – Southern NSW (Delivery Director)
- Aboriginal Housing Office (AHO) - JSA has reached out to the Sydney/South Eastern Region to provide an overview and perspective on current housing need, priorities and plans for the AHO in the QPRC.

Community housing providers, specialist homelessness services, other relevant support services and community organisations including:

- Argyle Community Housing (CEO and GM Operations) [still awaiting interview at the time of writing]
- Braidwood Community Association (Sue Murray)
- Braidwood Life Centre (Maria Bakas)
- Karabar Housing Co-operative (Vivienne Cox)
- Molonglo Support Services – Your Place Housing Support Service (CEO & SHS Generalist Homelessness Service Coordinator)
- SEARMS Community Housing Aboriginal Corporation (Operations Manager)
- Sleepbus Queanbeyan (CEO / founder)
- St Benedict's Community Centre (Coordinator)

As at 05/08/2022 we have not yet received a response to our enquiry from HOME in Queanbeyan and SYFS Crisis Youth Refuge Queanbeyan; and we have been unable to contact the Munjuwa Health, Housing and Community Aboriginal Corporation.

Local real estate agents interviewed were:

- Bradys Real Estate Bungendore

- PRD Bungendore
- Ray White Bungendore
- Gilbert R.E. Bungendore
- Ray White Braidwood
- Nutrien Harcourts Braidwood
- Blackshaw Queanbeyan & Jerrabomberra
- Raine & Home Queanbeyan & Jerrabomberra
- Ian McNamee & Partners (Queanbeyan, Jerrabomberra, Googong)

JSA did not received responses to our enquiry and follow ups from LJ Hooker Queanbeyan, Ray White Queanbeyan & Jerrabomberra, Estate Real Estate (Queanbeyan) and White Rhino Property (Queanbeyan).

Developers' contacts were also provided by QPRC, and representatives of the following were interviewed:

- Aland Pty Ltd (CEO)
- Googong Township Pty Ltd (Project Director)
- Village Building Company Pty Ltd (Project Manager).

6.2 Key findings from consultation

6.2.1 Overview

The Queanbeyan region does not appear to be identified by NSW housing agencies (DCJ, LAHC) as a high priority area in comparison to other parts of NSW. LAHC reported that at this stage there are no plans for any major construction projects or redevelopment of existing stock, for example, to provide for increased diversity of existing older low density stock, although it would be interested in any proposals from Council and a community housing provider with regard to potential opportunities. DCJ has current funding available for providers to deliver supported, transitional accommodation for women and children escaping family violence through new Core and Cluster designed developments, although it no longer provides capital funding (now the role of LAHC).

However, Argyle Housing reports that Queanbeyan-Palerang LGA is a high priority for them, with strongly growing need for social housing and affordable rental housing, but difficulties for them in expanding their stock portfolio in the LGA due to the high and increasing cost of purchase of land and dwellings, the high cost and lack of supply of properties for them to headlease in the private rental market, the deep subsidies required to house most people on their waiting list, and the lack of engagement of previous Councils in the LGA in this policy area, including with regard to supporting Argyle to expand in the area, or to identify land for potential development and management partnerships.

Registered Aboriginal community housing provider SEARMS Community Housing Aboriginal Corporation reports that Queanbeyan is a high priority area for their service, receiving requests for housing in the Queanbeyan from *“at least three people a week, every week”* who are experiencing homelessness, sleeping either in their cars or couch surfing with friends or family. SEARMS notes that overcrowding for Aboriginal households is a continuous challenge, with affordability issues making the issue more acute as adult children do not leave, or may return to, the family home and have children of their own. **Lack of cross-border service accessibility**, particularly for Aboriginal people in Queanbeyan to culturally appropriate services and supports in the ACT, due to their postcode of residency was also raised.

There is a **very committed and active group of housing services and community organisations** in Queanbeyan and Braidwood working to respond to increasing affordable housing need and homelessness. In 2018, services in Queanbeyan formed the Queanbeyan Housing Action Collective (Q-HAC) to plan innovative ways to address homelessness and affordability concerns in the Queanbeyan region. Q-HAC successfully fundraised over \$100,000 to deliver a sleepbus to Queanbeyan that provides a safe sleep for around 20 people each night. Q-HAC member organisations have housing projects that they would like to develop, but all require land and/or a high level of subsidy to purchase land to deliver.

Braidwood is experiencing a **‘perfect storm’ of factors** that has reduced housing affordability and pushed low-income private renters into homelessness, including construction and operations of the Dargues Reef gold mine, 2019/20 bushfires and the flow-on effects of the Covid pandemic to the local housing market. Older people living on their own, often in poor health, and single parents with children have been identified as particular groups experiencing homelessness either in overcrowded shared accommodation, couch surfing or living in cars, old caravans or sheds. The distance from Braidwood to the next nearest centres (e.g. Batemans Bay, Goulburn or Queanbeyan) and affordability challenges in these areas, severely limit how far and where people can go if pushed out of the local housing market yet still have employment, services and social ties in Braidwood.

Providers and services identify **blockages and supply gaps at all levels of the social housing system** from emergency accommodation to transitional housing to longer-term social and affordable housing; with people staying in emergency accommodation longer due to lengthening waiting times for approval of priority applications for social housing, to people remaining in social housing due to an inability to exit into affordable housing in the private market, whether rent or purchase, or into smaller social housing dwellings from larger underoccupied houses.

Real estate agents consulted identified a range of factors reducing affordability of and severely restricting access to the private rental market in Queanbeyan, Bungendore and Braidwood. Some trends that are common across the areas including very low vacancy rates (near 0%), **cyclical job postings in the public service** and the influx of higher income workers and families to the region during the Covid pandemic. There are distinct factors influencing demand in each such as skilled migrants with **regional residency visa requirements** in Queanbeyan, Defence postings and expansion of the ADF headquarters on the Kings Highway for Bungendore and a shrinking supply of lower cost private rental properties in Braidwood.

Developers consulted report that key constraints from their perspective include the **delivery of land**, with particular demand for smaller blocks across the LGA but especially in Bungendore where current controls set minimum lot sizes at 850sqm; and **current controls that limit development of Shoptop housing and Residential flat buildings** in the Queanbeyan area. In particular, parking requirements and ground floor commercial requirements in B3 zoned areas were identified as impediments. Height and permissibility constraints were also noted in some areas and zones. They noted that there is strong unmet demand for smaller strata dwellings, with such planning constraints limiting their development. This largely validated the findings of JSA's planning and economic analysis, reported below.

6.2.2 Findings from State government agencies (AHO, DCJ and LAHC)

- The QPRC and the DCJ Queanbeyan Allocation Zone is not considered a high priority by DCJ and LAHC when compared with other areas of NSW.
- Recent funding initiatives for the area include Core and Cluster funding for new supported, transitional accommodation for women escaping family and domestic violence and the Staying Home Leaving Violence program.
- In 2020, LAHC completed 18 social housing properties for seniors at 26-30 Thurrallilly Street, Queanbeyan East.⁶⁷ As of August 2022, LAHC reports that there may be a few dual-occupancy redevelopment projects in train. However, it reported that at this stage there are no plans for any major construction projects or redevelopment of existing stock, for example, to provide for increased diversity of existing older low density stock, although it would be interested in any proposals from Council and a community housing provider with regard to potential opportunities. This would include potential sources of funding, partnership arrangements, and controls that would support redevelopment.⁶⁸
- DCJ is interested in working with LAHC, community services and partners to better utilise the stock that is held to meet the greatest need possible.
- AHO reports that it does not have new supply planned for Queanbeyan through its Capital Program to FY25, noting that the LGA is mid-ranking in terms of Aboriginal social housing demand based on its modelling when compared with all areas of NSW. The focus of the AHO Capital Program has recently been on areas that rank highly based on its demand modelling, or on remote and regional locations where alternative housing options for Aboriginal families may be fewer. The AHO recognises that there is housing need in Queanbeyan, but that attempts to acquire development land in the LGA have been unsuccessful in recent years due to the area's highly competitive property market. The AHO does not have any vacant land holdings in the LGA and as such requires access to well-located land suitable for low to medium density housing. AHO reports that it welcomes opportunities to acquire land suitable for small-scale housing development

⁶⁷<https://www.dpie.nsw.gov.au/land-and-housing-corporation/regional/thurrallilly-st-and-pound-st,-queanbeyan-east>, accessed 03/08/2022.

⁶⁸ Telephone interview with LAHC Delivery Director Southern NSW District, 05/08/2022.

(typically 1-6 dwellings) or receive further input with regard to local Aboriginal housing needs.⁶⁹

6.2.3 Findings from community housing, specialist homelessness services and support organisations

Opportunities and constraints

- **Supply of land** is seen as the key opportunity for organisations seeking to increase the supply of affordable housing in the QPRC area, with high costs of private land and a perceived limited supply of suitable public land a key constraint. Different organisations have development proposals that they are keen to progress, but they require land.
- Molonglo Support Services requires land to progress its plans for a **Core and Cluster model of refuge accommodation**⁷⁰ for women and children experiencing domestic and family violence that includes supported, independent living around a shared/common service space (e.g. 2 x 3 bedroom units around a core service centre). In 2021, NSW Government announced funding to deliver new Core and Cluster model refuges across the state over the next four years, including three new projects and one targeted Aboriginal-led project in the DCJ Southern District (which includes the QPRC). Molonglo's preferred location for a Core and Cluster project is a residential area within Queanbeyan, but would be open to exploring other possibilities. The tender period for tranche 2 funding is Sept-October 2022, with a third tranche to open in early 2023.⁷¹ The service is very open to exploring other possible options to increase supply of emergency, transitional and long-term affordable housing including **tiny homes, use of redundant car parks and creative transformations of spaces for safe night-time stay options**.
- Karabar Cooperative Housing has been in discussions with a private developer of the Googong new release area about potential to develop 21 one and two bedroom townhouses on a site in the housing estate. It is uncertain what contribution the organisation would be able to make should the developer require a partial purchase of the site. Karabar is also considering reconfiguration of some of their dwellings to create more housing.
- Braidwood Life Centre has successfully fundraised to re-locate a demountable dwelling to church-owned land to be used for emergency accommodation (up to three months stay) for people in crisis in Braidwood. It is understood that the approvals process to achieve Council compliance to upgrade and install the dwelling was a lengthy process, with DA fees of over \$25k eventually waived after the issue was brought to a Council meeting by the Community Team. **Internal referrals/protocols between the Planning and Community Teams** could

⁶⁹ Correspondence provided by Senior Client Relationship Officer – Contracts Sydney South East Region, Aboriginal Housing Office following internal consultations with AHO Property and Portfolio team members.

⁷⁰ Department of Planning and Environment, Domestic Violence Crisis Accommodation Functional Design Brief, <https://www.facs.nsw.gov.au/domestic-violence/new-investment-housing-and-related-supports-for-women-and-children-escaping-domestic-and-family-violence>, accessed 01/08/2022.

⁷¹ Procurement, <https://www.facs.nsw.gov.au/domestic-violence/new-investment-housing-and-related-supports-for-women-and-children-escaping-domestic-and-family-violence>, accessed 01/08/2022.

be reviewed to explore how to improve efficiency and reduce costs associated with the DA process for services/community organisations with affordable housing development projects.

- A 'perfect storm' of factors in Braidwood is reportedly pushing local low-income private renters, particularly older people on their own and one parent families with children, into homelessness. Braidwood Life Centre provides food, petrol vouchers, mental health and social supports to a growing number of people who are living in crowded shared accommodation, their cars and in caravans and sheds. The Centre, and others in the Braidwood community, would like to create an affordable housing development in **close proximity to the town centre** if **suitable land** could be identified based on the Abbeyfield model or tiny home/MHE model of self-contained independent living units with some common areas and facilities to foster community and social support.
- An **Abbeyfield** model of supported accommodation for older people has been put forward for **Bungendore**, with different sites explored and community fundraising undertaken. It is understood that Council has now identified an appropriate site near the town centre, but requires a Planning Proposal to make the site permissible.
- Services report that LAHC has **sold public land and properties** in the Queanbeyan area in the past to private purchasers with little re-investment of social housing stock into the area. Independently funded charities report that they cannot compete in the private market for public land that is for sale. A search on EAC RedSquare database of properties sold in the LGA since 2020 showed that 4 single storey dwellings in Karabar have been sold by the NSW State Government.
- Other things Council could do to respond to housing need in the area identified by those services consulted included considering ways to reduce on-going costs for affordable housing developments through rates etc and considering ways to ease restrictions and increase approvals for secondary dwellings/granny flats.
- JSA carried out an interview with the CEO of **Argyle Housing** on 12 August 2022. Argyle Housing currently holds around 130 properties in the Queanbeyan area including some that they own, some capital properties that they manage on behalf of LAHC, some properties that they manage on behalf of Blue CHP (a non-profit, affordable housing development company), and some that they headlease from the private rental market. They do not hold any properties in other townships in the LGA, such as Bungendore or Braidwood, outside of Queanbeyan. They are unaware of any other CHP that holds or manages properties in these towns.

Argyle Housing notes that the **QPRC is an area of high need and has a worsening housing affordability situation in recent years**. Where Queanbeyan has previously been an area where Argyle has been able to affordably purchase and headlease properties to add to its portfolio, it is no longer undertaking these activities there due to increasing costs. Argyle has Social and Affordable Housing Fund (SAHF) funding from the NSW government for the community headlease program which have quotas attached for most of their operating areas in NSW. Argyle reports that it is "increasingly difficult to impossible" to meet the head leasing quotas for the Queanbeyan area due to increasing costs.

“Anything buffered along the boundary of the ACT is being squeezed dry for housing. We have seen it in Yass, Murrumbateman, Queanbeyan and now further into the smaller towns due to unaffordability in Canberra. People are pushing out into those areas where they never thought to go previously due to the lack of availability and higher housing costs in last few years.”

Whilst Argyle acknowledges that the area should be a priority for the organisation due to the level of need, it has not been recently due to a lack of engagement from the previous Council and the high costs of purchasing or undertaken developments on their own without grant funding or substantial partnership opportunities, including on Council or other publicly owned land. As a result, the organisation has chosen to pursue projects where they have been able to secure partnerships with local Councils who are committed to affordable housing in order to deliver new projects on granted public land, such as in Griffith and Wagga Wagga.

Argyle welcomes the opportunity to re-engage with the QPRC and work on projects where, as in the case of their Griffin Green project with Griffith City Council,⁷² the local community will receive an in perpetuity affordable housing asset as well as other local economic benefits from the project.

Gaps and blockages

- There is reportedly a very **limited supply of emergency accommodation and transitional housing** in the QPRC LGA and wider DCJ Southern Region, with options for men on their own particularly scarce. Some motels and caravan parks that previously provided emergency accommodation are no longer doing so.
- **Waiting times for approved priority applicants for social housing have lengthened** from three to four weeks (typical experience five years ago) to 12-18 months or more. This results in people staying in emergency and transitional housing well past the three or six months intended. *“These days it is likely to be a two-year journey before we can get someone who is homeless into secure and stable affordable housing. We cobble together whatever we can in the meantime – couch surfing, pub rooms, caravan parks. The wait for social housing is so long and there is little to no emergency and transitional housing here. The opportunities to get people housed are drying up.”*⁷³
- Local SHS reports that this blockage is caused by a **lack of suitable social housing dwellings** in the area, plus an inability of existing social housing tenants to exit into affordable private housing - rental or purchase - due to lack of supply. Waiting times for general applicants for social housing across all dwelling types in the DCJ Queanbeyan allocation zone are reportedly 5-10 years as at 31 June 2021.
- Karabar Co-operative Housing provided JSA with its current waiting list, as Karabar is not a registered Community Housing Provider, it is able to manage its own waiting list. As at August 2022, there were 20 households on its waiting list comprised of a mix of lone person

⁷² <https://argylehousing.com.au/about-us/projects/>

⁷³ Interview with St Benedicts Community Centre Coordinator, 22/07/2022.

households, single parent families with children and couples seeking a mix of one, two and three bedroom properties. 45% have been on the waiting list for less than 12 months, 25% less than 2 years and 30% two or more years. Some households had identified complex needs related to taking on caring of a family member, domestic and family violence or accessibility requirements.

- Services report that there is **no cross-border relationship or collaboration** between DCJ Link2Home and ACT One Link systems regarding emergency accommodation or social housing. Services report tremendous difficulty in assisting people in NSW into housing or supports in the ACT, despite in some cases the client being engaged in employment and training in the ACT.
- In response to increasing homelessness and lack of emergency accommodation, Q-HAC members⁷⁴ and the Queanbeyan community raised over \$100,000 and worked with QPRC to establish a sleepbus service in Queanbeyan that is able to provide a safe sleep for around 20 people per night.⁷⁵
- The sleepbus has been operating successfully for nearly 12 months and provides safe sleeps to singles, couples, family groups and pets. As at 26 July 2022, sleepbus Queanbeyan has provided 714 safe sleeps across 335 service days (73% male sleeps, 27% female sleeps) plus 17 pet sleeps.⁷⁶
- Currently, sleepbus cannot accommodate people with physical disabilities due to accessibility limitations of the bus. The **lack of suitable emergency accommodation for people with a physical disability** was repeatedly identified as a gap by those consulted.
- sleepbus founder/CEO reports that they are seeing an increasing number of people who are using sleepbus who are first time homeless, and others who are working but cannot access affordable accommodation. *"We've got plenty of working homeless. It is a big concern in the area. I am worried we are going to see more people. It is just a lack of affordable housing. I don't think it is necessarily about having a job or not."*⁷⁷
- The sleepbus is acknowledged by its founder/CEO and some Q-HAC members to be both a successful community initiative and valuable contribution, yet ultimately a 'band-aid' solution in the absence of a real increase in emergency and long-term supported affordable housing for those with complex needs. sleepbus is clear about the limitations of its contribution, *"We provide a safe sleep and that is it. We do our bit and we leave. We play our part so that hopefully the services that have the skills to work with people and get them off the street are working with someone that is better rested. That's it."*⁷⁸
- Mental health, drug and alcohol, family and non-family violence are key issues identified by services that contribute to homelessness and difficulty maintaining tenancies. The Molonglo Support Service (the SHS for the area), SEARMS and other support

⁷⁴ Karabar Cooperative Housing, St Benedicts Community Centre, Molonglo Support Services, xxx, xxx.

⁷⁵ <https://www.sleepbus.org/>

⁷⁶ <https://www.sleepbus.org/sleepbuslive>, accessed 28/07/2022.

⁷⁷ Interview with sleepbus founder and CEO, Simon Rowe, 19/07/2022.

⁷⁸ Interview with sleepbus founder and CEO, Simon Rowe, 19/07/2022.

organisations report that people with complex needs often require intensive and long-term supports. Molonglo Support Service reports that it receives over 1,000 referrals annually from police through the Women's Domestic Violence Court Advocacy Service (WDVCAS) program, which are only those incidents attended to by police and related to women. SEARMS notes that connecting its Aboriginal tenants with quality, culturally appropriate health, social support, education/training and employment services is especially important; with the inability of NSW clients to access ACT services due to their postcode of residency a challenge for the Queanbeyan area.

6.2.4 Findings from real estate agents on factors influencing the private rental market

Common trends across the areas

Current **vacancy rates are very low**, near 0% across Queanbeyan, Bungendore and Braidwood. Agents report that vacancy rates are typically low in the area, around 1-1.5% in Queanbeyan; but that Bungendore and Braidwood used to have higher vacancy rates (7-8%) but that vacancy rates have dropped in recent years.

The Covid pandemic has reportedly changed movement patterns, with demand increasing, particularly in Bungendore and Braidwood, from those outside the area looking to live in regional/rural area with the ability to work from home and/or easily access Canberra.

Agents also report a **shrinking supply of private rental properties** since Covid due to:

- Owners moving back into their investment properties to live; and
- Investors deciding to sell their properties and exit the market due to increased regulation. These properties have reportedly been sold to owner occupiers, a mix of first home buyers and retirees from both within and outside the area.

Agents report that high demand for rental properties across Queanbeyan, Bungendore and Braidwood is also driven by:

- New and cyclical **job postings in key industries** across the region particularly public servants/key workers in Defence, education, health and police; gold mining and destination hospitality around Braidwood.
- This is particularly apparent in Bungendore, due to its proximity to the ADF Headquarters Joint Operations Command (HQJOC) along the Kings Highway 18km east of Queanbeyan and 12km south of Bungendore. This complex, which commands and controls ADF operations around the world, is currently undergoing expansion and upgrades that are projected to create 300 jobs⁷⁹ and double the capacity of the facility in the coming years.⁸⁰

⁷⁹ NSW Liberal Party, \$700 million defence facility expansion to protect nation and deliver jobs in Eden-Monaro, 10 May 2022, [https://nswliberal.org.au/Shared-Content/News/2022/\\$700-million-defence-facility-expansion-to-protect-nation-and-deliver-jobs-in-Eden-Monaro](https://nswliberal.org.au/Shared-Content/News/2022/$700-million-defence-facility-expansion-to-protect-nation-and-deliver-jobs-in-Eden-Monaro), accessed 19 July 2022.

⁸⁰ Australian Government Defence News, Upgrades underway at Joint Operations Command, 13 January 2022, <https://news.defence.gov.au/capability/upgrades-underway-joint-operations-command>, accessed 19 July 2022.

- Visa categories for **skilled migrants with regional residency requirements** – living in Queanbeyan meets those requirements whilst providing access to employment opportunities of Canberra and the region.⁸¹ Demand from this group reportedly did not slow during the pandemic as there were people already in the country in this situation and skilled entry for those that were already approved continued relatively unchanged. It is only expected to increase with further skilled immigration.

Perception of current market: Queanbeyan, Jerrabomberra & Googong

Vacancy rates are currently very low (0% to 1%) in Queanbeyan, Jerrabomberra and Googong as at late July 2022. Agents report that the current market is ‘difficult for renters’ with high demand from migrants with regional residency visa requirements.

One agent noted that two-thirds of the 18-20 applications received per property were from non-Australian passport holders seeking a rental in Queanbeyan to meet their regional residency requirements, but also provide access to employment opportunities of the Canberra/Capital region. This group of prospective renters is reported to be generally comprised of couples, families and family groups (e.g. couple with other family member) with demand for three-bedroom properties.

Other groups of prospective renters in Queanbeyan, Jerrabomberra and Googong include young people and people recently separated, with or without children, with demand for one or two-bedroom properties; and working families in key industries particularly public servants with demand for three and four bedroom properties.

Areas of greatest demand included ‘anything close to amenities and public transport’ as many prospective renters reportedly rely on public transport or have only one car.

Demand is reportedly strongest at the bottom and middle of the market (<\$500). One agent noted that, *“Anything below \$750 is moving very quickly. The demand in middle of the market reflects the need for affordable housing.”*

Demand during the Covid pandemic remained relatively strong due to migrants already in the country with regional residency requirements.

Agents expect a continued tightening of the rental market if investors continue to sell properties to owner occupiers, and that the low vacancy rates will continue.

“For medium to low income earners it is getting harder. We do see a lot of applications for people that can’t afford a property. We get applications from people that are on Centrelink and the rent is more than 100% of their income. They are desperate to find homes, as there is not enough. When it is unaffordable to that extent, it is really hard.”

⁸¹ <https://immi.homeaffairs.gov.au/visas/working-in-australia/skill-occupation-list/regional-postcodes>

Bungendore

Agents report that the private rental market has tightened considerably in recent years, hovering around 0% vacancy rate with homes often leased prior to going to market.

The high demand for rental properties, particularly from people coming from outside the area, coupled with rental properties that have been sold to owner occupiers; has increased rental costs in the area and as one agent reported, *"Become unaffordable for a lot of families."*

Rental demand in Bungendore is driven by new and cyclical public service postings, particularly at the higher end of the market by Defence postings. These are primarily families and couples looking for three and four bedroom properties. One agent noted that, *"Around 50% of our properties in Bungendore are Defence tenants at the higher end of market."*

Since the pandemic, agents report that previous slowing of the market in winter has not occurred due to increased demand from within and outside the area from Sydney, Canberra and elsewhere. Early in the pandemic, some owners reportedly put their properties up for rent and moved to the coast. *"Those properties were snapped up quickly. But there has been next to nothing since, with demand only increasing. Vacancies have been non-existent most of the year. We currently only have 1 property available for rent. Demand is certainly higher than supply at present. Hopefully the new development over the next 12 months will supply additional rental properties onto the market as well as those for sale."*

Braidwood

The current vacancy rate is close to 0% in terms of properties ready to be rented out as some properties have gone off-line while owners renovate or undertake repairs. Agents report that things have slowed from where the market was at 7 or 8 months ago, but also that the supply of private rental properties has decreased due to owners returning, investors selling to owner occupiers and rental dwellings becoming tourist accommodation.

Agents report that rental prices increased \$50-70 per week and owner occupancy has increased during the pandemic. Owners moved back to the area as did people from outside the area who could work from home. Braidwood is seen as a character filled town, attractive to people from Sydney, Canberra, Wollongong and elsewhere seeking a regional lifestyle.

In recent years, construction and now operational Dargues Reef Gold Mine at Majors Creek has increased demand for housing in Braidwood among mine workers. Agents report that rent rolls in Braidwood are 'dominated by working families' with increasing demand at the middle and top end of the market from mine workers, key workers/public servants (teachers, nurses, doctors and police officers) and workers associated with a local wedding and events venue (Mona Farm). Agents report receiving 5-10 applications per property, with a database of interested applicants able to fill properties before going to market.

One agent noted the lack of supply of rental at the lower end of the market, *"We don't really have the properties to match that lower end of the market demand. There are some units that suit younger first-time renters and older pensioners, but it's only a very small number of properties around 5-7% of our rent roll. Without any area for expansion, there will be no opportunity for new rentals and the situation can only become worse."*

6.2.5 Findings from developers

Three private developers operating in the Queanbeyan, Jerrabomberra, Googong and Bungendore areas participated in a telephone interview with JSA. Developers consulted report that key constraints from their perspective include the delivery of land and current controls that do not facilitate the development of smaller dwellings. There is a perception that controls are less restrictive in the ACT compared to Queanbeyan.

Developers note that there is “astronomical demand” for small lot development like villas, terraces and townhouses, but that (for example) R2 zoned areas do not allow Multi dwelling housing, parking requirements and minimum lot sizes of 850 m² in Bungendore.

Current controls are also perceived to be limiting the viability of development of Shoptop housing and Residential flat buildings, with constraints identified including height limits (8.5m) in R4, parking requirements (two car spaces for a two-bedroom unit), bin storage area sizes and ground floor commercial requirements in B3 zoned areas.

Additional infrastructure and community facilities will be necessary to support new growth, with improved public transport between Queanbeyan and Canberra seen as critical and also able to assist with any reduced parking requirements.

Suggestions from developers also include: reducing approval assessment times, reducing s64 and s94 contributions, removing GST from lots, identifying affordable housing in Master Plans, reconsidering RE2 lands to the west of South Jerrabomberra and allowable uses such as seniors housing and terrace homes.

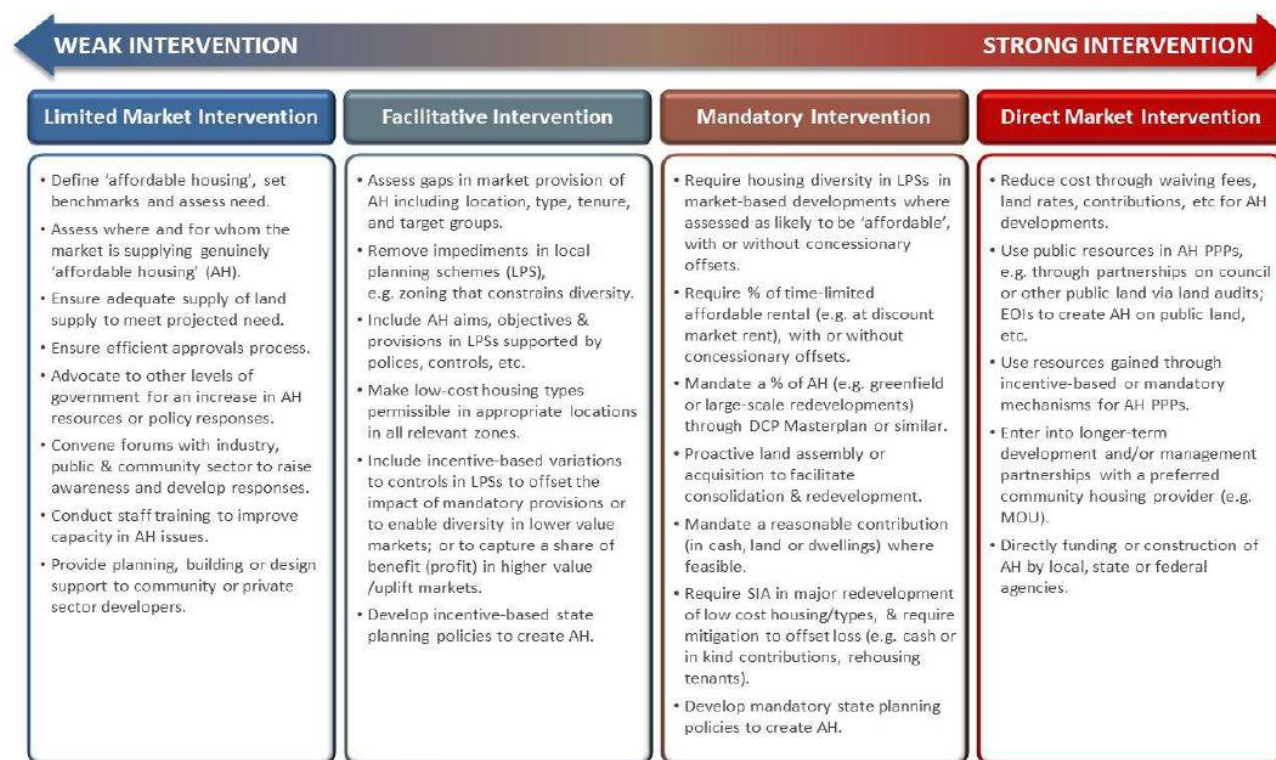
7 Planning Mechanisms and Strategies

7.1 Overview of Mechanisms and Strategies

There are a wide range of strategies available to Council to promote affordable housing in the Queanbeyan-Palerang LGA. These strategies range from light planning intervention, such as education and advocacy; facilitative intervention, such as affordable housing incentives and removing impediments within planning instruments; to strong intervention such as mandatory affordable housing contributions, and direct provision of affordable housing through use of Council land in affordable housing partnerships, as shown in the figure below.

This section provides an overview of the main mechanisms and strategies that would be effective in the local context in accordance with the degree of planning intervention required, with relevant appendices providing more detailed data and analysis where relevant.

A **Case Study Booklet** has also been prepared by JSA which showcases a number of ways in which local government has engaged with affordable housing issues in their local communities (provided as **Attachment A**).



Source: Stubbs (2003); ISA (2011)

Figure 7.1: Mechanisms and Strategies to Create Affordable Housing along a Continuum of Planning Intervention

7.2 Limited Market Intervention

7.2.1 Define affordable housing, set benchmarks and assess need

This Background Report provides definitions of affordable housing, sets benchmarks and assesses need for affordable housing. Definitions, benchmarks and delivery targets can be incorporated into an affordable housing policy. The following are recommended in accordance with statutory definitions and accepted benchmarks.

Table 7-1: Affordable Housing Income, Rental and Purchase Benchmarks – Rest of NSW

	Very Low Income Household	Low Income Household	Moderate Income Household
Income Benchmark	<50% of Gross Median Household Income for Rest of NSW	50%-80% of Gross Median Household Income for Rest of NSW	80%-120% of Gross Median Household Income for Rest of NSW
Income Range (2)	<\$742 per week	\$743-\$1,187 per week	\$1,188-\$1,781 per week
Affordable Rental Benchmarks (3)	<\$223 per week	\$224-\$356 per week	\$357-\$534 per week
Affordable Purchase Benchmarks (4)	<\$255,000	\$255,001-\$406,000	\$406,001-\$610,000

Source: JSA 2022, based on data from ABS (2021) Census of Population and Housing, ABS (2022) Consumer Price Index, indexed to Mar Quarter 2022 dollars, ANZ Home Loan Repayment Calculator <https://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/>

- (1) All values reported are in March Quarter 2022 dollars
- (2) Median household income \$1,434 (ABS Census 2021) for Rest of NSW; CPI 119.7 Sept 2021 123.9 March 2022 Adjusted income \$1,484.
- (3) Calculated as 30% of total weekly household income
- (4) Calculated using ANZ Loan Repayment Calculator, using 05 July 2022 interest rate (3.94% pa) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

7.2.2 Include objectives in EPIs, and develop a strategy & policy

Include affordable housing aims and objectives in EPIs

The provision and maintenance of affordable housing is one of the objectives of the *Environmental Planning and Assessment Act 1979* and so could be considered as an implicit objective of instruments prepared in accordance with the Act. However, including affordable housing aims and objectives in local planning instruments sends a clear message of intention to developers and the community regarding Council's commitment to affordable housing and provides the foundation of the legal architecture to support affordable housing in the local area.

The provision of affordable housing could be included, for example, as one of the objectives of the R1, R3, R4, B3 and B4 zones and other zones where this is considered appropriate. Again, this would show explicit support for affordable housing development through the planning system,

including for affordable housing policies or in the assessment of development applications, discussed below.

Adopt an affordable housing strategy and policy

Likewise, the development of an **affordable housing strategy and an explicit policy on affordable housing** also signals and supports Council's priorities with regard to affordable housing. There are a number of examples of such policies, including those provided at links below.

- Shoalhaven City Council Affordable Housing Strategy:
<https://getinvolved.shoalhaven.nsw.gov.au/29550/documents/61492>
- Bega Valley Shire Council Affordable Housing Strategy:
<https://begavalley.nsw.gov.au/community/affordable-housing-strategy#:~:text=The%20Affordable%20Housing%20Strategy%20provides,now%20and%20into%20the%20future.>
- Inner West Council Affordable Housing Policy:
<https://www.innerwest.nsw.gov.au/community/for-residents/affordable-housing>

7.2.3 Assess where and for whom the market is supplying genuinely affordable housing

Section 5.9 above identifies gaps in market provision of affordable housing, particularly for all very low and low income renters, many moderate income renters apart from the upper half of the income band needing smaller strata dwellings; and for all very low and most low income purchasers, as well as moderate income purchasing families with children.

The market could potentially provide for the needs of around 15% of those likely to need affordable housing by 2041 **provided there was sufficient supply of housing products most likely to be affordable**. This includes well-located smaller (studio, one and two bedroom) strata dwellings and entry level project homes on small lots; special housing products such as Boarding Houses and Co-living Housing; as well as caravan parks and MHEs managed and/or owned by Council or a community housing provider; and affordable seniors' developments.

However, **the needs of around 3,200 household are unlikely to be met through the market by 2041** without strong intervention in the housing market including the active engagement of the planning system to capture value uplift and/or direct provision or funding of affordable housing and affordable housing partnerships.

7.2.4 Set Affordable Housing Targets

Based on the above analysis, total projected need for affordable housing by 2041 would be around 3,775 dwellings, which could form the basis of affordable housing targets. Of these:

- 75% would be renters and 25% would be purchasers;
- Of renters, around 55% of are likely to be very low income households, with around 25% low income households, and 20% moderate income households;
- Of purchasers, a majority would be moderate income households, with a reasonable proportion on low incomes (noting that very low income households currently in housing

stress are likely to have experienced a change in life circumstances, and that this group is unlikely to be able to enter the purchase market in the future);

- Overall, 60% would need smaller strata dwellings and 40% would need homes suited to families with children, noting also the high level of need among very low and low income lone person renting households for studio and one bedroom units as well as boarding house and co-living type accommodation;
- At least 500 additional social housing dwellings will be required by 2041 to maintain the average level of provision for NSW, with 70% of these likely to be needed as smaller, well located strata dwellings and 30% needed as family accommodation, and noting that this does not account for the high rate of very low income households in private rental, many of whom would also likely be eligible for social housing;
- In addition, it is likely that 170 places will be needed in crisis, short-term, transitional and/or supported accommodation for the growing cohort of people at risk of long-term homelessness, noting the almost total lack of such accommodation for men in the Region.

This breakdown is shown in more detail in the table below.

Table 7-2: Need for Affordable Housing to 2041 (Current and Additional/Projected 2016-41)

	Renting Households			Purchasing Households		
	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples	Suitable for Families with Children	TOTAL
Affordable to Very Low Income Households	798	311	1109	107	36	143
Affordable to Low Income Households	387	330	717	140	110	249
Affordable to Moderate Income Households	240	333	573	303	204	507
TOTAL DWELLINGS	1,712	1,165	2,877	549	350	899

Source: JSA calculations, using data from ABS Census of Population and Housing 2016 and .id Consulting Population Forecasts

7.2.5 Ensure adequate supply of land to meet projected need

Overview

There appears to be an adequate supply of land in release areas around Braidwood, Bungendore, Googong and South Jerrabomberra.

However, development of affordable and lower cost housing through the market is constrained by current planning controls with regard to:

- Smaller housing types such as Multi dwellings housing; and
- Small lot housing.

For example, an entry level 140 m² project home on 225m² lot in an R2 zoned area in Bungendore would be just affordable to a low income household, and so would be affordable to all moderate income purchasers. This is typically the zoning in release areas in Bungendore, Braidwood and South Jerrabomberra, with minimum lot sizes generally much larger than this. The development of small lot housing is also constrained to provide two parking spaces per two bedroom dwelling in areas covered by the Queanbeyan LEP.

In R1 zoned release areas, Multi dwelling housing and RFBs can maximise opportunities for smaller homes on smaller lots, with developers interviewed in the preparation of the Background Paper stating that there was very high demand for one bedroom + study homes constructed on 130m² lots in Googong, and likely affordable to some low income purchasers. However, these dwelling types are prohibited in R2 zones; and there are constraints to their development in Bungendore and Braidwood related to minimum site area per dwelling.

Potential Actions

Council could consider:

- Making Multi dwelling housing permissible in R2 zones, or alternately zoning greenfield areas R1 to provide greater flexibility and affordability through the delivery of smaller housing types;
- Reducing minimum lot sizes within greenfield areas, particularly Bungendore (where the most significant impact on affordability would be experienced), and also in Googong, Braidwood and South Jerrabomberra;
- Reduction in parking to actual ownership in two bedroom apartments and Multi dwelling housing, and two bedroom houses on smaller lots (1 parking space);
- Eliminating minimum site area requirements for Multi dwelling housing, and reliance on FSR (typically 0.5).

7.2.6 Ensure efficient approvals process

Overview

This is a matter for consideration by Council and may be relevant to the extent that any delays in approvals are increasing the cost of development, for example, through deferrals or increased

holding charges, and where a more efficient process may accelerate the provision of affordable or lower cost housing.

It has also been reported by developers and not for profit providers interviewed in the preparation of this Background Paper that there have been lengthy delays for relatively simple planning matters, or where development has included the provision of affordable or alternative housing.

Potential Actions

Council could consider the following types of actions:

- Reviewing internal referrals/protocols between the planning and community services teams to explore how to improve efficiency and reduce costs associated with the DA process for developers and not for profit/community housing providers that include a component of affordable and alternative housing, or the potential to increase the supply of lower cost dwelling types such as smaller strata dwellings, boarding houses and co-living housing developments.

7.2.7 Advocate to other levels of government for an increase in Affordable Housing resources or policy responses

Currently, the level of social housing in Queanbeyan-Palerang LGA is around 78% the rate of the NSW average and only 58% the ACT social housing rate. Notably, the proportion of social housing in the LGA has declined significantly in recent years (from 4.4% of dwellings in 2006 to 3.3% of dwellings in 2021), and has also declined in absolute terms over that period.

This is a serious issue in the context of the large and growing number of very low income renters in severe housing stress in the private rental market, rents that are increasing at above average rates in real terms, and a serious lack of supply of private rental, particularly smaller strata dwellings, boarding houses and secondary dwellings. The relative underoccupancy of social housing is also noted, with at least 50% of households in three bedroom houses needing at least one less bedroom, and one-third needing two less bedrooms. The lack of recent activity by NSW Land and Housing Corporation, and that the LGA does not appear to be a priority with regard to future investment or estate renewal to grow stock is also noted.

As such, Council should enter into discussions with the NSW Land and Housing Corporation with regard to increasing the supply of social and affordable housing within the LGA as a matter of urgency.

A preliminary audit of land owned by Land and Housing Corporation has been undertaken as part of this study to identify underutilised sites and other redevelopment opportunities, particularly for smaller medium density housing as part of the forthcoming Affordable Housing Strategy. This is also likely to require amendments to planning controls to facilitate redevelopment at higher than the current densities and stock diversification.

A preliminary analysis and identification of a sample of public housing site and precincts is shown in Appendix B Section 2.14, and is discussed further below.

7.2.8 Convene forums with industry, public and community sector to raise awareness and develop responses.

Council can consider opportunities to convene working parties and forums about opportunities for the provision of lower cost and affordable housing. This could include raising awareness about the importance, likely viability and higher rates of return on housing products such as Boarding Houses and Co-living housing under the Housing SEPP, their role in promoting the efficient use of land, and the potential to provide more affordable and flexible housing options for low income and moderate income key workers and older people.

Other relevant provision of the Housing SEPP that have the potential to increase the supply of smaller apartments, such as Residential flat buildings and Build to Rent in the B3 Commercial Core zone are also important, and could be the focus for workshops and discussions with Community Housing Providers and the development industry, particularly until controls can be amended to increase opportunities for such accommodation within and around key urban centres.

7.2.9 Provide planning, building or design support to community or private sector developers

Council could also consider developing guidelines on the construction and design of affordable housing to provide assistance to developers in delivering affordable housing as part of the Affordable Housing Strategy.

Guidance on best practice on the planning, design and management of multi-tenure development incorporating a proportion of social and affordable housing is available in a project conducted by JSA for the NSW Community Housing Industry Association.⁸²

7.3 Facilitative Intervention

7.3.1 Overview

The provision of **studio, one and two bedroom apartments** are likely to provide more diverse and lower cost (if not always affordable) housing options for very low and low income renting households in housing stress, and to moderate income purchasers; while **Boarding Houses and Co-living Housing and smaller manufactured homes in community managed caravan parks** are likely to provide affordable rental to some low income households and smaller moderate income households. Entry level project homes and villas of one, two and three bedrooms on **smaller lots** are also likely to be affordable to the upper end of low income purchasing households and many moderate income purchasers. Increasing the supply of such accommodation through the market will thus assist in meeting at least some affordable housing need.

It is therefore positive that the planning and economics summarised below, and in more detail in **Appendix C**, indicate that redevelopment of lower value uses for the construction of Shop top Housing, Residential flat buildings and/or Multi dwelling housing in B3, B4, R1, R3 and R4 zones

⁸² <https://communityhousing.org.au/publications/multi-tenure-developments-best-practice-approaches-to-design-development-and-management/>

are likely to be viable, assuming that undue constraints on development discussed below are removed.

The first facilitative strategy is to ensure that there are **no impediments** to the development of such dwellings through the planning system, and to **actively seek to provide opportunities** for their development in appropriate locations through appropriate zoning and controls.

The second facilitative strategy is to actively encourage the take up of opportunities for affordable, diverse and lower cost housing types under the new **Housing SEPP** by the private sector and social housing providers.

The third facilitative strategy is to **provide incentives** for the development of types of dwellings and developments likely to be affordable when provided through the market.

Each of these is discussed in turn below.

7.3.2 Remove Impediments in Local Planning Instruments

Overview

This section investigates planning and economic constraints to the development of Residential flat buildings including Build to Rent, Multi dwelling housing and New Generation Boarding Houses/Co Living Housing within and around the three major urban centres of Queanbeyan, Bungendore and Braidwood.

The following provides a summary of findings, with a detailed examination of opportunities within B2, B3, B4, R1, R3 and R4 zones within and around these urban centres provided in Appendix C.

The preliminary assessment identifies a number of areas where planning controls act as a constraint to development. In summary, impediments to affordable and diverse housing in the LEP and/or relevant Development Control Plans include those related to parking requirements above actual ownership rates; requirements for ground floor commercial in Shop top housing in B3 and B2 zones, and extensive use of B3 zoning that precludes RFBs in Queanbeyan, and also restricts the operations of the Housing SEPP; height constraints in the R4 zone; ground floor open space requirements in RFBs; site area per dwelling in Multi dwelling housing and minimum lot size in the former Palerang areas.

These impediments could be further investigated by Council, such as by commissioning preliminary architectural design and quantity surveyor costings for some case study sites in Queanbeyan, and using this to better understand the impacts of variations to controls.

Queanbeyan B3 Zoned Land

Generally zoning within Queanbeyan town centre is quite liberal, with Shop top housing permissible with consent in the B3 zone, height of 10 stories, and FSR of 3:1. There appear to be many developable sites, particularly on the edges of the B3 zone, with large, lightly developed blocks in evidence. However, the market does not appear to have taken up the available opportunities, with only one high rise residential tower identified at 13 Morisset Street, probably constructed in 2014. This development appears to have five floors of residential development

above a ground floor commercial development and a parking station, and likely exceeds the current density control of FSR of 3:1.

Preliminary economic analysis in Appendix C identifies two main impediments to the development of Shop top housing in Queanbeyan. These are the high rate of parking required by the Queanbeyan DCP and the likely poor return on development of ground floor commercial space in Queanbeyan town centre. In addition, there are DCP requirements in excess of the Apartment Design Guide relating to private open space and minimum dwelling size which will add to cost and preclude the provision of smaller dwellings. It is noted that much of the B3 zone is flood prone, and this will preclude ground floor residential in many locations. Council's preference for active street frontages is also noted. These concerns can be addressed by allowing lower and ground floors to be used for parking, and that active street frontages be provided, such as commercial uses facing the street, but not requiring commercial uses at ground level across the site.

The following actions are likely to enhance the economics of redevelopment in the Queanbeyan B3 zone and facilitate increased supply of lower cost and (for some) more affordable housing:

- Reduced parking in accordance with **actual vehicle ownership** and with a further reduction in light of proximity to services and facilities and to public transport connections to Canberra would remove a large impost on development. Suggested rates are no spaces for bedsit apartments, 0.5 spaces for one bedroom apartments, one space for two bedroom apartments and two spaces for three bedroom apartments, with no visitor spaces, relying on public parking in the area.
- Currently apartments are only permissible as Shop top housing, i.e. above a ground floor use of commercial premises or health care facilities. This makes the provision of parking difficult to co-ordinate with apartments, as apartments are not allowed above ground floor parking, and provision of underground parking is not viable due to the high cost of such provision. Provision of parking in a separate building on the lot will require setbacks from balconies and so reduce yield, and hence viability of the development. A provision allowing parking as a lower floor use under apartments as a form of Shop top housing would improve viability of redevelopment and would address concerns regarding flooding. A further provision could require active street frontages.
- Given the relatively low FSR with respect to permissible height in a B3 environment (where zero setbacks would be expected to be allowable), there are likely to be opportunities for providing additional FSR in return for providing lower cost forms of housing such as smaller apartments including studios.
- Commercial floor space appears to be of low value in Queanbeyan, and the value is likely to be less than the cost of construction. This appears to be part of a wider trend away from strip shopping centres and to increasing online retail and to mall type developments as part of ongoing structural changes to retail and working arrangements. One approach is to make the ground floor of buildings adaptable to commercial use, such as through appropriate ceiling height and floor loading, but allow it to be used for residential uses, noting that this would be constrained by flood levels. This would provide an opportunity for the market to allocate floor space to either residential or commercial uses, but would

ensure commercial use is not precluded should demand for commercial space increase in the future.

- Opportunities for developer contributions in lieu of provision of parking for commercial uses, such as towards a centrally located Council owned and operated parking station.
- Removal of any controls on apartment development in excess of the controls in the Apartment Design Guide, such as open space at ground level, minimum dwelling size (e.g. 50 m² that precludes studios) and minimum balcony size.
- A boarding house/co-living housing development was found to be marginal, however such developments can make a significant contribution to affordable and lower cost housing for key target groups including aged pensioners and low paid essential service workers. We note also that modelling was based on 80% of a median one bedroom unit rent, whereas the actual rents were found to be higher, so that they are likely to be more viable than the modelling. It is also noted that the high level of services and facilities and the regular bus service to Canberra would support a DCP provision for 0.2 parking spaces per room within the B3 zoned area, and this would improve the economic viability of such developments. This type of development is also suited to smaller lots, as compliance with the set back requirements of the Apartment Design Guide is not required, and so would provide opportunities for redevelopment of smaller lots. It may be that the local development industry has not considered or is not aware of such developments, and Council could support development through promotion.
- Rezoning some B3 to B4 on the perimeter of B3 where there is evidence of low value development, such as low rise commercial development with large areas of at grade parking. This would make RFBs permissible, and viable with appropriate relaxation of controls, and also open up more opportunities provided by the Housing SEPP in areas within 800 metres of B4 zoning.

Queanbeyan B4 and R4 Zoned Land

These zones are considered together as controls in the B4 and R4 zones are essentially the same with regard to residential development.

Development is largely constrained by DCP provisions around parking provision, density controls and private outdoor space. The controls appear to have been written with regard to controls for Multi dwelling housing, and effectively limit height to two story development when applied to Residential flat buildings, regardless of the Height of Building mapping, thus effectively precluding RFBs.

Preliminary calculations in Appendix C show that development for Residential flat buildings is unlikely to be viable under existing controls in these zones, and this is supported by the apparent lack of recent development for Residential flat buildings in Queanbeyan and surrounds. Developers interviewed also indicated that RFBs are not likely to be viable at two stories.

Development for Multi dwelling housing is likely to be marginal according to our economic analysis, and likely to be restricted to redevelopment of larger lower value lots. Again, reductions in parking requirements are likely to improve the viability of such development.

The following actions are likely to enhance the economics of redevelopment in the Queanbeyan B4 and R4 zones:

- Reduced parking in accordance with **actual vehicle ownership** and with a further reduction in light of proximity to services and facilities and to public transport connections to Canberra would remove a large impost on development. Suggested rates are no spaces for bedsit apartments, 0.5 spaces for one bedroom apartments, one space for two bedroom apartments and two spaces for three bedroom apartments, and visitor spaces at a rate of one per five dwellings.
- Allow for Height of buildings of at least 14.0 metres generally within the B4 and R4 zones. This would allow for three storey apartment construction with under-croft parking, similar to older apartment development in the precinct.
- Remove all DCP controls on residential flat buildings, and instead rely on the set back and other requirements of the Apartment Design Guide to control density, noting that the controls in the ADG typically produce a site footprint of around 30%.

Queanbeyan R3 Zoned Land

The economics of development for Multi dwelling housing in R3 zones is similar for that in B4 and R4 zones. Reduced parking in accordance with actual vehicle ownership will further facilitate development for Multi dwelling housing.

Queanbeyan R1 Zoned Land (Googong)

R1 zoned land is available in the Googong release area.

Preliminary modelling suggests that a range of developments are likely to be viable in this area, due to the lower land cost. In order of economic return, the preference for development appears to be (in descending order):

- Three storey residential flat building;
- Two storey town house development;
- Villa development; and
- Two storey residential flat building.

The major impediment to construction of three storey residential flat buildings is likely to be the level of parking required, and, based on actual vehicle ownership, lower levels of parking could be acceptable.

There does not appear to be any take up of building heights allowing three storeys or construction of Shop top housing in B2 (as well as R1) zones, and the predominant form of medium density housing provided is in two storey town house development on small lots.

Reduced parking in line with actual vehicle ownership as set out above will further facilitate the construction of Residential flat buildings. Additionally, it is recommended that controls rely on the provisions of the Apartment Design Guide, as the setback provisions of the Guide typically produce a site footprint of around 30%.

The other major release area, Jerrabomberra, does not contain any R1 zoned land. Provision of R1 zoned land, including small lot housing, areas with height of 14 metres, and reduced parking for Residential flat buildings, would provide additional opportunities to deliver smaller, lower cost, forms of housing.

Bungendore B2 Zoned Land

Based on preliminary modelling, development of Shop top housing in the Bungendore B2 is likely to be economically feasible under current planning controls, with the major unknown being the demand for commercial space and apartments in Bungendore, with an approximate 30 minute commute to major employment centres. Such development is not currently occurring, but a number of land parcels appear to have been bought recently by holding entities for developers. Development for residential accommodation is likely to be facilitated if residential flat buildings were an allowable use in the zone, or if areas were rezoned to B4.

Bungendore B4 and R1 zoned Land

Similar to Shop top housing, and based on preliminary economic modelling, development of Residential flat buildings in the Bungendore B4 and R1 zones is likely to be feasible under current planning controls, with the major unknown being the demand for apartments in Bungendore, with an approximate 30 minute commute to major employment centres.

Multi dwelling housing is likely to provide smaller lower cost dwellings in Bungendore. The major impediment to development for Multi dwelling housing in Bungendore B4 and R1 zones is the minimum lot area per dwelling requirement in the DCP. The requirement is equivalent to an FSR of 0.2:1.0, and preliminary calculations suggest that development economics with this constraint is marginal. If this constraint was removed, and relying on the effective FSR of 0.66:1.0 in the DCP controls, development is likely to be feasible with strong market pressure for redevelopment, and is likely to be feasible with an FSR of 0.5:1.0, as is typical of most R2 zoned areas. This constraint could be avoided if single storey residential flat buildings were constructed, allowing for greater site density and with similar economics to multi dwelling housing, however this type of development does not seem to be taking place, probably due to lack of perceived market demand.

Braidwood B2 zoned land

The development of shop top housing in Braidwood B2 zone is unlikely to be viable. This is because of the relatively high value of business zoned land and commercial property in Braidwood, and the low value of smaller dwellings. Development opportunities in the B2 zone are also restricted due to heritage constraints. Additional height is unlikely to improve viability, due to the high cost of providing parking in parking stations or below ground.

Braidwood B4 and R1 zoned Land

Multi dwelling housing is likely to provide smaller lower cost dwellings in Braidwood. The major impediment to development for multi dwelling housing in Bungendore B4 and R1 zones is the availability of suitably zoned land. The minimum lot size requirement will also affect development economics. The requirement is equivalent to an FSR of 0.2:1.0. While preliminary calculations suggest that development with this constraint is viable, such development is not occurring but has

occurred historically. If this constraint was removed and more land zoned R1, and relying on the effective FSR of 0.66:1.0 in the DCP controls, development opportunities will be enhanced.

The site density constraint could be avoided if single storey residential flat buildings were constructed, allowing for greater site density and with similar economics to multi dwelling housing, however this type of development does not seem to be taking place, probably due to lack of perceived market demand.

Opportunities for multi dwelling housing could be further enhanced by rezoning areas to the south and southwest of Braidwood from R2 to R1, and relaxation of height controls in these areas to at least 8.5 metres, allowing two storey construction.

Parking Controls

Actual vehicle ownership rates and proposed levels of parking for Residential flat buildings are set out in the table below. Parking below actuals is recommended in B3 and B4 zones to provide an additional incentive to develop smaller dwellings in these zones.

Table 7-3: Actual parking and recommended parking - Apartments

No of Bedrooms	Actual vehicle ownership	Recommended parking in B3 and B4 zones	Recommended parking elsewhere
Bedsit	0.2	0	0.2
1 Bedroom	1.0	0.5	1.0
2 Bedroom	1.2	1.0	1.2
3 Bedroom	1.7	2.0	2.0

Source: ABS Census 2016, JSA calculation

Actual vehicle ownership rates and proposed levels of parking for smaller Separate houses and Multi dwelling housing are set out in the table below. Parking below actual is recommended for one and two bedroom dwellings to provide an additional incentive to develop smaller dwellings.

Table 7-4: Actual parking and recommended parking – Separate dwellings and multi-dwelling housing

No of Bedrooms	Actual vehicle ownership	Recommended parking
1 Bedroom	1.2	1.0
2 Bedroom	1.4	1.0
3 Bedroom	1.7	2.0

Source: ABS Census 2016, JSA calculation

7.3.3 Actively Encourage Take Up of Housing SEPP Opportunities

Overview

There are a range of enhanced opportunities under the recently gazetted NSW Housing SEPP for an increase in affordable, lower cost and/or diverse housing types by the private sector and social housing providers, as discussed in Section 4.4.3 above. It is likely that many developers and social housing providers are unaware of opportunities that exist under the SEPP, and would benefit from leadership by Council in facilitating forums and other education processes to actively encourage the take up of these opportunities, to be proactive in identifying areas where development would be preferred from a strategic perspective, as well as identifying any unintended barriers that may exist to the implementation of relevant provisions under the SEPP.

Specific types of opportunities that may be beneficial in the context of the local housing market and affordable housing need are discussed below.

FSB Bonuses and Parking Reduction for Infill Affordable Housing

Overview

Bonus FSR under clause 17 and parking reduction under clause 18 could be beneficial in increasing the supply of affordable rental housing for at least 15 years if privately developed, or in perpetuity if developed by a social housing provider.

Although there are opportunities for such development within 800 metres of B1, B2 and B4 zones in the LGA, there are also limitations in relation to:

- The lack of FSR controls in all but B2 and B4 zones; and
- The extensive use of the B3 zone in Queanbeyan, which would preclude the benefits that arise from this provision in one of the main areas where such development would be appropriate and otherwise viable.

Potential Actions

Consideration could be given to:

- Introducing FSR controls in selected areas and/or otherwise providing for an equivalent incentive with regard to relaxation of other controls; and
- Selective rezoning of some of the B3 areas to B4 in Queanbeyan.

Consideration could also be given by Council to a similar relaxation of parking controls and bonus FSR in areas within 800 metres of B3 zoning where this results in at least 20% floor space dedicated to housing that is affordable to low income key workers (as defined) for at least 15 years, and managed by a CHP. This could be secured via a Planning Agreement under section 7.4 of the Act.

Boarding Houses

Overview

New Generation Boarding Houses are a flexible and efficient urban land use, which are also likely to be affordable to around 50% of low income key workers, and possibly some older retired couples, particularly where they had some superannuation to augment their aged pension. There are some good models of Boarding Houses (which could also be adapted to the new Co-Living Housing land use introduced under the Housing SEPP). Together with Co-Living Housing, discussed later, they can fill an important gap in the rental market, particularly for low income key workers, visiting professionals, students, and people working on fixed term contracts; and would provide lower cost (if not always affordable) accommodation for very low income workers, aged and disability pensioners, and the growing cohort of single people at risk of homelessness, unless they were managed by a Community Housing Provider and offered at discount market rent.

Consultations in the preparation of this Strategy indicate that there is likely to be considerable demand for such accommodation, but a relatively low awareness of this opportunity, as evidenced by the limited supply of such accommodation in the LGA.

Under the Housing SEPP, Boarding Houses are only permissible in zones where they are permissible under a local planning instrument; and only permissible in R2 zones if they are within 400 metres of a B2 or B4 zone in a regional area, including Queanbeyan; although AHO and LAHC can develop Boarding Houses in R2 zones without consent. An FSR bonus applies in zones where Residential flat building are permissible. Parking requirements are also more favourable to development, with 0.5 spaces per room in regional and non-accessible areas. Boarding Houses must now be managed by a registered Community Housing Provider, and the Apartment Design Guide applies to developments of 3 or more stories.

Some examples of well-designed and managed Boarding Houses, including those providing low-level support for older people, are shown below.

Examples of Good Practice

Pembroke Street, Ashfield is an example of a modern, **purpose built New Generation Boarding House managed and operated by Hume Community Housing**. It offers high quality accommodation with a high quality finish throughout, at an affordable price, mainly to low income working single people and couples.

Each studio features well-appointed living areas, with a fitted fridge freezer, washing machine and tumble dryer as well as having fitted air conditioning. The studio offers a good-sized bedroom area with built in robes and well-appointed bathroom and kitchen. They each have their own balcony or courtyard; and there is also a common area lounge and a common area garden.

To be eligible for accommodation, prospective residents must meet all of the criteria below:

- Be an Australian citizen or Permanent Resident Visa holder, and be currently living in Australia;
- Be in full time or part time work;
- Have links to the area (such as work or close family);

- Meet specified income criteria;
- Children under 18 and pets are not accepted in these properties;
- All leases are signed for a 12 month fixed term period, with options to renew provided for those who continue to meet eligibility criteria.



Figure 7.2: New Generation Boarding Houses managed by Hume Community Housing



Figure 7.3: New Generation Boarding Houses managed by Hume Community Housing

New Generation Boarding Houses or Co-Living Housing can also be provided with some support to frail aged people or those with a disability who have no or very limited capital base (e.g. with a live-in manager, housekeeper, visiting support staff such as personal care workers, in-home meals, cleaning etc), including through DCJ or other government funding, through HACC Community

Aged Care Packages, or through models such as Abbeyfield which combine a housekeeper with community volunteering and resident engagement (potentially with funded support staff through other funding programs).

The Abbeyfield Housing Model offers a community based group housing option for very low income older people and people with a disability who are in need of housing and support:

- Houses are initiated, developed and managed by volunteers from local communities in partnership with Abbeyfield Australia;
- The houses are integrated into the streetscape and are non-institutional in design and operation, and usually accommodate no more than 10 people;
- Residents are encouraged to be active and involved in the running of the house and the life of the community; and
- The operation of the houses is supported by a formal legal and administrative framework linking the local and national levels;
- Support funding for a live-in housekeeper and visiting support staff can be incorporated through different funding programs.

The example below is from South Australia. However, Abbeyfield developments are also operating in various areas of NSW and the ACT.



Figure 7.4: Abbeyfield House, Williamstown, South Australia

Potential Actions

The following types of actions would be beneficial, and could be considered by Council.

- It is important that Boarding Houses are permissible in as wide a range of residential and commercial zones as possible so that these opportunities are available under the SEPP. Currently, Boarding Houses are permissible in R1, R2, R3, R4, B1, B2, B3 (innominate) and B4 under the LEP. Council should maintain this permissibility in any future review of its local planning instruments.
- Again, the limitations to this form of development are noted in relation to the extensive areas of Queanbeyan zoned B3, which would preclude adjacent areas zoned R2 from being included as they would be if within 400 metres of a B2 or B4 zone. Rezoning of some B3 zoned areas to B4 could again be considered by Council to open up increased opportunities for this form of development (as well as Infill Affordable Housing and Residential flat buildings, discussed elsewhere).
- Council could facilitate information sessions and forums with private developers and social housing providers to raise awareness of opportunities under the SEPP, as well as best practice models of Boarding Houses and their potential to meet identified need in the LGA to actively encourage and increase this form of development.
- There are also opportunities for the development of Boarding Houses on Council land as part of affordable housing partnership developments with Community Housing Providers, discussed later. This could be provided as a standalone development, or as part of a mixed use or multi-tenure development.
- Consideration could also be given to relaxation of parking controls to those that would apply if within an 'accessible area' in Greater Sydney (that is, 0.2 spaces per room) in well-located areas of key centres to increase the viability of Boarding Houses, noting that this could also be tied to a requirement that rooms to which this applied would be affordable to very low income households (below market rent).

Residential Flat Buildings

Overview

The Housing SEPP now provides that Residential flat buildings (RFBs) are able to be developed by public authorities and social housing providers where they would not otherwise be permitted, or in B3 and B4 zones in nominated regional centres, including in Queanbeyan. Further, car parking is not required for the affordable housing component, with the affordable component required to be at least 50% of the development for not less than 15 years, and managed by a registered social housing provider.

Potential Actions

This provision opens up significant opportunities in the extensive B3 zone in Queanbeyan centre, and likely makes RFBs more economically viable in the B3 and B4 zones. If taken up this would provide an important supply of smaller affordable (including social) rental housing for key groups in need.

This could be actively facilitated by Council through:

- Encouraging social housing providers to take up opportunities provided by the SEPP to develop RFBs with at least 50% affordable rental housing;
- Exploring opportunities for partnership developments on Council and other publicly owned land in B4 and B3 zoned land in Queanbeyan centre;
- Consider further relaxation of controls including parking reduction to at least actual ownership to the non-affordable component.

Co-Living Housing

Overview

New provisions of the SEPP also open up important opportunities for a more flexible, efficient and lower cost form of residential accommodation in the form of Co-Living Housing, which is permissible where Co-living Housing, RFBs and Shop top housing development is permissible. In the Queanbeyan-Palerang LGA context, this is in B1, B2, B3 and B4 commercial zones, as well as in R1, R3 and R4 residential zones. It is therefore not permissible in R2 zoning.

It is likely that this form of development would be affordable mainly to smaller moderate income working households, although it may also be affordable to the upper end of the low income band, depending on amenity; and would likely provide lower cost (if not always affordable) and more flexible accommodation to very low and low income key workers, students, contract workers, and people on aged and disability pensions in lone person and couple households.

There is no requirement that the accommodation developed be managed by a community housing provider, and the potential for more economically viable development arises from the potential for a FSR bonus of 10%, and from parking requirements of 0.5 spaces per room. The requirement to comply with the Apartment Design Guide in developments of 3+ stories may provide some economic constraints to development at scale.

Potential Actions

Council could seek to facilitate this form of development through:

- Identifying precincts where it would seek to encourage this form of development;
- Providing information sessions on opportunities for Co-Living Housing with the private developers, and ensuring an efficient approvals process for such developments;
- Undertaking further economic analysis to understand any impediments to viability of such developments;
- Provide parking concessions in line with those that would apply to an accessible area in Greater Sydney for Boarding Houses (0.2 spaces per room) provided the development is demonstrated to be affordable to at least all low income key workers;
- Consider offering an increased density bonus to developments provided the development is demonstrated to be affordable to low income key workers in and around key centres;
- Ensure Council does not require design in excess of the Apartment Design Guide.

Build to Rent

Overview

The SEPP opens up opportunities for Build to Rent in the form of RFBs, Shop top housing and Multi dwelling housing within zones where RFBs are permitted, or in B3, B4 and B8 zones, provided there are at least 50 dwellings and the development is not strata subdivided for at least 15 years.

This opens up significant opportunities in the local context, provided the development can economically viable, including in relation to design, development and land value.

Council could consider the following actions to facilitate such development:

- Identifying precincts where it would seek to encourage this form of development;
- Provide information sessions on opportunities for BTR with private developers, and ensure an efficient approvals process for such developments;
- Undertaking further economic analysis to understand any impediments to viability of such developments;
- Provide parking concessions in line with those that would apply to an 'accessible area' in Greater Sydney to any dwellings demonstrated to be affordable to at least all key workers in the low and moderate income range, and to actual car ownership rates otherwise;
- Consider offering an increased density bonus to developments that provided the development is demonstrated to be affordable to low income key workers in and around key centres;
- Ensure Council does not require design in excess of the Apartment Design Guide.

Seniors Development

Overview

Developments for seniors and people with a disability have quite liberal planning provisions, and are permissible with consent in all business and residential zones, providing adequate access to services is available.

Potential Actions

Council could consider actively facilitating affordable seniors' developments through:

- Identifying precincts where it would seek to encourage this form of development;
- Provide information sessions on opportunities for seniors' development with private developers, and ensue an efficient approvals process for such developments;
- Providing incentives for developments that are comprised of studio, one and two bedroom strata units that are not strata subdivided, including a relaxation of relevant controls.

Caravan Parks and Manufactured Home Estates

Overview

Manufactured Housing Estates are not permitted in Queanbeyan-Palerang LGA under the Housing SEPP as it not a nominated area. However, caravan parks are not constrained in this way in the LGA, have more relaxed standards, and may contain manufactured homes or similar relocatable housing products as well as more traditional caravans.

Caravan Parks are permissible with consent in a range of zones under the QP LEP, including zoned RU5 Village, RU1 Primary Production, R3 Medium Density Residential, R4 High Density Residential, RE1 Public Recreation and RE2 Private Recreation.

As noted above, on-site vans, cabins and smaller manufactured homes, and sites which are rented where residents are able place their own home (rather than being required to purchase a home from the developer, often at exorbitant markups), have the potential to be affordable to some very low income households, and to low income households, particularly where these are owned and managed by Council and/or a community housing provider. However, there appears to be a relatively constrained supply of permanent sites in the LGA, and it may be difficult for new caravan parks to compete with higher value uses in residential zones, although rates of return are likely to be good, as discussed later.

Potential Actions

It is positive that caravan parks are permissible in a wide range of zones, and this should be maintained in any future amendments to local planning instruments.

Under the Housing SEPP, Council is required to impose a development condition specifying the maximum number of sites (if any) within that land that may be used for long-term residence. Council could consider establishing guidelines encouraging a higher proportion of permanent sites as part of appropriately located caravan parks, and seeking to provide for a higher proportion of such sites in licensing arrangements.

Council could also identify additional sites for residential caravan parks within or proximate to key centres, which could be developed as an alternative housing model (e.g. affordable tiny homes, worker or aged accommodation) and managed by a community housing provider.

Some potential sites on Council or other public land have been identified and are discussed below. It would also be beneficial to identify potential sites that are in private ownership in appropriate locations (for example, on RU1 zoned land) in addition to these publicly owned sites.

Secondary Dwellings

Overview

Secondary dwellings ("granny flats") can be a good source of smaller, lower cost rental accommodation, particularly where they are not subdivided. At the time of the 2016 Census, such dwellings comprised 0.7% of rental stock in Rest of NSW but only 0.3% of rental stock in QP LGA, with only 16 such dwellings reported to be in the private rental market in the LGA at that

time.⁸³ It is understood that this may not capture all of the secondary dwellings at this time, nor that have been constructed since 2016. However, it does allow for some comparison against an average for such dwelling types.

Under QP LEP, Secondary dwellings are permissible in a wide range of zones, including in RU1 Primary Production, RU2 Rural Landscape, RU5 Village, R1 General Residential, R2 Low Density Residential, R3 Medium Density Residential, R4 High Density Residential, R5 Large Lot Residential, B4 Mixed Use, E3 Environmental Management and E4 Environmental Living.

Potential Actions

Council could further investigate the reason for what appears to be a relative undersupply of secondary dwellings in the private rental market, noting that this provides for an important source of lower cost, if not always affordable rental stock, and that zoning is quite liberal for this dwelling type.

Council could provide active support for secondary dwellings that are not to be strata subdivided, including waiving developer contributions and DA fees in relevant areas.

7.3.4 Incentive based variations

Market based incentives

Based on preliminary modelling in **Appendix C**, there appears to be limited opportunities to create significant benefit for developers through the provision of additional height or density within Queanbeyan Palerang LGA. This is because most opportunities for uplift are associated with rezoning of rural land for residential uses and rezoning of R2 land to higher density uses such as residential flat buildings and multi dwelling housing.

There are incentives for construction of apartments in the B3 zone and other reduced controls in other areas through SEPP (Housing) 2021 as discussed above.

Incentives to enhance opportunities for benefit capture

As discussed above, there are limited opportunities for benefit capture from changes to development controls, with most uplift associated with rezoning of rural land for residential uses and rezoning of R2 land to zoning that allows higher density uses such as Residential flat buildings and Multi dwelling housing (e.g., R1, B4, R4 and R3 zones) accompanied by appropriate height.

Council could **consider developing a Planning Agreement Policy, whereby Council can capture part of the uplift associated with proposals for changes arising from planning proposals**. This can take two broad approaches. In the first, Council could carry out economic modelling and set target contribution rates associated with increased height, density or rezoning. In the second, Council could value uplift on a case by case basis, and take part of the uplift e.g., 50% as an affordable housing contribution, either in cash or in kind.

⁸³ ABS Census 2016, TableBuilder

7.4 Mandatory Intervention

7.4.1 Introduction

Mandating housing diversity is likely to be an effective mechanism for creation of affordable housing. This will be equitable where the mandating of such dwellings does not constitute an undue impost on the viability of development.

7.4.2 Mandating Housing Diversity

Existing areas

One bedroom strata dwellings are likely to be affordable to moderate income smaller households, with studio apartments likely affordable to some low income households, and would provide an important source of rental accommodation in general. However, one bedroom apartments are in very short supply in the LGA, whilst studio apartments are precluded by the DCP in terms of minimum apartment size of 50 m².

As well as amending the DCP to ensure that there are no impediments to studio apartments, Council could consider **mandating a proportion** of studio apartments of no more than 40 m² and one bedroom, one bathroom dwellings with a maximum floor area of 55 m² in Multi dwelling housing developments, Shop top housing developments and Residential flat developments in areas within 400 metres of town centres (for example, one dwelling in five or 20% of dwellings). This is unlikely to be an impost on the profitability of the development where amendments to controls recommended above are implemented. This could be done, for example, using a locality based DCP approach to desired dwelling type/mix in specific precincts and/or more generic provisions relating to required dwellings mix in the DCP for RFBs and Multi dwelling housing.

Council could also encourage an increased supply of two bedroom strata dwellings, and ensure that there are no planning impediments to their development as outlined above, Council could also consider **mandating a proportion** of two bedroom, one bathroom dwellings with a maximum floor area of 75 m² in multi dwelling housing developments and residential flat developments in areas within 400 metres of town centres (for example, two in five or 40% of dwellings). Again, amendments to controls outlined above would make this a more viable proposition for developers.

Greenfield sites

Council could **adopt a masterplan approach to Greenfield developments** and include the following types of requirements:

- A proportion of lots to be allocated to Multi dwelling housing (for example, 10% of lots), with mandatory provisions for smaller one and two bedroom dwellings (i.e. with one bathroom and a maximum floor area of 50 m² and 70m² respectively).
- A proportion of houses on small lots (for example, 20%).

7.4.3 Mandate Contribution to Affordable Housing

Introduction

As noted above, the provisions of section 7.32 of the Act now covers all of the State, and allows mandatory contributions toward affordable housing where contributions do not affect the viability of development, and a need for affordable housing in accordance with DPE Guidelines can be demonstrated.

JSA has undertaken preliminary economic modelling using the DPE Viability Tool to model potential uplift in indicative redevelopment sites, and has applied the same methodology to understand the likely uplift from rezoning of rural to residential land.

The following provides a summary of JSA's preliminary analysis.

Greenfield Sites

The modelling below estimates the likely value uplift from rezoning of rural land in selected precincts. Development costs have been estimated at \$123,000 per lot. Land cost has been based on a recent sale in the precinct. The number of lots is based on use of 50% of the site, and taking the median lot size for recent sales in the precinct. Sales income is taken as median sales price less 4% for cost of sales and 10% for GST.

It can be seen that significant development uplift is associated with rezoning of rural land, and is likely to provide significant opportunities for an affordable housing contribution. In urban release areas around Googong and Bungendore, an affordable housing contribution of 15% of developable land area, or the equivalent in cash or dwellings, would not be unreasonable on the preliminary analysis.

Table 7-5: Preliminary assessment of uplift associated with rezoning of rural land

Area	Development Cost/lot	No lots	Land Cost	Total Cost	Median sales per lot	Income	Maximum affordable housing contribution
Googong ⁸⁴	\$123,000	208	\$7,750,000	\$33,334,000	\$343,000	\$61,356,000	45%
Bungendore ⁸⁵	\$123,000	1,230	\$2,100,000	\$153,390,000	\$415,000	\$438,987,000	65%

Source: EAC RedSquare data base; JSA calculation 2021.

⁸⁴ Recent land sales in Googong suburb had median area 485 m² and median cost of \$343,000. Lot 9 DP 754881 with an area of 20.2 ha sold for \$7.75 million on 23 August 2021.

⁸⁵ Recent land sales in Bungendore suburb had median area 1,000 m² and median cost of \$415,000. Lots 7 & 8 DP 814191 with an area of 246 ha sold for \$2.1 million on 16 March 2022.

Upzoning of R2 land in Queanbeyan and surrounds

The (then) NSW Department of Planning, Industry and Environment has published an affordable housing Viability Tool to assess the viability of an affordable housing contribution from the rezoning of residential land.

Following consultation with Council staff, two indicative precincts with R2 zoning have been identified within Queanbeyan to assess the viability of an affordable housing contribution.

The area bounded by Tharwa Road, Donald Road and Fergus Road has been assessed based on upzoning from R2 to R3.

Based on an assumed FSR of 0.6:1.0 and two parking spaces per dwelling, the affordable housing Viability Tool finds that redevelopment of existing housing in the precinct for Multi dwelling housing is not viable with regard to generating sufficient land value uplift for an affordable housing contribution scheme.

The area bounded by Glebe Avenue, Cameron Road, Cooma Street and O'Hanlon Road has been assessed based on upzoning from R2 to R4.

Based on an assumed FSR of 1.2:1.0 and two parking spaces per dwelling, the affordable housing viability tool finds that redevelopment of existing housing in the precinct for Residential flat buildings is not viable with regard to generating sufficient land value uplift for an affordable housing contribution scheme.

At this time, it therefore seems unlikely that the levying of affordable housing contributions would be viable in relation to such upzoning, even with amendments to controls proposed earlier, as these amendments are likely to be required just to facilitate development without the additional impost of an affordable housing contribution.

7.4.4 Protect low cost housing

Clauses 45-48 of the Housing SEPP provides a mechanism for the protection of low rental Residential flat buildings and Boarding Houses. Council should ensure that planners are aware of this mechanism and that development applications are routinely assessed with regard to low rental accommodation and that appropriate conditions and/or contributions to offset the loss of such accommodation are put in place, particularly given the quantum of older walk up flats and units in Queanbeyan and Queanbeyan East.

Council can also use the provisions of section 4.15(b) of the Act through requiring an assessment of adverse social and economic impacts in relation to proposed re/developments that have the potential to result in a loss of lower cost or affordable housing, or to have an impact upon demand for the supply of such accommodation, and to require appropriate mitigation. This could include the redevelopment of existing low cost RFBs or public housing precincts or sites; or employment generating developments, such as mining and construction projects, that are likely to result in demand for longer-term rental accommodation, or short-term accommodation in caravan parks, boarding houses and motels, to the disadvantage of long-term lower income or more vulnerable residents. Appropriate mitigation with regard to increased supply or compensation for lost accommodation may be warranted in the context of the serious affordable rental crisis facing the LGA.

7.5 Direct Market Intervention

7.5.1 Introduction

As discussed above, there are some significant gaps in market provision of affordable housing to key target groups. Even under optimistic scenarios, where smaller strata dwellings and New Generation Boarding Houses are provided through the market in key urban centres, major gaps for the most vulnerable target groups are likely to continue.

The remainder of the demand can only be addressed through some appropriate system of transfers. The majority of demand for affordable rental (46%) is from very low income households, and provision of housing to this group will require deep subsidies, either through subsidised housing such as affordable (including social) housing with rent tied to income for very low income singles, families and key workers; or 'affordable housing' with some degree of subsidy such as discount market rent for low income families, key workers, and those whose income or personal circumstances make them ineligible for public or community housing.

It is also likely that the number of very low and low income households able to purchase housing will decrease in the future, and that more of these households will remain in the long-term rental housing market.

As well as the creation of affordable (including social) housing through an Affordable Housing Contribution Scheme under section 7.32 of the Act, discussed above, the main way that most very low income and many low income renting households can be affordably accommodated is through the direct creation of affordable rental housing through government funding; the use of Council and other public or community owned land in affordable housing developments and partnerships; and the more efficient use of existing social housing stock.

A number of relevant strategies are looked at below.

7.5.2 Cost reduction

Overview

Ensuring an efficient development assessment process and reducing fees and charges could make a marginal development more attractive, but it would be preferable that the developer demonstrated the benefits, including that the housing created would be genuinely affordable in the long-term against relevant affordability benchmarks set out above. The most effective use of this type of subsidy would be for developments conducted by a registered Community Housing Provider (CHP), although the benefits associated with affordable rental housing or lower cost housing types can be secured through a planning agreement or other suitable mechanism.

Private sector developers and not for profit services and housing providers have raised issues related to the impact of delays in the approval process and issues related to the disincentive to creating affordable and lower cost housing types related to fees and charges.

Potential Actions

As well as reviewing approvals processes for relevant developments, outlined above, Council could also consider:

- Opportunities to waive fees for affordable housing developments, for example by providing rate rebates to community housing providers, or reducing development application and construction certificate costs associated with affordable housing developments.
- Council could also consider suggestions from developers with regard to lowering the cost of development where it is demonstrated to result in an increased supply of affordable and/or lower cost housing, including reducing s64 and s94 contributions.
- Development of a planning agreement policy to ensure a transparent process for such concessions, and ensuring that the benefits arising from this are guaranteed.

7.5.3 Provision of Affordable Housing on Council or Other Public Land

Overview

Given the limitations of market delivery of affordable housing to all very low income households, most low income households, and many moderate income households, and the deep subsidies required to affordably accommodate very low and low income households, an effective way of delivering affordable housing is through development of such housing on publicly owned land, and rented through or managed by a community housing provider. This land may be owned by Council, NSW LAHC or by another public authority, and have the potential for development or redevelopment due to being vacant, having a redundant use or being underutilised. It can be developed as a standalone affordable housing development, or as part of a mixed use and/or mixed tenure development incorporating a component of market housing, affordable rental (discount market rent and social) housing, and shared equity purchase housing.

Such land can be developed under a variety of contractual arrangements. This can be by Council acting alone; or in conjunction with a partnering agency or agencies, such as a registered Community Housing Provider or other NGO. The desired outcomes for Council and the community can be specified by Council, for example, under a competitive EOI process, with performance criteria related to number and mix of dwellings, target groups to be accommodated, expected returns, sharing of risk, title sharing arrangements, etc.

Financially, the arrangement can be structured in a number of ways, depending on Council's preference. It can involve an effective contribution from Council (e.g., in the form of part or all of the capital cost of the land); can be cost neutral (e.g., where some of the units are sold to recoup the cost of the land); or even revenue raising in some markets (for example, where some units are sold to fund the cost of development, and income generating uses such as residential, commercial or retail are provided in the development). The site can also be a 'recipient' site for income generated through contributions to affordable housing generated off site through the planning system (e.g. through incentive-based contributions).

A CHP can be involved as a partner in the development process, can take the lead on development, or can simply be the manager of social and affordable housing created as part of the development process, depending on how much risk Council is willing to accept.

Council has more direct control of the future redevelopment of sites which it owns, manages and/or otherwise controls. However, there are also opportunities to make the redevelopment of other publicly owned sites more attractive to government authorities through the planning system and proactive approaches to such authorities.

Case Studies: Potential Affordable Housing Partnership Sites

JSA has been provided with map layers for Council owned and managed land. A number of potential development sites have been identified for further investigation, with these set out in **Appendix B**. Sites are typically within 800 metres of Queanbeyan town centre, or with public transport links to Queanbeyan town centre, and are relatively free from constraints, apart from some flooding. Sites have also been considered in Bungendore and Braidwood.

Preliminary modelling has been carried out for the following types of development:

- Caravan Park / MHE
- Residential Flat Building
- Boarding House
- Seniors development

Preliminary modelling suggests development will be viable, and supports further investigation, including preliminary design and financial modelling.

There are opportunities for development of Caravan Parks on council owned and crown land in the areas of Queanbeyan, Bungendore and Braidwood, with this having the advantages of permissibility, ease of delivery including with regard to time, and affordability to very low income households.

For a longer term project, there are a number of car park sites within Queanbeyan which could be developed under SEPP (Housing) 2021 to provide affordable housing and a Council Depot site in Braidwood which could be developed for Seniors Housing or for multi dwelling housing.

Similarly, modelling carried out for assessment of viability of development suggests that development of multi dwelling housing on Council owned land in Bungendore and Braidwood is likely to be viable, noting that such development will be impacted by DCP requirements around minimum lot area per dwelling.

Caravan Park on Council owned land

Council owned land in Queanbeyan, Braidwood and Bungendore could be partially developed as an affordable caravan park, containing all long term sites, and with some form of manufactured home or tiny home development. Modelling has been based on a two hectare development. This model is relevant for areas where caravan parks are permissible (RU5 Village, RU1 Primary Production, R3 Medium Density Residential, R4 High Density Residential, RE1 Public Recreation and RE2 Private Recreation zones). Options considered include onsite cabins or

manufactured homes for rental (with the site), and site rental only.⁸⁶ Infrastructure costs, such as water and sewer, have not been included, and if required will adversely affect the modelling below.

Based on densities at other caravan parks in the area, around 90 sites could be provided on a two hectare site. There is limited publicly available information on the costs of operating caravan parks. In 2017, Coffs Harbour City Council spent \$2.351 million⁸⁷ operating four caravan parks with a total of 714 sites,⁸⁸ giving an annual cost of \$3,293 per site, or \$63 per week. The cost of operating a caravan park for residential purposes is likely to be lower than this, as the Coffs Harbour caravan parks include a high level of amenity such as swimming pools and communal facilities; and also provide hire cabins for tourist use, with likely costs associated with regular cleaning.

In our modelling, site rentals have been assumed to be affordable to single person households on Centrelink payments, noting that site rental at the only long-term residential caravan park in the LGA was affordable to a very low income household. This would provide opportunities for people to purchase a second hand caravan, with these available for under \$5,000; and an opportunity for people to purchase a manufactured or tiny home to place on the site, with significant savings from purchasing direct from the manufacturer rather than through a park operator, which normally incurs significant mark-ups.

The provision of basic one bedroom cabins or manufactured homes on site would provide affordable rental to very low income households, including single aged pensioners, when considering home and site rental.

Income typically exceeded costs by around 50%, suggesting opportunities to earn a reasonable return on the land. For the mixed development, a 5% return on the land is equivalent to a land value of \$2.5 million per ha. Returns would be higher if the homes were rented to a range of very low, low and moderate income groups, and could also be larger homes to accommodate families or shared (group) households.

Table 7-6: Comparison of Options for MHE or Caravan Park

	Provision of sites only	Including basic one bedroom cabin	Half site only and half basic one bedroom cabins
Expected number of sites	90 sites	90 cabins	45 sites 45 cabins
Target groups	Site rental of \$140 p.w. will be affordable to very low income households including for single person households receiving Centrelink payments	Cabin rental of \$190 p.w. will be affordable to very low income households, including single aged pensioners, but will exclude some single person households	Site rental of \$140 p.w. will be affordable to very low income households including for single person households receiving Centrelink payments

⁸⁶ Rates from Rawlinsons Australian Construction Handbook 2019 plus 30%, cabin price based on AJC Portables Price Guide 2018 plus 10% for site costs.

⁸⁷ Coffs Harbour City Council (2017) *Financial Statements 2017*, page 25.

⁸⁸ Based on an inspection of site maps at <https://www.coffscostholidayparks.com.au/parks/>

	Provision of sites only	Including basic one bedroom cabin	Half site only and half basic one bedroom cabins
		receiving Centrelink payments	Cabin rental of \$190 p.w. will be affordable to very low income households, including single aged pensioners, but will exclude some single person households receiving Centrelink payments
Estimated cost of construction	\$2.9 million	\$6.0 million	\$4.5 million
Annual cost based on 5% interest and typical operating costs	\$443,000	\$596,000	\$519,000
Expected annual income	\$655,000	\$889,000	\$772,000
Ratio of income/cost	1.48	1.49	1.49

Source: JSA 2022

Modelling on Council Owned Land in Queanbeyan

The sites available are at grade car parks within Queanbeyan Town Centre. Two options are considered. These are a New Generation Boarding House for very low income renters (assuming social housing rent levels) and a Residential flat building under Division 5 of SEPP (Housing) 2021 providing accommodation for very low and low income renters and low and moderate income purchasers. Note that a demonstration development could also include a mix of these uses in a multi-tenure development. Residential flat buildings under Division 5 require active street frontage, however all the car parks considered are in the middle of blocks and so do not have a street frontage. There are density bonuses within SEPP (Housing) that could provide additional FSR for the construction of boarding houses and seniors development. These have not been considered in this modelling. The flood constraints within Queanbeyan Town Centre are also noted, including the impact on the feasibility of ground floor residential, but have not been considered in this modelling.

For the residential flat building, we have assumed 50% sales, 25% discount market rent and 25% social rent. Sales have been taken as the third quartile for Queanbeyan for the dwelling type as new dwellings typically attract a premium. We have assumed a site area of 2,000 m² for modelling purposes; however, preliminary architectural modelling would be required to confirm assumptions made in modelling.

The **Residential flat building**⁸⁹ was assumed to be ten stories and to utilise an FSR of 3.0:1.0 for the site. Development is expected to yield 80 dwellings, and provide affordable rental to low and very low income households, including smaller households on Centrelink payments. Preliminary modelling suggests that income from such a development would exceed costs by 25%. Preliminary modelling is based on 50% sales, 25% affordable rent and 25% social rent. It is possible that sales could provide opportunities for a component of shared equity for low income workers. The cost includes replacement of lost at grade parking in a parking station elsewhere in the unused portion of the car park site, and includes parking for the non affordable housing component at the DCP rate in accordance with clause 38(4) of SEPP (Housing) 2021. Lower rates of parking for the market component would reduce costs.

The **Boarding House** was assumed to use three floors of the Residential flat building.⁹⁰ Development is expected to yield 50 boarding rooms, all with en suite bathrooms and kitchen in boarding rooms, and providing accommodation to smaller very low income households including those on Centrelink payments. Income exceeded costs by 17%. The design assumptions were based on drawings for a high quality multi storey boarding house, and cost savings could be achieved through reduced amenity.

Changing assumptions of the tenant profile to include low income workers in addition to very low income workers and Centrelink recipients would significantly improve the economic viability of the proposal due to the ability to charge higher rents.

Table 7-7: Comparison of Options for Indicative Developments

	Residential Flat Building	Boarding House
Expected number of apartments	20 one bedroom rental (10 social rental, 10 discount market rental) 20 one bedroom sales 20 two bedroom rental (10 social rental, 10 discount market rental) 20 two bedroom sales 40 parking spaces	50 boarding rooms (25 social rent, 25 discount market rent) 25 parking spaces
Target groups	Rental: One bedroom affordable to low income renters (\$293 p.w.) Two bedroom affordable to low income renting households (\$353 p.w.)	Rental: Half boarding rooms affordable to very low income renters (\$220 p.w.)

⁸⁹ Assumptions included: Additional 15% for balconies, rates from Rawlinsons Australian Construction Handbook 2019 plus 30% for professional fees and profit, minimum sized apartments under the Apartment Design Guide, rents 75% of market or social rent, 10% of rent as administration cost.

⁹⁰ Assumptions included: average of 36 square metres per boarding room including circulation space and common areas with typical 26 square metre room including en-suite and cooking facilities, parking per SEPP (Housing) (0.5 spaces per room), rates from Rawlinsons Australian Construction Handbook 2019 plus 30%, rents 80% of market rent or social rent, 10% of rent as administration cost.

	Residential Flat Building	Boarding House
	<p>One and two bedroom social rental affordable to households on Centrelink payments (one bedroom \$140 p.w., two bedroom \$220 p.w.)</p> <p>One bedroom sales affordable to low income households (\$325,000) and two bedroom sales affordable to moderate income households (\$448,000)</p>	<p>Balance affordable to single people on Centrelink (\$140 p.w.)</p>
Estimated cost of construction	\$23.9 million	\$7.2 million
Annual cost based on 5% interest (less sales)	\$420,000	\$360,000
Expected annual income based on 10% administration cost	\$523,000	\$421,000
Ratio of income/cost	1.25	1.17

Source: JSA 2022

Modelling on Council Owned Land in Braidwood

The site considered is the Council depot site in Braidwood. Under current zoning, Seniors housing is permissible with consent. Subject to a planning proposal to obtain rezoning of the site, the site could be developed for multi dwelling housing. These two options are considered below.

Both developments were assumed to be single storey, with a 30% site footprint.⁹¹ The DCP constraints on multi dwelling housing were not included. Development is expected to yield 26 dwellings. The seniors development would provide affordable rental to aged pensioners, while the villa development would provide affordable rental to low and very low income households, including smaller households on Centrelink payments.

Preliminary modelling suggests that income from such a development would exceed costs by a factor of three. Preliminary modelling is based on 38% sales and 62% rental. Surplus income could be used to increase the proportion of subsidised rental accommodation, and/or to offset costs to Council from the relocation of the depot.

Changing assumptions of the tenant profile to include low income workers in addition to very low income workers and Centrelink recipients would significantly improve the economic viability of the proposal due to the ability to charge higher rents.

⁹¹ Assumptions included: Rates from Rawlinsons Australian Construction Handbook 2019 plus 30% for professional fees and profit, rents 75% of market or social rent, 10% of rent as administration cost.

Table 7-8: Comparison of Options for Indicative Developments

	Seniors development	Villa development
Expected number of dwellings	26 two bedroom (10 sales, 16 rental to 50:50 single and couple pensioners) 26 parking spaces	26 two bedroom (10 sales, 8 discount market rental, 8 social rental) 26 parking spaces
Target groups	Social rental affordable to single age pensioner (\$221 p.w.) Social rental affordable to couple age pensioner (\$292 p.w.) Sales affordable to low income households (\$365,000) ⁹²	Discount market rent affordable to moderate income renting households (\$300 p.w.) Social rental affordable to family households on Centrelink (\$260 p.w.) Sales affordable to low income households (\$365,000)
Estimated cost of construction	\$4.9 million	\$4.9 million
Annual cost based on 5% interest (less sales)	\$63,000	\$63,000
Expected annual income based on 10% administration cost	\$192,000	\$210,000
Ratio of income/cost	3.1	3.3

Source: JSA 2022

7.5.4 Redevelopment of Social Housing

There is extensive under occupancy of social housing in Queanbeyan-Palerang LGA. At the time of the 2016 Census, 61% of social housing was three or more bedroom dwellings. Of these, one in five contained one person and one in three contained two people. As such, more than 50% of three bedroom dwellings were underoccupied by at least one bedroom.

There are likely to be opportunities to redevelop older underoccupied separate houses to deliver smaller dwellings, such as one and two bedroom Residential flat buildings or New Generation Boarding Houses. Relocation of smaller households into such stock would also free up larger houses for families. There is considerable demand for social housing in Queanbeyan allocation zone, with waiting times for all dwellings reported as 5-10 years by DCJ (20201) waiting list data.⁹³

Appendix B contains a list of public housing sites in Queanbeyan. There are many instances of adjacent sites which would be suitable for redevelopment.

For example, there are clusters of older public housing in Crestwood and Karabar in R2 zoned areas. Redevelopment opportunities appear limited, as multi dwelling housing is not permissible and opportunities though SEPP (Housing) 2021 are limited due to restrictions on permissibility of Seniors Housing and Boarding Houses related to access to services and facilities. Redevelopment could be facilitated by rezoning selected areas of Crestwood and Karabar to R3 in consultation

⁹²Note that sales income may be by way of repurchase agreements, rather than direct sales.

⁹³<https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

with Land and Housing Corporation, thereby allowing the construction of Multi dwelling housing or residential flat buildings. Some relaxation of DCP controls may also be required to facilitate development. This type of redevelopment has occurred where opportunities are available, such as in Pound Street (zoned R3) where public housing at the corner of Pound and High Street has been recently redeveloped for seven multi dwelling housing dwellings, likely replacing two separate dwellings.

There are opportunities for Multi dwelling housing on R3 zoned land in Gerald Street, with two sites containing adjacent lots identified, and redevelopment for Multi dwelling housing has occurred on privately owned land in this area.

There are other areas, such as around Meech Place, Queanbeyan West, where proximity to bus services could support development for Seniors Housing under SEPP (Housing) 2021, noting that Seniors Housing could be developed elsewhere if a transport service is provided.

A comprehensive review of public housing sites in Queanbeyan-Palerang LGA may identify other opportunities such as those noted above.

Preliminary discussions with LAHC have indicated that, although the LGA has not at this time been identified as a priority for public housing renewal or significant investment, there are opportunities for Council and a Community Housing Provider to put proposals to LAHC for title transfer or long-term lease of older, low density public housing stock to a community housing provider to facilitate selective development of this stock to more diverse housing types and possibly tenures (e.g. a mix of social housing, affordable (key worker housing, and shared equity purchase), as long as there is no net loss of social housing.

7.5.5 Crisis, short-term, temporary & transitional accommodation

Overview

A 'perfect storm' of housing, funding and economic factors has resulted in an affordable housing crisis in areas like QP LGA, and increasing homelessness amongst even those who would once have been able to access private rental, including lower income working people and moderate income families, and an intensification of impacts for more vulnerable people.

As well as the serious undersupply and loss of social housing, the severe shortage of dedicated crisis, short-term and transitional accommodation for the increasing number and types of people at risk of homelessness is affecting those most vulnerable in the housing market, including older single people, sole parent families and those leaving family violence, and people with a disability; and is leading to increased homelessness. Single homeless men remain the largest and possibly most difficult to accommodate, with only one crisis refuge in the whole of the South East Region (in Wollongong).

As well, the severely inadequate supply of private rental is leading to increased homelessness among new cohorts, including older women with limited capital, and lower income workers and families, leading one service to comment, 'Finding housing is no longer about having a job – it's about having housing to move into'. This is exacerbated by 'exit blocks' from crisis and short-term housing due to the severely inadequate supply of social and private rental, and the loss of

accommodation formerly used as temporary accommodation such as motels and caravan parks due to increased demand from workers and domestic tourists.

As well as medium to longer-term strategies, proposed above, there is also a need to develop short-term strategies to house the growing number of people described by services as living in unsuitable, overcrowded and unsafe conditions, staying temporarily with others, couch-surfing, sleeping in cars, old caravans or sheds, or sleeping rough, as a matter of urgency.

Potential Actions

Council could advocate for and actively support the provision of crisis, short-term, temporary & transitional accommodation for the growing number of homeless people in the LGA, including:

- 'Meantime use' of vacant or underutilised Council, public, community and private buildings and regulatory support and flexibility for their use as crisis and short-term accommodation;
- Pop-up models of crisis accommodation, such as a 'Winter Sleep-In' Pilot in Council or Church Halls;
- Identify Council or other publicly owned land in close proximity to the town centre suited to older people with some support needs, including based on the Abbeyfield model or tiny home/MHE model of self-contained independent living units with some common areas and facilities to foster community and social support;
- Identify Council and other publicly owned land for projects developed by local services and networks that are likely to receive funding;
- Placement of at least small MHs or tiny homes on vacant public or private (philanthropic) land on land where caravan parks are permissible;
- Planning and resourcing support for not for profits and community housing providers seeking to engage in these activities, including ensuring that there is no delay in the approvals process, and waiving DA fees and the like;
- Reviewing Council's internal referrals/protocols between the planning and community services teams to explore how to improve efficiency and reduce costs associated with the DA process for services/community organisations with affordable and alternative housing development projects could be achieved;
- Reducing on-going costs for affordable housing developments and alternative accommodation through rates reductions, or other financial support;
- Seeking funding for upgrades and conversions of buildings where relevant;
- Developing a community awareness campaign on homelessness, including the increasing risk to a wide range of cohorts;
- Promoting the return of properties used for STRA to the long-term private rental market, and for headlease by social housing providers (including promoting the benefits of such arrangements);

- Facilitating a pilot brokerage scheme that matches owner occupiers in large underoccupied homes with people who are at risk of homelessness, including young/single key worker, older women, etc.

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

23 NOVEMBER 2022

ITEM 9.5 DRAFT QPRC AFFORDABLE HOUSING STRATEGY

ATTACHMENT 3 QPRC AFFORDABLE HOUSING STRATEGY - BACKGROUND
PAPER APPENDICES

Queanbeyan-Palerang Affordable Housing Strategy: Background Paper Appendices



July 2022

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1 APPENDIX A: Rental Snapshots

1.1 Snapshot of rental in the major centres of the Queanbeyan-Palerang LGA on 8 June, 2022

A search on www.Domain.com.au was conducted on 8 June, 2022 for available rental properties in the Queanbeyan-Palerang local government area, using the postcodes contained within the LGA being 2619, 2620, 2621, 2622 and 2623. A total of 55 properties were located and these properties consisted of 26 apartments/townhouses and 29 houses. The median price of a rental property within these combined postcodes was \$550, with a first quartile property rental of \$420 and a third quartile property rental of \$750.

In the Queanbeyan-Palerang LGA the Rent and Sales Report for December 2021¹ reported a median rental of \$493 for all types of properties in the LGA, with a first quartile rental of \$370 and a third quartile rental of \$650.

Of these 55 properties advertised for rent, none would be affordable for a **very low income** household, five properties would be affordable to the upper end of a **low income** band and 17 properties would be affordable for **moderate income** households.²

A breakdown of properties in these postcodes follows.

Postcodes 2619 & 2620 (Queanbeyan, Jerrabomberra, Karabar, Googong and surrounds)

Four properties (houses) were identified in **postcode 2619** (Jerrabomberra) and 43 properties in **postcode 2620** (Queanbeyan and surrounds), a total of 47 properties. Quartile rentals for these properties by bedroom are shown below.

Bedrooms	1st quartile	Median	3rd quartile	n=
Studio	-	285	-	1
1	300	330	365	11
2	420	455	489	10
3	573	600	658	11
4	780	828	850	14

¹ Department of Communities & Justice, Rent and Sales Report – Interactive Dashboard, www.facs.nsw.gov.au/resources/statistics/rent-and-sales/dashboard

² JSA 2022 based on data from ABS(2016) Census of Population and Housing, ABS(2020) Consumer Price Index, indexed to December Quarter 2021 dollars.

The four properties located in **postcode 2619** were all **four bedroom** houses with rentals ranging between \$830 and \$900. The Rent and Sales Report for December 2021 reported a median rental of \$800 for a **four bedroom** house, a first quartile rental of \$750 and a third quartile rental of \$890.



9 Kennedy Avenue, Jerrabomberra, 2619, 4 bedroom house, \$900 per week.

The 43 properties located in **postcode 2620** consisted of 21 apartments, 16 houses and six townhouses.



Unit 1/55 Donald Rd Karabar, 2620, one bedroom apartment, \$280 per week.

The median rental for an apartment was \$380 per week, for a townhouse \$598 per week and for a house \$770 per week. The Rent and Sales Report for December 2021 for postcode 2620 reported a median rental for flats/units of \$360, for a townhouse \$500 and for a house \$650.



1/1 Garland Avenue, Queanbeyan,
3 bedroom townhouse, \$600 per
week

19 Bonarba Link Googong NSW 2620,
3 bedroom house, \$750 per week.

None of the properties located in these two postcodes would be affordable for a very low income household, five properties would be affordable for a low income household and 17 properties would be affordable to moderate income households.

Postcode 2621 (Bungendore and surrounds)

Five properties were identified in postcode 2621. All were houses in the township of Bungendore.

Address	No. bedrooms	Rental per week
49 Butmaroo Street	2	495
19 Forster Street	3	575
127 Ellendon Street	4	600
75 Ellendon Street	4	750
26 Birch Drive	4	800

None of these properties would be affordable for a very low or low income household and only one property would be affordable to the very top end of the moderate income band.



49 Butmaroo Street Bungendore, 2621,
two bedroom house, \$495 per week



26 Birch Drive Bungendore, 2621,
four bedroom house, \$800 per week

Postcode 2622 & 2623 (Braidwood, Captains Flat and surrounds)

Three properties were located in these postcodes. Two 3 bedroom houses were identified in postcode 2623 both situated at Captains Flat with rentals of \$480 and \$520 per week. One 1 bedroom house was identified in postcode 2622 situated at Manar with a rental of \$500 per week.



8136 A Kings Highway Manar NSW 2622, one bedroom house, \$500 per week



81 Foxlow Street Captains Flat NSW 2623, three bedroom house, \$520 per week

None of these properties would be affordable for a very low, low or moderate income household.

Additional apartments in 2620



5/13 Adams Street, Queanbeyan, one bedroom unit, \$300 per week



20/5 Crest Road, Queanbeyan, one bedroom unit, \$300 per week

1.2 Rental in the major centres of the Queanbeyan-Palerang LGA on 6 July 2022

1.2.1 Overview

A further search of www.Domain.com.au was conducted on 6 July 2022 for available rental properties in the Queanbeyan-Palerang LGA, using the postcodes contained within the LGA being

2619, 2620, 2621, 2622 and 2623. A total of 68 properties were located and these properties consisted of 35 apartments/townhouses/semi-detached properties and 33 houses. The median price of a rental property within these combined postcodes was \$545, with a first quartile property rental of \$420 and a third quartile property rental of \$750.

In the Queanbeyan-Palerang LGA the Rent and Sales Report for **March 2022**³ reported a median rental of \$520 for all types of properties in the LGA, with a first quartile rental of \$400 and a third quartile rental of \$663.

Of these 68 properties advertised for rent, none would be affordable for a **very low income** household, seven properties would be affordable to the upper end of a **low income** band and 33 properties would be affordable for **moderate income** households.⁴

A breakdown of properties in these postcodes follows.

1.2.2 Postcodes 2619 & 2620 (Queanbeyan, Jerrabomberra, Karabar, Googong and surrounds)

Postcode 2619

Six properties (five houses and one villa) were identified in **postcode 2619** (Jerrabomberra) and 52 properties in **postcode 2620** (Queanbeyan and surrounds), a total of 58 properties. Quartile rentals for these properties by bedroom are shown below.

Bedrooms	1st quartile	Median	3rd quartile	n=
Studio	-	250	-	1
1	328	355	413	11
2	395	430	485	16
3	570	650	680	13
4+	830	850	885	17

The six properties located in **postcode 2619** consisted of 4 **four bedroom** houses, 1 three bedroom home and a two bedroom villa and rentals ranged between \$525 and \$885. The Rent and Sales Report for March 2022 reported a median rental of \$825 for a **four bedroom** house, a first quartile rental of \$750 and a third quartile rental of \$925.

³ Department of Communities & Justice, Rent and Sales Report – Interactive Dashboard, www.facs.nsw.gov.au/resources/statistics/rent-and-sales/dashboard

⁴ JSA 2022 based on data from ABS(2021) Census of Population and Housing, ABS(2021) Consumer Price Index, indexed to March Quarter 2022 dollars.



23/4 Redwood Avenue Jerrabomberra, two bedroom villa, \$525 per week



13 Melaleuca Place Jerrabomberra, four bedroom house, \$850 per week

Postcode 2620

The 52 properties located in **postcode 2620** consisted of 21 apartments, 19 houses, eight townhouses and four semi-detached properties.

The median rental for an apartment was \$380 per week, for a townhouse \$550 per week and for a house \$830 per week. The Rent and Sales Report for **March 2022** for postcode 2620 reported a median rental for flats/units of \$388, for a townhouse \$520 and for a house \$715.



7/20 Carrington Street Queanbeyan NSW 2620, studio apartment, \$250 per week

None of the properties located in these two postcodes would be affordable for a **very low** income household, six properties would be affordable for a **low** income household and 26 properties would be affordable to **moderate** income households.

1.2.3 Postcode 2621 (Bungendore and surrounds)

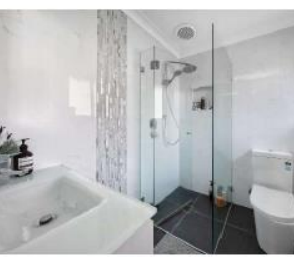
Five properties were identified in postcode 2621. All were houses in the township of Bungendore.

Address	No. bedrooms	Rental per week
49 Butmaroo Street	2	495
12a Forster Street	3	660
46 Duralla Street	4	595
15B Turallo Terrace	4	775
118a Molonglo Street	5	875



46 Duralla Street, Bungendore, four bedroom house, \$595 per week

None of these properties would be affordable for a **very low** or **low** income household and only one property would be affordable to the very top end of the **moderate** income band.



118a Molonglo Street, Bungendore, five bedroom house, \$875 per week

1.2.4 Postcode 2622 & 2623 (Braidwood, Captains Flat and surrounds)

Four properties were located in these postcodes. Three 3 bedroom houses were identified in postcode 2623 all situated at Captains Flat with one rental of \$460 and two homes at \$520 per week. One rural three bedroom house was identified in postcode 2622 situated at Braidwood with a rental of \$530 per week.



268 Foxlow St Captains Flat, three bedroom house, \$460 per week

None of these properties would be affordable for a **very low** or **low** or income household. One property would be affordable for a **moderate** income household.



109 Reservoir Lane, Braidwood, three bedroom house, \$530 per week

1.3 Comparison of Rental Snapshots on 8 June and 6 July, 2022

There was an increase of 13 available properties for rent between the two Snapshots. The increase by postcodes is show below.

Postcode	8 June Snapshot	6 July Snapshot	Increase (#)
2619	4	6	+2
2620	43	52	+9
2621	5	5	0
2622, 2623	3	4	+1
Total	55	68	13

The postcode with the largest increase in available properties was 2620 (Queanbeyan and surrounds). The number of apartments for rent remained the same (21). There were an additional three houses, two townhouses and four semi-detached properties for rent.

Rents for the whole of the LGA remained relatively static between the two Snapshots as follows.

Snapshot date	1 st quartile	Median	3 rd quartile
8 June	\$420	\$550	\$750
6 July	420	545	750

The applicable Rent and Sales Report used for the 6 July (**March 2022** – being the most recent available)⁵ reported a median rental of \$520 for all types of properties in the LGA, with a first quartile rental of \$400 and a third quartile rental of \$663. This showed an increase from the Rent and Sales Report used for the 8 June Snapshot – (**December 2021** – most recent available) with median rental in that Report of \$493 with first quartile rental of \$370 and third quartile rental of \$650.

⁵ Department of Communities & Justice, Rent and Sales Report – Interactive Dashboard, www.facs.nsw.gov.au/resources/statistics/rent-and-sales/dashboard

2 APPENDIX B: Potential Council and Publicly Owned Partnership Sites

2.1 Overview

A number of sites were assessed for potential use as mixed tenure developments including as affordable housing partnership developments. These included Council owned sites, public housing sites and Crown Land. Potential developments scoped included residential flat buildings, boarding houses and caravan parks.

The following sites are suggested for further investigation. Sites are listed in order of preliminary assessment of suitability under each heading:

Caravan Park or MHE opportunities

1. Queanbeyan Showground (Caravan Park or MHE)
2. Queanbeyan Racecourse (Caravan Park or MHE)
3. Braidwood Racecourse and Showground (Caravan Park or MHE)
4. 42 Bombay Road Braidwood
5. Bungendore Showground (Caravan Park or MHE)

Opportunities for Boarding house or Residential Flat Building including multi tenure development

1. Carpark 3a Erin Street Queanbeyan
2. Carpark 66 Morisset Street Queanbeyan
3. Carpark 16 Morisset Street Queanbeyan
4. Carpark 9g Morisset Street Queanbeyan
5. Carpark 26 Rutledge Street Queanbeyan
6. Carpark 50 Lowe Street Queanbeyan

Opportunities for Seniors Living

1. Ryrie Street Braidwood

2.2 Lots 1-24 DP13963, Lots 4/56 DP 758862, Lot 6 DP1116082

- Location: Glebe Avenue, Queanbeyan
- Ownership: Queanbeyan Palerang Regional Council

- Zoning: RE1 Public Recreation
- Area: 8.7 Ha
- Constraints: Community Land, affected by PMF.
- Current use: Queanbeyan Show Ground
- Accessibility: Adjacent to Bega B3 zone.
- Allowable relevant uses: Caravan Parks.
- Options: Caravan Park / MHE.



Figure 2-1: Lots 1-24 DP13963, Lots 4/56 DP 758862, Lot 6 DP1116082
Source: EAC RedSquare Mapping

2.3 Lot 95 DP 721917 & Lot 1 DP 1111063

- Location: McCrae Street, Queanbeyan West
- Ownership: Crown Land
- Zoning: RE1 Public Recreation
- Area: 46.4 ha
- Constraints: Not known
- Current use: Queanbeyan Race Course.

- Allowable relevant uses: Shop top housing (innominate), Boarding houses (innominate), Residential flat buildings (social housing providers) (SEPP Housing clause 36), Co-living housing (SEPP Housing clause 37), Build to rent housing (SEPP Housing clause 72)
- Options: Residential flat buildings including affordable housing, Co-living/boarding houses, build to rent housing



Figure 2-3: Lot 2 DP 1062268
Source: EAC RedSquare Mapping

2.5 Lot 3 DP 717706

- Location: 3a Erin Street Queanbeyan
- Ownership: Queanbeyan Palerang Regional Council
- Zoning: B3 Commercial Core
- Area: 3,045 m²
- Constraints: Affected by PMF
- Current use: Car park

- Accessibility: Within Queanbeyan town centre
- Allowable relevant uses: Shop top housing (innominate), Boarding houses (innominate), Residential flat buildings (social housing providers) (SEPP Housing clause 36), Co-living housing (SEPP Housing clause 37), Build to rent housing (SEPP Housing clause 72)
- Options: Residential flat buildings including affordable housing, Co-living/boarding houses, build to rent housing



Figure 2-4: Lot 3 DP 717706
Source: EAC RedSquare Mapping

2.6 Lot 2 DP 702120, Lot 1 DP 714419, Lot 12 DP 715626, Lot 2 DP 734766

- Location: 16 Morisset Street Queanbeyan
- Ownership: Queanbeyan Palerang Regional Council

- Zoning: B3 Commercial Core
- Area: 5,768 m²
- Constraints: Flood affected
- Current use: Car park
- Accessibility: Within Queanbeyan town centre
- Allowable relevant uses: Shop top housing (innominate), Boarding houses (innominate), Residential flat buildings (social housing providers) (SEPP Housing clause 36), Co-living housing (SEPP Housing clause 37), Build to rent housing (SEPP Housing clause 72)
- Options: Residential flat buildings including affordable housing, Co-living/boarding houses, build to rent housing



Figure 2-5: Lot 2 DP 702120, Lot 1 DP 714419, Lot 12 DP 715626, Lot 2 DP 734766

Source: EAC RedSquare Mapping

2.7 Lot D DP 159818, Lots 3, 5 & 9 DP 239955, Lot A DP 371908, Lot 9 DP 530627, Lot 15 DP 543424, Lot 11 DP 543425, Lot 26 DP 544107, Lot 19 DP 544636, Lot 22 DP 544753, Lot 13 DP 544916, Lot 24 DP 545522, Lot 7 DP 1084914, Lot 2 DP 1179113

- Location: 9g Morisset Street Queanbeyan
- Ownership: Queanbeyan Palerang Regional Council
- Zoning: B3 Commercial Core
- Area: 16,969 m²
- Constraints: Flood affected
- Current use: Car park
- Accessibility: Within Queanbeyan town centre
- Allowable relevant uses: Shop top housing (innominate), Boarding houses (innominate), Residential flat buildings (social housing providers) (SEPP Housing clause 36), Co-living housing (SEPP Housing clause 37), Build to rent housing (SEPP Housing clause 72)
- Options: Residential flat buildings including affordable housing, Co-living/boarding houses, build to rent housing

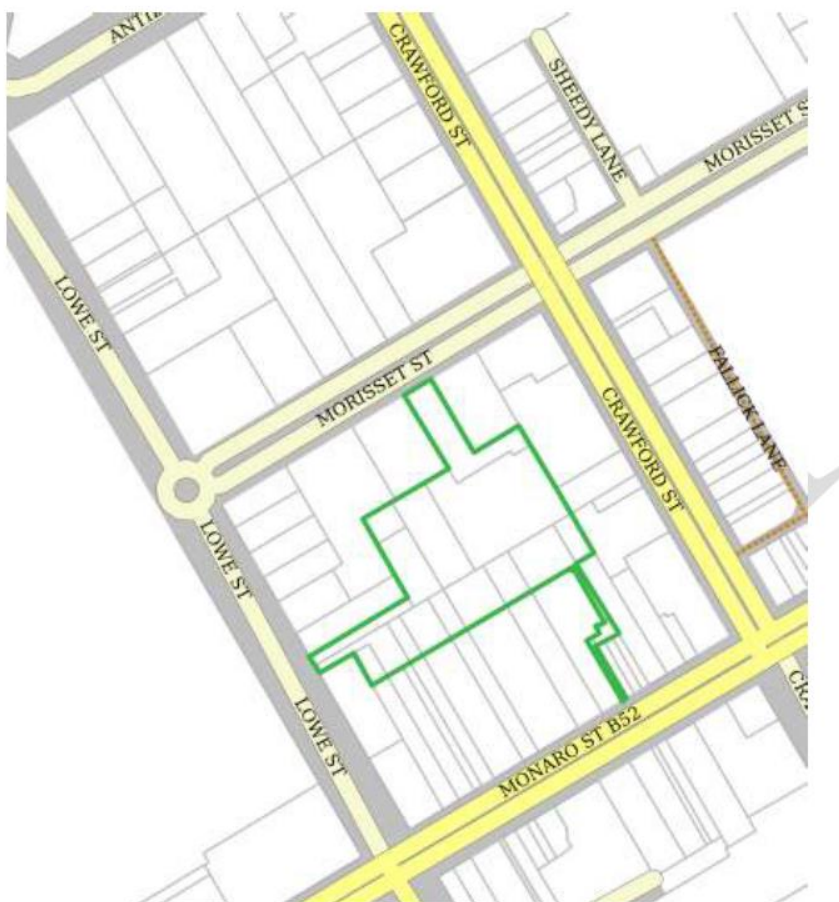


Figure 2-6: Lot D DP 159818, Lots 3, 5 & 9 DP 239955, Lot A DP 371908, Lot 9 DP 530627, Lot 15 DP 543424, Lot 11 DP 543425, Lot 26 DP 544107, Lot 19 DP 544636, Lot 22 DP 544753, Lot 13 DP 544916, Lot 24 DP 545522, Lot 7 DP 1084914, Lot 2 DP 1179113

Source: EAC RedSquare Mapping

2.8 Lots 4 & 7 DP 251076, Lot 1 DP 748338, Lot 5 DP 1179998

- Location: 50 Lowe Street Queanbeyan
- Ownership: Queanbeyan Palerang Regional Council
- Zoning: B3 Commercial Core
- Area: 6,631 m²

- Constraints: Flood affected
- Current use: Car Park (adjacent to Civic Precinct)
- Accessibility: Within Queanbeyan town centre
- Allowable relevant uses: Shop top housing (innominate), Boarding houses (innominate), Residential flat buildings (social housing providers) (SEPP Housing clause 36), Co-living housing (SEPP Housing clause 37), Build to rent housing (SEPP Housing clause 72)
- Options: Residential flat buildings including affordable housing, Co-living/boarding houses, build to rent housing



Figure 2-7: Lots 4 & 7 DP 251076, Lot 1 DP 748338, Lot 5 DP 1179998

Source: EAC RedSquare Mapping

2.9 Lots 2 – 5 DP 1075174

- Location: 26 Rutledge Street Queanbeyan
- Ownership: Queanbeyan Palerang Regional Council
- Zoning: B3 Commercial Core
- Area: 3,748 m²
- Constraints: Flood affected

- Current use: Car Park
- Accessibility: Within Queanbeyan town centre
- Allowable relevant uses: Shop top housing (innominate), Boarding houses (innominate), Residential flat buildings (social housing providers) (SEPP Housing clause 36), Co-living housing (SEPP Housing clause 37), Build to rent housing (SEPP Housing clause 72)
- Options: Residential flat buildings including affordable housing, Co-living/boarding houses, build to rent housing



Figure 2-8: Lots 2 – 5 DP 1075174

Source: EAC RedSquare Mapping

2.10 Lot 12 DP 755954 & Lot 290 DP727632

- Location: 6185 Kings Highway Braidwood
- Ownership: Crown Land

- Zoning: RE1 Public Recreation
- Area: 61.8 ha
- Constraints: Not known
- Current use: Braidwood Race Course and Showground.
- Accessibility: 2.0 kilometres to Braidwood B2 zone. There is no public transport, so the site would be car dependent.
- Allowable relevant uses: Caravan Parks.
- Options: Caravan Park / MHE.

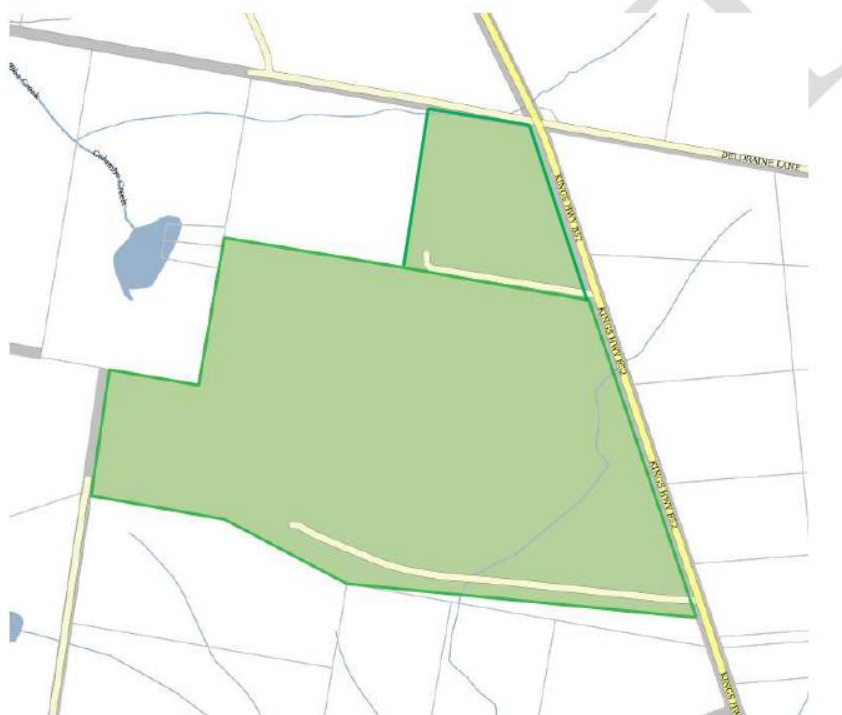


Figure 2-9: Lot 12 DP 755954 & Lot 290 DP 727632

Source: EAC RedSquare Mapping

2.11 Lot 7002 DP 96166

- Location: 71 Mathews Lane, Bungendore
- Ownership: Crown Land

- Zoning: RE1 Public Recreation
- Area: 40.4 ha
- Constraints: Not known
- Current use: Bungendore Showground.
- Accessibility: 3.0 kilometres to Bungendore B2 zone. There is no public transport, so the site would be car dependent.
- Allowable relevant uses: Caravan Parks.
- Options: Caravan Park / MHE.



Figure 2-10: Lot 7002 DP 96166

Source: EAC RedSquare Mapping

2.12 Lot 10 DP 111968

- Location: 42 Bombay Road Braidwood

- Ownership: Queanbeyan Palerang Regional Council
- Zoning: RU1 Primary Production
- Area: 19.1 ha
- Constraints: Flood affected
- Current use: Community Garden.
- Accessibility: 1.5 kilometres to Braidwood B2 zone. There is no public transport, so the site would be car dependent.
- Allowable relevant uses: Caravan Parks.
- Options: Caravan Park / MHE.



Figure 2-11: Lot 10 DP 1111968

Source: EAC RedSquare Mapping

2.13 Lot 1 DP 212019, Lots 3 & 6 DP 240640, Lot 4 DP 835748, Lot 21 DP 848206

- Location: Ryrie Street Braidwood
- Ownership: Queanbeyan Palerang Regional Council
- Zoning: SP1 Special Activities
- Area: 6,207 m².
- Constraints: None identified
- Current use: Council Depot.

- Accessibility: Adjacent to Braidwood town centre.
- Allowable relevant uses: Seniors Housing (under SEPP (Housing) 2021).
- Options: Seniors housing.

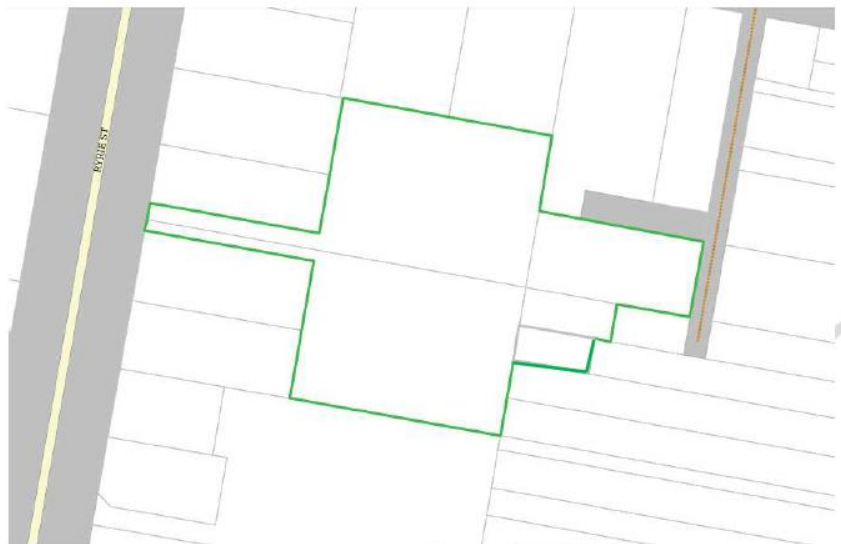


Figure 2-12: Lot 1 DP 212019, Lots 3 & 6 DP 240640, Lot 4 DP 835748, Lot 21 DP 848206
Source: EAC RedSquare Mapping

2.14 Public Housing Potential Redevelopment Sites

The following list shows land in Queanbeyan Palerang LGA that is in public housing ownership.

5 Bunn St	BRAIDWOOD	38 Anne St	KARABAR
25 Coronation Ave	BRAIDWOOD	40 Anne St	KARABAR
27 Coronation Ave	BRAIDWOOD	45 Anne St	KARABAR
35 Coronation Ave	BRAIDWOOD	46 Anne St	KARABAR
41 Coronation Ave	BRAIDWOOD	47 Anne St	KARABAR
2 Agnes Ave	CRESTWOOD	51 Anne St	KARABAR
12 Agnes Ave	CRESTWOOD	52 Anne St	KARABAR
14 Agnes Ave	CRESTWOOD	9 Bangalay St	KARABAR
64 Crest Rd	CRESTWOOD	10 Bangalay St	KARABAR
66 Crest Rd	CRESTWOOD	11 Bangalay St	KARABAR
72 Crest Rd	CRESTWOOD	12 Bangalay St	KARABAR
10 Heather St	CRESTWOOD	18 Bangalay St	KARABAR
1 Leck St	CRESTWOOD	21 Bangalay St	KARABAR
3 Leck St	CRESTWOOD	22 Bangalay St	KARABAR
6 Leck St	CRESTWOOD	23 Bangalay St	KARABAR
8 Leck St	CRESTWOOD	24 Bangalay St	KARABAR
10 Leck St	CRESTWOOD	3 Banksia Cres	KARABAR
44 Morton St	CRESTWOOD	4 Banksia Cres	KARABAR
69 Morton St	CRESTWOOD	6 Banksia Cres	KARABAR
19 Munro Rd	CRESTWOOD	8 Banksia Cres	KARABAR
21 Munro Rd	CRESTWOOD	9 Banksia Cres	KARABAR
37 Munro Rd	CRESTWOOD	13 Banksia Cres	KARABAR
39 Munro Rd	CRESTWOOD	15 Banksia Cres	KARABAR
64 Richard Ave	CRESTWOOD	17 Banksia Cres	KARABAR
66 Richard Ave	CRESTWOOD	19 Banksia Cres	KARABAR
63 Ross Rd	CRESTWOOD	23 Banksia Cres	KARABAR
65 Ross Rd	CRESTWOOD	24 Banksia Cres	KARABAR
4 Young St	CRESTWOOD	26 Banksia Cres	KARABAR
37 Alanbar St	KARABAR	28 Banksia Cres	KARABAR
45 Alanbar St	KARABAR	30 Banksia Cres	KARABAR
49 Alanbar St	KARABAR	34 Banksia Cres	KARABAR
51 Alanbar St	KARABAR	36 Banksia Cres	KARABAR
53 Alanbar St	KARABAR	40 Banksia Cres	KARABAR
55 Alanbar St	KARABAR	42 Banksia Cres	KARABAR
61 Alanbar St	KARABAR	44 Banksia Cres	KARABAR
5 Anne St	KARABAR	1 Belah Pl	KARABAR
6 Anne St	KARABAR	3 Belah Pl	KARABAR
17 Anne St	KARABAR	4 Belah Pl	KARABAR
18 Anne St	KARABAR	6 Belah Pl	KARABAR
20 Anne St	KARABAR	7 Belah Pl	KARABAR
22 Anne St	KARABAR	9 Belah Pl	KARABAR
24 Anne St	KARABAR	10 Belah Pl	KARABAR
26 Anne St	KARABAR	11 Belah Pl	KARABAR
28 Anne St	KARABAR	12 Belah Pl	KARABAR
30 Anne St	KARABAR	2 Boronia Cres	KARABAR
32 Anne St	KARABAR	5 Boronia Cres	KARABAR
34 Anne St	KARABAR	6 Boronia Cres	KARABAR

10 Boronia Cres	KARABAR	155 Cameron Rd	KARABAR
13 Boronia Cres	KARABAR	157 Cameron Rd	KARABAR
14 Boronia Cres	KARABAR	159 Cameron Rd	KARABAR
18 Boronia Cres	KARABAR	161 Cameron Rd	KARABAR
19 Boronia Cres	KARABAR	163 Cameron Rd	KARABAR
21 Boronia Cres	KARABAR	167 Cameron Rd	KARABAR
26 Boronia Cres	KARABAR	169 Cameron Rd	KARABAR
28 Boronia Cres	KARABAR	5 Cassia Cres	KARABAR
29 Boronia Cres	KARABAR	7 Cassia Cres	KARABAR
30 Boronia Cres	KARABAR	9 Cassia Cres	KARABAR
31 Boronia Cres	KARABAR	13 Cassia Cres	KARABAR
33 Boronia Cres	KARABAR	15 Cassia Cres	KARABAR
34 Boronia Cres	KARABAR	16 Cassia Cres	KARABAR
36 Boronia Cres	KARABAR	17 Cassia Cres	KARABAR
42 Boronia Cres	KARABAR	18 Cassia Cres	KARABAR
44 Boronia Cres	KARABAR	20 Cassia Cres	KARABAR
46 Boronia Cres	KARABAR	22 Cassia Cres	KARABAR
2 Brigalow St	KARABAR	2 Coolebah Cres	KARABAR
3 Brigalow St	KARABAR	3 Coolebah Cres	KARABAR
5 Brigalow St	KARABAR	4 Coolebah Cres	KARABAR
6 Brigalow St	KARABAR	5 Coolebah Cres	KARABAR
8-20 Brigalow St	KARABAR	7 Coolebah Cres	KARABAR
17 Brigalow St	KARABAR	8 Coolebah Cres	KARABAR
19 Brigalow St	KARABAR	10 Coolebah Cres	KARABAR
5 Bulbar St	KARABAR	11 Coolebah Cres	KARABAR
79 Cameron Rd	KARABAR	12 Coolebah Cres	KARABAR
81 Cameron Rd	KARABAR	13 Coolebah Cres	KARABAR
87 Cameron Rd	KARABAR	15 Coolebah Cres	KARABAR
89 Cameron Rd	KARABAR	17 Coolebah Cres	KARABAR
91 Cameron Rd	KARABAR	21 Coolebah Cres	KARABAR
92 Cameron Rd	KARABAR	23 Coolebah Cres	KARABAR
95 Cameron Rd	KARABAR	82 Cooma St	KARABAR
96 Cameron Rd	KARABAR	48 Donald Rd	KARABAR
97 Cameron Rd	KARABAR	52 Donald Rd	KARABAR
98 Cameron Rd	KARABAR	66 Donald Rd	KARABAR
100 Cameron Rd	KARABAR	68 Donald Rd	KARABAR
112 Cameron Rd	KARABAR	70 Donald Rd	KARABAR
114 Cameron Rd	KARABAR	72 Donald Rd	KARABAR
118 Cameron Rd	KARABAR	103 Donald Rd	KARABAR
124 Cameron Rd	KARABAR	109 Donald Rd	KARABAR
128 Cameron Rd	KARABAR	112 Donald Rd	KARABAR
130 Cameron Rd	KARABAR	113 Donald Rd	KARABAR
132 Cameron Rd	KARABAR	114 Donald Rd	KARABAR
134 Cameron Rd	KARABAR	117 Donald Rd	KARABAR
137 Cameron Rd	KARABAR	121 Donald Rd	KARABAR
138 Cameron Rd	KARABAR	123 Donald Rd	KARABAR
140 Cameron Rd	KARABAR	125 Donald Rd	KARABAR
142 Cameron Rd	KARABAR	129 Donald Rd	KARABAR
144 Cameron Rd	KARABAR	131 Donald Rd	KARABAR
151 Cameron Rd	KARABAR	133 Donald Rd	KARABAR
153 Cameron Rd	KARABAR	141 Donald Rd	KARABAR

142 Donald Rd	KARABAR	16 Karri Cres	KARABAR
143 Donald Rd	KARABAR	17 Karri Cres	KARABAR
144 Donald Rd	KARABAR	18 Karri Cres	KARABAR
145 Donald Rd	KARABAR	20 Karri Cres	KARABAR
146 Donald Rd	KARABAR	25 Karri Cres	KARABAR
147 Donald Rd	KARABAR	26 Karri Cres	KARABAR
148 Donald Rd	KARABAR	28 Karri Cres	KARABAR
149 Donald Rd	KARABAR	32 Karri Cres	KARABAR
150 Donald Rd	KARABAR	40 Karri Cres	KARABAR
151 Donald Rd	KARABAR	46 Karri Cres	KARABAR
152 Donald Rd	KARABAR	48 Karri Cres	KARABAR
153 Donald Rd	KARABAR	50 Karri Cres	KARABAR
159 Donald Rd	KARABAR	1 Kurrajong St	KARABAR
7 Downey St	KARABAR	2 Kurrajong St	KARABAR
14 Downey St	KARABAR	3 Kurrajong St	KARABAR
18 Downey St	KARABAR	6 Kurrajong St	KARABAR
19 Downey St	KARABAR	9 Kurrajong St	KARABAR
3 Eugenia St	KARABAR	2 Mallee Cres	KARABAR
4 Eugenia St	KARABAR	3 Mallee Cres	KARABAR
6 Eugenia St	KARABAR	4 Mallee Cres	KARABAR
7 Eugenia St	KARABAR	5 Mallee Cres	KARABAR
8 Eugenia St	KARABAR	7 Mallee Cres	KARABAR
11 Eugenia St	KARABAR	7 Margaret St	KARABAR
14 Eugenia St	KARABAR	12 Margaret St	KARABAR
56 Fergus Rd	KARABAR	13 Margaret St	KARABAR
70 Fergus Rd	KARABAR	14 Margaret St	KARABAR
72 Fergus Rd	KARABAR	17 Margaret St	KARABAR
84 Fergus Rd	KARABAR	20 Margaret St	KARABAR
86 Fergus Rd	KARABAR	24 Margaret St	KARABAR
4 Grevillea Pl	KARABAR	27 Margaret St	KARABAR
3 Jarrah St	KARABAR	31 Margaret St	KARABAR
5 Jarrah St	KARABAR	39 Margaret St	KARABAR
6 Jarrah St	KARABAR	43 Margaret St	KARABAR
8 Jarrah St	KARABAR	19 Oleria St	KARABAR
9 Jarrah St	KARABAR	23 Oleria St	KARABAR
10 Jarrah St	KARABAR	24 Oleria St	KARABAR
11 Jarrah St	KARABAR	26 Oleria St	KARABAR
12 Jarrah St	KARABAR	27 Oleria St	KARABAR
1 Karri Cres	KARABAR	32 Oleria St	KARABAR
3 Karri Cres	KARABAR	36 Oleria St	KARABAR
4 Karri Cres	KARABAR	38 Oleria St	KARABAR
5 Karri Cres	KARABAR	37 Pindari Cres	KARABAR
7 Karri Cres	KARABAR	1 Queenbar Rd	KARABAR
8 Karri Cres	KARABAR	2 Queenbar Rd	KARABAR
9 Karri Cres	KARABAR	4 Queenbar Rd	KARABAR
10 Karri Cres	KARABAR	5 Queenbar Rd	KARABAR
11 Karri Cres	KARABAR	6 Queenbar Rd	KARABAR
12 Karri Cres	KARABAR	8 Queenbar Rd	KARABAR
13 Karri Cres	KARABAR	10 Queenbar Rd	KARABAR
14 Karri Cres	KARABAR	12 Queenbar Rd	KARABAR
15 Karri Cres	KARABAR	14 Queenbar Rd	KARABAR

16 Queenbar Rd	KARABAR	12 Wattle St	KARABAR
44 Southbar Rd	KARABAR	13 Wattle St	KARABAR
46 Southbar Rd	KARABAR	1 Wirilda Cres	KARABAR
47 Southbar Rd	KARABAR	3 Wirilda Cres	KARABAR
48 Southbar Rd	KARABAR	5 Wirilda Cres	KARABAR
50 Southbar Rd	KARABAR	6 Wirilda Cres	KARABAR
52 Southbar Rd	KARABAR	7 Wirilda Cres	KARABAR
54 Southbar Rd	KARABAR	9 Woodger Pde	KARABAR
56 Southbar Rd	KARABAR	2 Campbell St	QUEANBEYAN
57 Southbar Rd	KARABAR	42 Carinya St	QUEANBEYAN
58 Southbar Rd	KARABAR	117 Collett St	QUEANBEYAN
60 Southbar Rd	KARABAR	119 Collett St	QUEANBEYAN
61 Southbar Rd	KARABAR	65 Erin St	QUEANBEYAN
62 Southbar Rd	KARABAR	67 Erin St	QUEANBEYAN
63 Southbar Rd	KARABAR	47 Fergus Rd	QUEANBEYAN
64 Southbar Rd	KARABAR	53 Fergus Rd	QUEANBEYAN
66 Southbar Rd	KARABAR	55 Fergus Rd	QUEANBEYAN
68 Southbar Rd	KARABAR	6 Gerald St	QUEANBEYAN
69 Southbar Rd	KARABAR	8 Gerald St	QUEANBEYAN
70 Southbar Rd	KARABAR	12 Gerald St	QUEANBEYAN
72 Southbar Rd	KARABAR	14 Gerald St	QUEANBEYAN
73 Southbar Rd	KARABAR	2 Killard St	QUEANBEYAN
74 Southbar Rd	KARABAR	52 Lowe St	QUEANBEYAN
75 Southbar Rd	KARABAR	13 Bungendore Rd	QUEANBEYAN EAST
76 Southbar Rd	KARABAR	17 Bungendore Rd	QUEANBEYAN EAST
77 Southbar Rd	KARABAR	41 Elizabeth Cres	QUEANBEYAN EAST
78 Southbar Rd	KARABAR	1 High Pl	QUEANBEYAN EAST
79 Southbar Rd	KARABAR	3 High Pl	QUEANBEYAN EAST
80 Southbar Rd	KARABAR	42 High St	QUEANBEYAN EAST
81 Southbar Rd	KARABAR	46 High St	QUEANBEYAN EAST
82 Southbar Rd	KARABAR	54 High St	QUEANBEYAN EAST
83 Southbar Rd	KARABAR	56 High St	QUEANBEYAN EAST
84 Southbar Rd	KARABAR	22 Pound St	QUEANBEYAN EAST
85 Southbar Rd	KARABAR	23 Pound St	QUEANBEYAN EAST
87 Southbar Rd	KARABAR	24 Pound St	QUEANBEYAN EAST
88 Southbar Rd	KARABAR	25 Pound St	QUEANBEYAN EAST
90 Southbar Rd	KARABAR	28 Pound St	QUEANBEYAN EAST
91 Southbar Rd	KARABAR	29 Pound St	QUEANBEYAN EAST
96 Southbar Rd	KARABAR	30 Pound St	QUEANBEYAN EAST
99 Southbar Rd	KARABAR	34 Pound St	QUEANBEYAN EAST
101 Southbar Rd	KARABAR	36 Pound St	QUEANBEYAN EAST
103 Southbar Rd	KARABAR	14 Thurrallilly St	QUEANBEYAN EAST
111 Southbar Rd	KARABAR	16 Thurrallilly St	QUEANBEYAN EAST
39 Sunnybar Pde	KARABAR	18 Thurrallilly St	QUEANBEYAN EAST
39 Sunnybar Pde	KARABAR	22 Thurrallilly St	QUEANBEYAN EAST
1 Wattle St	KARABAR	24 Thurrallilly St	QUEANBEYAN EAST
2 Wattle St	KARABAR	26 Thurrallilly St	QUEANBEYAN EAST
3 Wattle St	KARABAR	28 Thurrallilly St	QUEANBEYAN EAST
7 Wattle St	KARABAR	30 Thurrallilly St	QUEANBEYAN EAST
8 Wattle St	KARABAR	5 Warroo St	QUEANBEYAN EAST
11 Wattle St	KARABAR	7 Warroo St	QUEANBEYAN EAST

1 Clara Pl	QUEANBEYAN WEST
7 Clara Pl	QUEANBEYAN WEST
1 Dunn St	QUEANBEYAN WEST
5 Dunn St	QUEANBEYAN WEST
7 Dunn St	QUEANBEYAN WEST
11 Dunn St	QUEANBEYAN WEST
13 Dunn St	QUEANBEYAN WEST
15 Dunn St	QUEANBEYAN WEST
17 Dunn St	QUEANBEYAN WEST
23 Dunn St	QUEANBEYAN WEST
31 Dunn St	QUEANBEYAN WEST
33 Dunn St	QUEANBEYAN WEST
4 Jordan Pl	QUEANBEYAN WEST
6 Jordan Pl	QUEANBEYAN WEST
14 Jordan Pl	QUEANBEYAN WEST
15 Jordan Pl	QUEANBEYAN WEST
17 Jordan Pl	QUEANBEYAN WEST
19 Jordan Pl	QUEANBEYAN WEST
23 Jordan Pl	QUEANBEYAN WEST
25 Jordan Pl	QUEANBEYAN WEST
1 Meech Pl	QUEANBEYAN WEST
3 Meech Pl	QUEANBEYAN WEST
4 Meech Pl	QUEANBEYAN WEST
5 Meech Pl	QUEANBEYAN WEST
7 Meech Pl	QUEANBEYAN WEST
9 Meech Pl	QUEANBEYAN WEST
10 Meech Pl	QUEANBEYAN WEST

3 Appendix C: Economics of Redevelopment

3.1 Overview

This section investigates planning and economic constraints to the development of Residential flat buildings including Build to Rent, Multi dwelling housing and New Generation Boarding Houses/Co living housing within and around the three major urban centres of Queanbeyan, Bungendore and Braidwood.

The following provides a detailed examination of opportunities within B2, B4 and R3 zones within and around these urban centres. A summary of findings is provided in the Background Paper.

The preliminary assessment identifies a number of areas where planning controls restrain development. This could be further investigated by Council, such as by commissioning preliminary architectural design and quantity surveyor costings for some case study sites in Queanbeyan, and using this to better understand the impacts of variations to controls.

3.2 Queanbeyan and surrounds

3.2.1 Queanbeyan B3 zoning

Based on preliminary modelling, the B3 zoning in Queanbeyan does not support redevelopment for Shop top housing due to:

- High levels of onsite parking required; and
- The relatively low prices of residential apartments in Queanbeyan.

The Queanbeyan B3 zoned area is shown in the figure below.

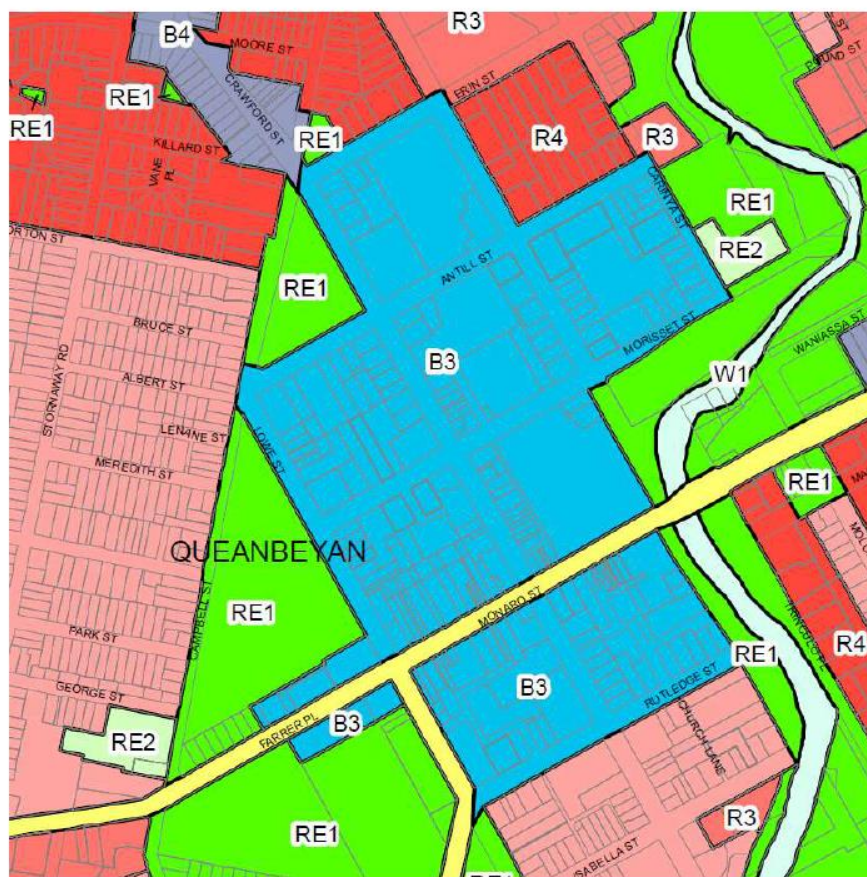


Figure 3.1: Queanbeyan B3 zoned area

Source: Queanbeyan LEP 2012

Boarding houses and Shop top housing are innominate uses in the zone. Residential flat buildings are prohibited.

The table below shows sales in the B3 zone for the last two years.

Table 3-1: Sales in Queanbeyan B3 zone since January 2020

Address	Sale price	Area (m ²)	Price/m ²
114 Crawford Street	\$3,100,000	1,012	\$3,063
151 Crawford Street	\$1,595,000	1,170	\$1,363
8-10 Morisset Street	\$3,350,000	3,558	\$942

Address	Sale price	Area (m ²)	Price/m ²
50 Morisset Street	\$60,000,000	5,864	\$10,232
180 Crawford Street	\$780,000	408	\$1,912
176 Crawford Street	\$670,000	294	\$2,279
9 Carinya Street	\$672,000	627	\$1,550
7 Carinya Street	\$528,000	715	\$738
3 Carinya Street	\$1,650,000	1,043	\$1,582
64 Collet Street	\$455,000	698	\$652
47 Anthill Street	\$500,000	847	\$590
27 Monaro Street	\$1,420,000	791	\$1,795
21 Monaro Street	\$4,250,000	1,416	\$3,001
28 Lowe Street	\$875,000	613	\$1,427
139 Monaro Street	\$60,000,000	30,033	\$1,998
202 Crawford Street	\$900,000	616	\$1,461
28 Monaro Street	\$785,000	119	\$6,597
52 Monaro Street	\$433,333	1,227	\$353
276 Crawford Street	\$725,000	668	\$1,085
138 Monaro Street	\$1,485,000	379	\$3,918

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$2,302/m² with a standard deviation of \$2,352.

Relevant development controls are building height, which is typically 30 metres (ten stories) and FSR which is 3:1.

The Apartment Design Guide is applicable (3D1.1 of the DCP).

The DCP identifies setbacks in accordance with Part 7 of the DCP (3D.2a) however Part 7 is for industrial uses, consequently the setback requirements of the Apartment Design Guide have been assumed.

Relevant DCP controls include car parking of two spaces per dwelling (3D.4a), private open space of 12 m² per dwelling (3D.6a) and minimum dwelling size of 50 m² (3D.8a).

The following preliminary calculations assess the development viability of a case study site.⁶

8-10 Morisset St Queanbeyan

The site is an L shape, with a 50 metre frontage to Morisset Street and depth of 50 – 103 metres. A zero side setback has been assumed, with side walls considered as party walls as is typical for shop top development, noting much of the commercial development in the B3 zone has zero side setback. Development is assumed to be in the form of two towers. A zero front setback has been assumed for the first four floors, assuming Morisset Street provides 12 metres separation. Other setbacks are assumed in accordance with the Apartment Design Guide.

Height is 30 metres.

Based on setbacks, developable area is estimated at about 28,100 m², noting that this will include around 20% for balconies and circulation areas. Using the FSR of 3:1, gross floor area is 10,700 m². A site footprint of 60% and underground parking has been allowed.

Modelled Development

Commercial 2,100 m², 36 parking spaces

Residential 123 two bedroom apartments at 70 m², 246 parking spaces.

Expenditure:

Site purchase	\$ 3,350,000
Construction residential 8,610 m ² @ \$4,200 ⁷	\$ 36,162,000
Construction commercial 2,100 m ² @ \$2,800 ⁸	\$ 5,880,000
Car Park 282 spaces at \$102,000	\$ 28,764,000
Total Cost	\$ 74,156,000

Income:

Commercial 2,100 m ² @ \$2,500 ⁹	\$ 5,250,000
Residential 123 @ \$450,000 ¹⁰	\$ 55,350,000
Total income	\$ 60,600,000

Margin: -18%

⁶ A more detailed calculation would require preparation of architectural plans and Quantity Surveyor costings.

⁷ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, lifted.

⁸ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc. Cost is for a retail shell or offices ready to fit out.

⁹ Assumed 20% for common circulation etc, based on recent sale of 114 Crawford Street.

¹⁰ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

It can be seen that the development is not viable. Major impacts include the high cost of providing underground car parking (38% of the cost estimate), and any reduction in parking requirements would improve viability. The return on the commercial component is very low, with an income of \$5.3 million compared to a cost of \$9.5 million (a margin of -44%). The modelled lack of viability is further evidenced by the lack of take up of generous planning controls in the B2 zone.

The table below shows actual vehicle ownership for households living in apartments in Queanbeyan. Given the pedestrian access of the B2 zone and the availability of regular public transport to Canberra, an allowance of one parking space per two bedroom apartment would be appropriate.

Table 3-2: Car Ownership rates – Apartments in Queanbeyan

Number of bedrooms	Average vehicles per household
0 (bedsit)	0.2
1 bedroom	1.0
2 bedroom	1.2
3 bedroom	1.7

Source: EAC RedSquare Data Base, JSA calculation

The calculation below assesses viability if lower rates of residential parking were used.

Lower rates of residential parking

Commercial 2,100 m², 36 parking spaces

Residential 123 two bedroom apartments at 70 m², 123 parking spaces.

Expenditure:

Site purchase	\$ 3,350,000
Construction residential 8,610 m ² @ \$4,200 ¹¹	\$ 36,162,000
Construction commercial 2,100 m ² @ \$2,800 ¹²	\$ 5,880,000
Car Park 159 spaces at \$102,000	<u>\$ 16,218,000</u>
Total Cost	<u>\$ 61,610,000</u>

Income:

Commercial 2,100 m ² @ \$2,500 ¹³	\$ 5,250,000
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¹¹ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, lifted.

¹² Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc. Cost is for a retail or office shell ready to fit out.

¹³ Assumed 20% for common circulation etc, based on recent sale of 114 Crawford Street.

Residential 123 @ \$450,000 ¹⁴	\$ 55,350,000
Total income	\$ 60,600,000
Margin: -2%	

The modelled development assumes that all the ground floor is developed for commercial purposes in line with the definition of shop top housing. The commercial income is \$5.3 million, compared to a cost of \$9.5 million, a margin of -44%, and this is a clear impost on development. There appears to be reduced demand for commercial floor space more generally.¹⁵ An alternative approach might be to require the street frontage to be activated, allowing for 30 metres of the site depth to be used for commercial development, and the remainder of the ground floor to be used for other uses such as parking. This is particularly of concern in deep blocks, such as the one modelled here. Car parks are permissible with consent in the zone, so that a development with shop top housing above commercial at the street frontage and a car park as a parking station to the rear would be permissible.

The calculation below assesses viability at a preliminary level if parking was provided as a parking station at the rear with reduced parking rates and a 30 metre strip of the street frontage was used for commercial and shop top housing. (A better design outcome might be achieved if housing was permissible above the parking station, rather than having balconies facing a parking station but this would not qualify as shop top housing).

Lower rates of residential parking and parking in a parking station

Commercial 1,500 m², 25 parking spaces

Residential 131 two bedroom apartments at 70 m², 131 parking spaces.

Expenditure:

Site purchase	\$ 3,350,000
Construction residential 9,170 m ² @ \$4,200 ¹⁶	\$ 38,514,000
Construction commercial 1,500 m ² @ \$2,800 ¹⁷	\$ 4,200,000
Car Park 156 spaces at \$40,000	\$ 6,240,000
Total Cost	\$ 52,304,000

Income:

¹⁴ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

¹⁵ Recent shop top housing developments in inner Sydney appear to minimise the commercial component, with for example, the inclusion of plant rooms at the ground floor level. Anecdotally, development of shop top housing in inner Wollongong has led to many empty shop fronts.

¹⁶ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, lifted.

¹⁷ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc. Cost is for a retail or office shell ready to fit out.

Commercial 1,500 m ² @ \$2,500 ¹⁸	\$ 3,750,000
Residential 131 @ \$450,000 ¹⁹	\$ 58,950,000
Total income	\$ 62,700,000

Margin: 20%

The following calculations model a Build to Rent development under SEPP (Housing) 2021, with this development permissible with consent in the B3 zone, subject to provision of active uses at the Street front.

The model assumes lower rates of parking in accordance with actual parking demand, and parking provided in a parking station.

Build to rent, with lower rates of residential parking and parking in a parking station

Commercial 1,500 m², 25 parking spaces

Residential 131 two bedroom apartments at 70 m², 131 parking spaces.

Expenditure:

Site purchase	\$ 3,350,000
Construction residential 9,170 m ² @ \$4,200 ²⁰	\$ 38,514,000
Construction commercial 1,500 m ² @ \$2,800 ²¹	\$ 4,200,000
Car Park 156 spaces at \$40,000	\$ 6,240,000
Total Cost	\$ 52,304,000

Income:

Commercial 1,500 m ² @ \$2,500 ²²	\$ 3,750,000
Net investment	\$ 48,554,000

Income:

Residential 131 @ \$470 per week ²³ less 10% for admin	\$ 2,881,000
Depreciation offset (allow 30% of 2.5% of construction cost)	\$ 364,000
Total income	\$ 3,245,000

¹⁸ Assumed 20% for common circulation etc, based on recent sale of 114 Crawford Street.

¹⁹ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

²⁰ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, lifted.

²¹ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc. Cost is for a retail or office shell ready to fit out.

²² Assumed 20% for common circulation etc, based on recent sale of 114 Crawford Street.

²³ Using third quartile rental for two bedroom apartments in Post Code 2620.

Return on investment: 6.7%

The rate of return is in line with commercial borrowing rates, and suggests such a development could be viable.

9 Carinya Street

The following calculation assesses a Boarding House/Co living housing option at 9 Carinya St. Zero side and front set back is assumed, consistent with the B2 zoning, with parking in a parking station. Rooms are “New Generation” with self contained bathroom and kitchen. Other set backs are in accordance with the Apartment Design Guide. The lot is 15 metres wide and 40 metres deep.

Residential 1,900 m², 50 self contained rooms at 25 m², 25 parking spaces.

Expenditure:

Site purchase	\$ 672,000
Construction residential 1,900 m ² @ \$4,000 ²⁴	\$ 7,600,000
Car Park 25 spaces at \$40,000	\$ 1,000,000
Total Cost	\$ 9,272,000
Annual Income:	
Rental 50 rooms @ \$280 per week ²⁵	\$ 728,000
Less 20% for management and operation	\$ 146,000
Annual income	\$ 582,000
Rate of return	6.3%

Based on a current business investment loan rate of 6.1%, a boarding house is likely to be marginal. Costs could be reduced by allowing for lower amenity, reducing size and reducing parking. If the boarding house was in an accessible area, parking would need to be provided at a rate of 0.2 spaces per room, and this would be a significant saving. The site does not qualify as an accessible area, as bus services to Canberra (Route 830) operate every two hours on a Sunday, but otherwise comply. A site within 800 metres of Queanbeyan Railway Station would qualify as accessible, and so could provide parking at the lower rate. Consideration could be given to allowing the lower rate for boarding houses and co-living in the B2 zone, due to the proximity to services and employment, and the bus service to Canberra.

Allowing for 0.2 parking spaces per room, as supported by [table 0.2](#) above, the rate of return is 6.7%, improving viability somewhat.

²⁴ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.,

²⁵ 80% of one bedroom median

3.2.2
Queanbeyan B4 zoning

Development opportunities in the B4 zone reflect those in the R4 zone and so have not been further evaluated for feasibility.

The Queanbeyan B4 zoned area is shown in the figure below.

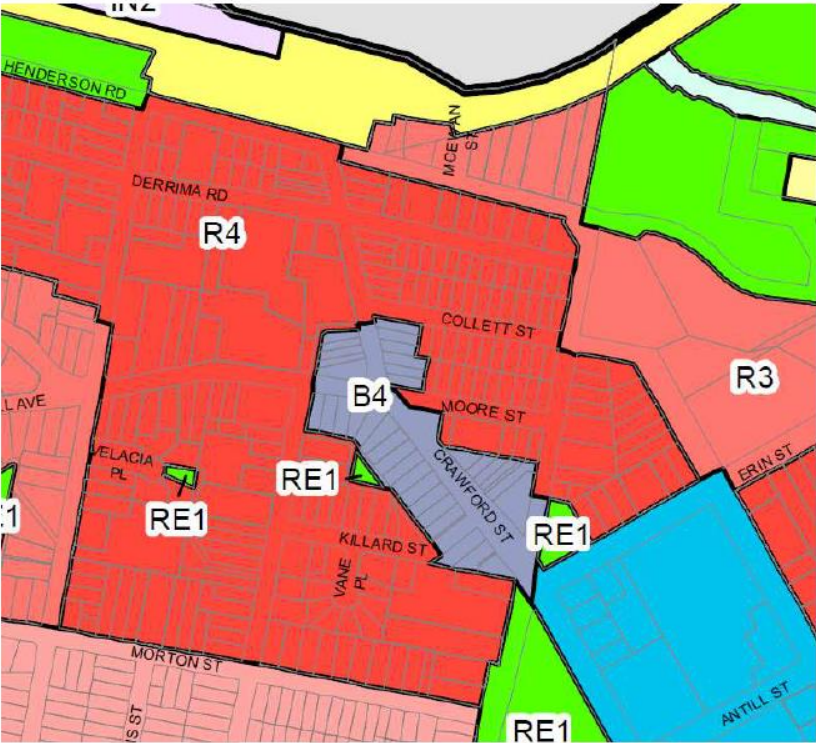


Figure 3.2: Queanbeyan B4 zoned area
Source: Queanbeyan LEP 2012

Boarding houses, Multi dwelling housing, Residential flat buildings, Seniors housing and Shop top housing are permissible with consent in the zone.

The table below shows sales in the B4 zone for the last two years.

Table 3-3: Sales in Queanbeyan B4 zone since January 2020

Address	Sale price	Area (m ²)	Price/m ²
71 Crawford Street	\$600,000	797	\$753

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$753/m² with a standard deviation of \$0.

Relevant development controls are building height, which is typically 8.5 metres (two stories) and FSR which is 1:1.

It is not evident what distinguishes the B4 zone from the surrounding R4 zone, other than the provision of an FSR, and this is overtaken by the site density requirements of the DCP for multi dwelling housing and for residential flat buildings. The variation in controls may allow for some slight advantage in the construction of shop top housing. Due to the small size of the B4 zoning, the similarities with the R4 zone and the apparent lack of development opportunities, the B4 zone has not been further evaluated.

3.2.3 Queanbeyan R4 zoning

Based on preliminary modelling, the R4 zoning in Queanbeyan does not support redevelopment for residential flat buildings due to:

- High levels of onsite parking required;
- DCP density controls; and
- Height restrictions in both the DCP.

Development for multi dwelling housing is likely to be marginal, but may be supported on larger and lower value lots.

The Queanbeyan R4 zoned areas are shown in the figures below.

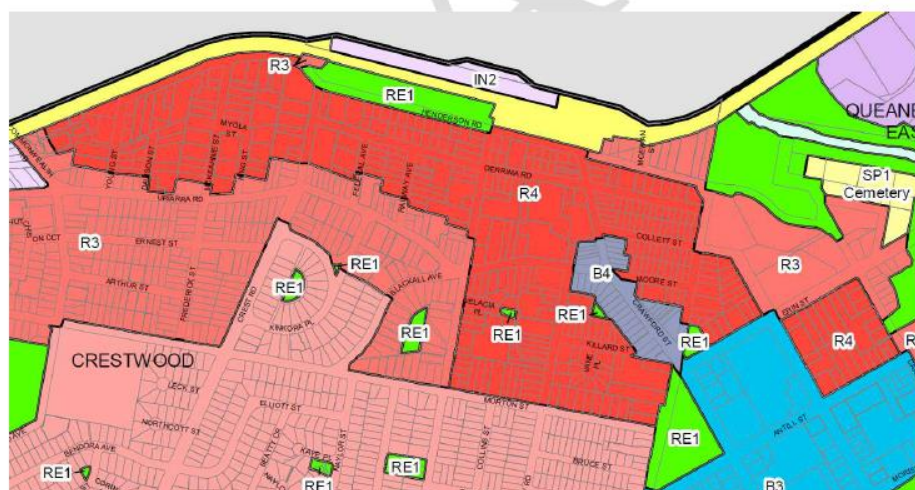


Figure 3.3: Queanbeyan R4 zoned area

Source: Queanbeyan LEP 2012



Figure 3.4: Queanbeyan R4 zoned area

Source: Queanbeyan LEP 2012

Boarding houses, Multi dwelling housing, Residential flat buildings, Seniors housing and Shop top housing are permissible with consent in the zone.

The table below shows sales in the R4 zone for the last two years.

Table 3-4: Sales in Queanbeyan R4 zone since January 2020

Address	Sale price	Area (m ²)	Price/m ²
6 Davidson Cr	\$650,000	594	\$1,094
2 Young St	\$890,000	781	\$1,140
17 Crest St	\$512,000	465	\$1,101
19 Crest St	\$481,000	465	\$1,034
72 Derrima Rd	\$685,000	664	\$1,032
62a Henderson Rd	\$235,000	405	\$580

Address	Sale price	Area (m ²)	Price/m ²
79 Derrima Rd	\$506,000	346	\$1,462
10 Railway Ave	\$540,000	1,309	\$413
58 Henderson Rd	\$605,000	677	\$894
42 Derrima Rd	\$520,000	493	\$1,055
5 Stomaway St	\$1,150,000	1,088	\$1,057
32 Ross St	\$455,000	825	\$552
13-15 Stomaway St	\$1,650,000	2,026	\$814
42 Ross St	\$755,000	639	\$1,182
39a Morton St	\$517,500	391	\$1,324
23 Stomaway St	\$705,000	727	\$970
27 Stomaway St	\$660,000	727	\$908
9 Killard St	\$855,000	743	\$1,150
5 Killard St	\$780,000	740	\$1,054
7 Derrima Rd	\$1,050,000	405	\$2,593
21 Derrima Rd	\$340,000	483	\$704
146 Collett St	\$390,000	513	\$760
134 Collett St	\$508,000	514	\$988
137 Collett St	\$560,000	514	\$1,089
141 Collett St	\$395,000	512	\$771
145 Collett St	\$610,000	514	\$1,187
12 Moore St	\$742,000	514	\$1,444
16 Moore St	\$895,000	514	\$1,741
12 Erin St	\$723,000	1,012	\$714

Address	Sale price	Area (m ²)	Price/m ²
40 Antill St	\$1,200,000	2,044	\$587
9 Warroo St	\$408,000	778	\$524
82 MacQuoid St	\$565,000	601	\$940
70 MacQuoid St	\$910,000	914	\$996
56 MacQuoid St	\$6,100,000	4,497	\$1,356
11 Buttle St	\$3,575,000	2,726	\$1,311
69 MacQuoid St	\$560,000	816	\$686
67a MacQuoid St	\$815,000	607	\$1,343
28 Atkinson St	\$490,000	677	\$723
30 Atkinson St	\$860,000	1,023	\$841
1 MacQuoid St	\$2,740,000	3,493	\$784

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$1,014/m² with a standard deviation of \$409, giving a 25% chance of a price below \$740/m².

Relevant development controls are building height, which is typically 8.5 metres (two stories) and 14 metres (3.4 stories). Density control is by minimum lot area set out in Table 2 of Queanbeyan DCP 2012 Part 3C. The density control is approximately equivalent to an FSR of around 0.75 for residential flat buildings and multi dwelling housing in the R4 zone. Based on typical developable area of 30% of the site, these controls effectively limit development to two stories.

Relevant DCP controls include car parking of one space per one bedroom dwelling less than 60 m², two spaces for other dwellings and one visitor space per four dwellings (2 Table 1), private open space of 25 m² per dwelling at ground level or a balcony of 12 m² (3C.5.7), and minimum dwelling size of 50 m² (3D.8a).

Again these controls will limit height for residential flat buildings. For example, if parking is provided as ground floor garages, two garages will limit height to two stories of apartments, whereas one garage would limit height to four stories of apartments. If parking is provided at grade, and assuming 30% dwelling footprint, then the maximum number of two bedroom dwellings would be six (6) on a 1,000 m² lot, again effectively constraining development to two stories. The private open space of 25 m² at ground level could be accommodated within the setbacks assumed in the 30% site coverage, but would restrict opportunities for parking at ground level.

The following preliminary calculations assess the development viability of a hypothetical case study site of 1,000 m² with dimensions of 25 metres frontage by 40 metres depth.²⁶ It is assumed that typically site amalgamation would be required to find such a site.

The table below shows developable area and likely number of dwellings for different building heights.

Table 3-5: Developable area and number of dwellings for residential flat buildings

Building Height	Residential floor area based on 30% footprint	Number of two bedroom dwellings (assumed 70 m ² and allowing 20% for common areas etc)
Two stories	600 m ²	6
Three stories	900 m ²	10
Four stories	1,200 m ²	13

Source: EAC RedSquare Data Base, JSA calculation

Modelled Development

Two storey residential flat building, 6 two bedroom apartments at 70 m², 14 parking spaces.

Expenditure:

Site purchase at average prices	\$ 1,014,000
Construction residential 420 m ² @ \$3,700 ²⁷	\$ 1,554,000
Car Park (undercroft) 14 spaces at \$21,000	\$ 294,000
Total Cost	\$ 2,862,000

Income:

Residential 6 @ \$450,000 ²⁸	\$ 2,700,000
Total income	\$ 2,700,000

Margin: -6%

It can be seen that development is not viable. The examples below shows the effect of varying parking and height.

²⁶ A more detailed calculation would require preparation of architectural plans and Quantity Surveyor costings.

²⁷ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, no lifts.

²⁸ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

Three storey residential flat building, 10 two bedroom apartments at 70 m², 12 parking spaces (reduced parking).

Expenditure:

Site purchase at average prices	\$ 1,014,000
Construction residential 700 m ² @ \$3,700 ²⁹	\$ 2,590,000
Car Park (undercroft) 10 spaces at \$21,000 (visitor parking assumed at grade)	\$ 210,000
Total Cost	\$ 3,814,000

Income:

Residential 10 @ \$450,000 ³⁰	\$ 4,500,000
Total income	\$ 4,500,000

Margin: 18%

Four storey residential flat building, 13 two bedroom apartments at 70 m², 16 parking spaces (reduced parking).

Expenditure:

Site purchase at average prices	\$ 1,014,000
Construction residential 910 m ² @ \$3,700 ³¹	\$ 3,367,000
Car Park (undercroft) 13 spaces at \$21,000 (visitor parking assumed at grade)	\$ 273,000
Total Cost	\$ 4,654,000

Income:

Residential 13 @ \$450,000 ³²	\$ 5,850,000
Total income	\$ 5,850,000

Margin: 26%

²⁹ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, no lifts.

³⁰ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

³¹ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, no lifts.

³² Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

Two storey town house development, 6 two bedroom dwellings at 70 m², 6 garages, 8 parking spaces at grade.

Expenditure:

Site purchase at average prices	\$ 1,014,000
Construction residential 420 m ² @ \$3,500 ³³	\$ 1,470,000
Car Park 6 spaces at \$21,000	\$ 126,000
Total Cost	\$ 2,610,000

Income:

Residential 6 @ \$450,000 ³⁴	\$ 2,700,000
Total income	\$ 2,700,000

Margin: 3%

Single storey villa development, 4 two bedroom dwellings at 70 m², 4 garages, 5 parking spaces at grade.

Expenditure:

Site purchase at average prices	\$ 1,014,000
Construction residential 280 m ² @ \$3,000 ³⁵	\$ 840,000
Car Park 4 spaces at \$21,000	\$ 84,000
Total Cost	\$ 1,938,000

Income:

Residential 4 @ \$450,000 ³⁶	\$ 1,800,000
Total income	\$ 1,800,000

Margin: -7%

The following calculation assesses a Boarding House/Co living housing option. Development is based on a 30% site footprint.

³³ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

³⁴ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

³⁵ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

³⁶ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

Residential two floors 600 m², 15 self contained rooms at 25 m², 8 parking spaces.

Expenditure:

Site purchase	\$ 1,014,000
Construction residential 600 m ² @ \$3,800 ³⁷	\$ 2,280,000
Car Park 8 spaces at \$21,000	\$ 168,000
Total Cost	\$ 3,462,000

Annual Income:

Rental 15 rooms @ \$280 per week ³⁸	\$ 218,000
Less 20% for management and operation	\$ 43,000
Annual income	\$ 175,000
Rate of return	5.1%

Based on a current business investment loan rate of 6.1%, a boarding house is likely to be marginal.

Construction on a first quartile site within 800 metres of the station (0.2 parking spaces per room and provided at grade) would give a rate of return of 5.2% and so is still marginal.

3.2.4 Queanbeyan R3 zoning

There are extensive areas of R3 zoned land in Queanbeyan and environs. Controls are similar to those for R4 zoned areas considered above, however residential flat buildings are prohibited. Based on the modelling above for town house and villa development, redevelopment for multi dwelling housing is likely to be marginal, and restricted to larger lots or amalgamated lots with low quality existing housing. Development is most likely to consist of town houses.

3.2.5 Queanbeyan R1 zoning (Googong)

Preliminary modelling suggests that a range of developments are likely to be viable in this area, due to the lower land cost. In order of return, the preference for development appears to be (in descending order):

Three storey residential flat building;

Two storey town house development;

Villa development; and

Two storey residential flat building.

The Queanbeyan R1 zoned area is shown in the figure below.

³⁷ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.,

³⁸ 80% of one bedroom median

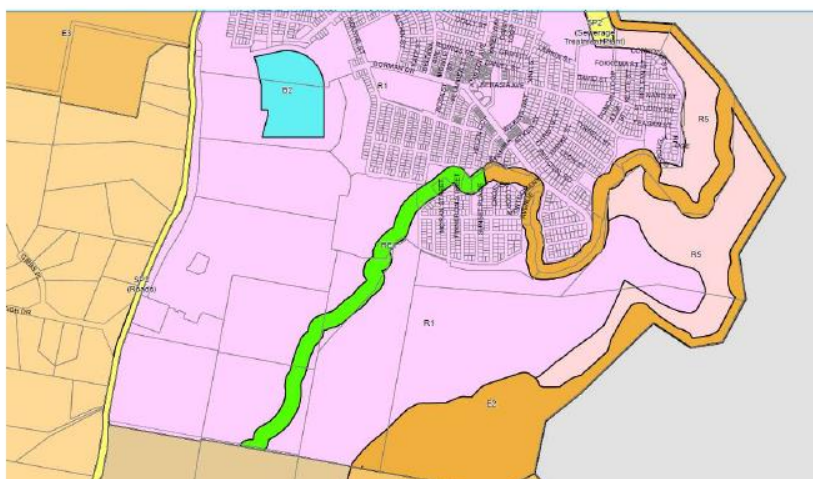


Figure 3.5: Queanbeyan R1 zoned area (Googong)

Source: Queanbeyan LEP 2012

Dwelling houses, multi dwelling housing and residential flat buildings are permissible with consent.

The table below shows sales data for sales of vacant land in Googong since 1 January 2021.

Table 3-6: Sales of vacant land – Googong

Address	Lot size	Lot price (\$/m ²)	Price/m ² (1)
First quartile	415	\$329,000 (\$793)	\$647
Median	480	\$351,000 (\$731)	\$729
Second quartile	588	\$392,000 (\$667)	\$836

Source: EAC RedSquare Data Base, JSA calculation

(1) Smaller lots have the higher prices per square metre.

Relevant development controls are building height, which is typically 8.5 metres (two stories) and 12 and 16 metres (3 and 4 stories) in some areas.

Density is controlled by the combination of height and the various site coverage and set back requirements set out in Tables 2 and 3 of Googong DCP Part 7. Parking requirements are also set out in Tables 2 and 3 of Googong DCP Part 7.

The following preliminary calculations assess the development viability of a hypothetical case study site of 1,000 m² with dimensions of 25 metres frontage by 40 metres depth,³⁹ and assumes larger lots are available.

The table below shows developable area and likely number of dwellings for different building heights based on a 30% site footprint. As discussed above, parking is likely to restrict height to two residential floors.

Table 3-7: Developable area and number of dwellings for residential flat buildings

Building Height	Residential floor area based on 30% footprint	Number of two bedroom dwellings (assumed 70 m ² and allowing 20% for common areas etc)
Two stories	600 m ²	6
Three stories	900 m ²	10
Four stories	1,200 m ²	13

Source: EAC RedSquare Data Base, JSA calculation

Based on data from the 2016 ABS Census, the average rate of parking for two bedroom dwellings in Queanbeyan Palerang Regional Council is 1.35, compared to the DCP requirement for two spaces.

Modelled Development

Two storey residential flat building, 6 two bedroom apartments at 70 m², 14 parking spaces.

Expenditure:

Site purchase at first quartile prices	\$ 647,000
Construction residential 420 m ² @ \$3,700 ⁴⁰	\$ 1,554,000
Car Park (undercroft) 14 spaces at \$21,000	\$ 294,000
Total Cost	\$ 2,495,000

Income:

Residential 6 @ \$450,000 ⁴¹	\$ 2,700,000
Total income	\$ 2,700,000

Margin: 8%

³⁹ A more detailed calculation would require preparation of architectural plans and Quantity Surveyor costings.

⁴⁰ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, no lifts.

⁴¹ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

It can be seen that development is viable. The example below shows the effect of varying parking.

Three storey residential flat building, 10 two bedroom apartments at 70 m², 12 parking spaces (reduced parking).

Expenditure:

Site purchase at average prices	\$ 647,000
Construction residential 700 m ² @ \$3,700 ⁴²	\$ 2,590,000
Car Park (undercroft) 12 spaces at \$21,000	\$ 252,000
Total Cost	\$ 3,489,000

Income:

Residential 10 @ \$450,000 ⁴³	\$ 4,500,000
Total income	\$ 4,500,000

Margin: 29%

Two storey town house development, 6 two bedroom dwellings at 70 m², 6 garages, 8 parking spaces at grade.

Expenditure:

Site purchase at average prices	\$ 647,000
Construction residential 420 m ² @ \$3,500 ⁴⁴	\$ 1,470,000
Car Park 6 spaces at \$21,000	\$ 126,000
Total Cost	\$ 2,243,000

Income:

Residential 6 @ \$450,000 ⁴⁵	\$ 2,700,000
Total income	\$ 2,700,000

Margin: 20%

It can be seen that development is viable.

Single storey villa development, 4 two bedroom dwellings at 70 m², 4 garages, 5 parking spaces at grade.

⁴² Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, no lifts.

⁴³ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

⁴⁴ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

⁴⁵ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

Expenditure:

Site purchase at average prices	\$ 647,000
Construction residential 280 m ² @ \$3,000 ⁴⁶	\$ 840,000
Car Park 4 spaces at \$21,000	\$ 84,000
Total Cost	\$ 1,571,000

Income:

Residential 4 @ \$450,000 ⁴⁷	\$ 1,800,000
Total income	\$ 1,800,000

Margin: 15%

The following calculation assesses a Boarding House/Co living housing option. Development is based on a 30% site footprint.

Residential two floors 600 m², 15 self contained rooms at 25 m², 8 parking spaces.

Expenditure:

Site purchase	\$ 647,000
Construction residential 600 m ² @ \$3,800 ⁴⁸	\$ 2,280,000
Car Park 8 spaces at \$21,000	\$ 168,000
Total Cost	\$ 3,095,000

Annual Income:

Rental 15 rooms @ \$280 per week ⁴⁹	\$ 218,000
Less 20% for management and operation	\$ 43,000
Annual income	\$ 175,000

Rate of return 5.7%

Based on a current business investment loan rate of 6.1%, a boarding house is likely to be marginal.

⁴⁶ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

⁴⁷ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

⁴⁸ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.,

⁴⁹ 80% of one bedroom median

3.3 Bungendore

3.3.1 Bungendore B2 zoning

Modelling carried out below supports the viability of redevelopment for shop top housing in Bungendore B2 zones. Such development is not taking place, however a number of lots appear to have been recently bought by developers. The major unknown is the degree to which there is demand for apartments in Bungendore, as there are no recent sales to rely on. The lack of development suggests a lack of demand, or perhaps an assessment of high risk by developers based on no experience of apartments sales in Bungendore.

The Bungendore B2 zoned area is shown in the figure below.

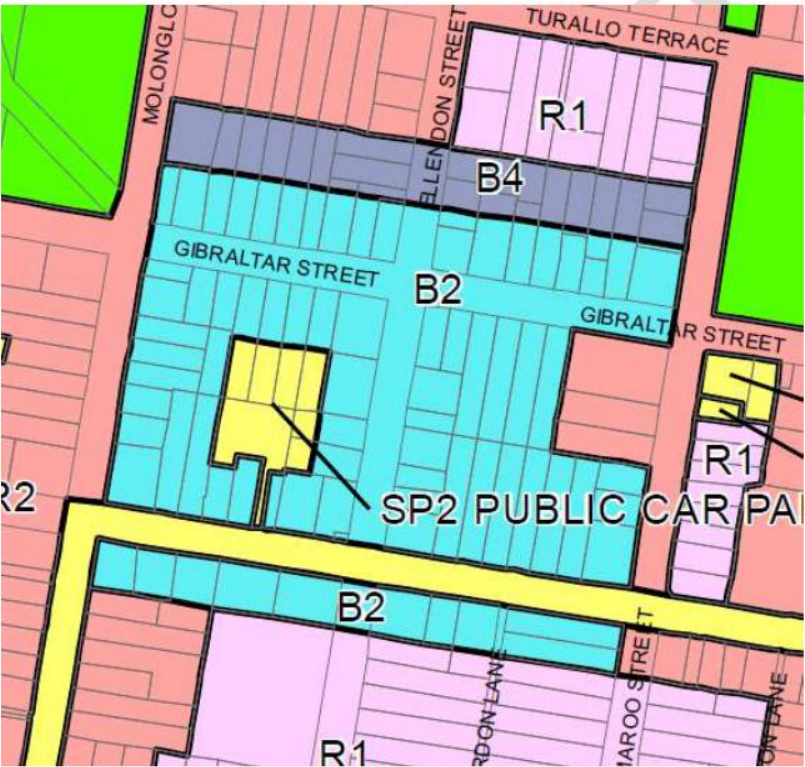


Figure 3.6: Bungendore B2 zoned area
Source: Queanbeyan LEP 2012

Boarding houses and Shop top housing are permissible with consent. Residential flat buildings and multi dwelling housing are prohibited.

The table below shows sales in the B2 zone for the last two years.

Table 3-8: Sales in Bungendore B2 zone since January 2020

Address	Sale price	Area (m ²)	Price/m ²
10 Gibraltar St	\$1,500,000	4,075	\$368
18 Gibraltar St	\$1,350,000	1,665	\$811
34 Gibraltar St	\$999,999	2,023	\$494
30 Ellendon St	\$1,020,000	1,384	\$737
34 Ellendon St	\$520,000	640	\$813
40 Ellendon St	\$935,000	739	\$1,265
36 Malbon St	\$475,000	336	\$1,414
40 Malbon St	\$522,500	486	\$1,075
19 Gibraltar St	\$1,430,000	2,023	\$707
5 Gibraltar St	\$795,000	971	\$819
34 Molonglo St	\$575,000	1,133	\$508
35 Ellendon St	\$695,000	1,559	\$446
23 Malbon St	\$1,775,000	1,823	\$974
27 Malbon St	\$550,000	941	\$584

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$787/m² with a standard deviation of \$299.

Relevant development controls are building height, which is typically 9 metres (two stories or three with a flat roof).

The DCP identifies zero setbacks on all boundaries for commercial development (Table 19). Shoptop housing and Residential flat buildings are allowed 66% of site area as GFA (C2.4.2.3); and 150% of site area as GFA (C7.1) is allowed in the B2 and B6 zone.

Parking is not defined in the DCP, but reference to the *Guide to Traffic Generating Developments* suggests one parking space per apartment.

The following preliminary calculations model development on a case study site in the B2 Zone.

19 Gibraltar St Bungendore

The site is square, with frontages to Ellendon Street (40 metres) and Gibraltar Street (50 metres). The corner location facilitates the provision of parking at the rear.

Height is two stories. The modelling is based on a 50% site footprint, leaving half the site to provide at grade parking. Based on these assumptions, commercial and residential development will be around 1,000 m² respectively.

Modelled Development

Commercial 1,000 m², 15 parking spaces

Residential 11 two bedroom apartments at 70 m², 13 parking spaces.

Expenditure:

Site purchase	\$ 1,430,000
Construction residential 770 m ² @ \$3,700 ⁵⁰	\$ 2,849,000
Construction commercial 1,000 m ² @ \$1,600 ⁵¹	\$ 1,600,000
Car Park 28 spaces at \$5,000	\$ 140,000
Total Cost	\$ 6,019,000
Income:	
Commercial 1,000 m ² @ \$2,200 ⁵²	\$ 2,200,000
Residential 11 @ \$450,000 ⁵³	\$ 4,950,000
Total income	\$ 7,150,000

Margin: 19%

It can be seen that the development is viable, although the major unknown is the demand for commercial property and for apartments in Bungendore, with an approximate 40 minute commute to employment centres.

However the assessment of viability is further supported by the review of sales in the table above where a number of properties appear to have been bought by holding companies, likely representing property developers, although there does not appear to be recent redevelopment.

The following calculation assesses a Boarding House/Co living housing option. Rooms are "New Generation" with self contained bathroom and kitchen.

⁵⁰ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard.

⁵¹ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc. Cost is for a retail shell ready to fit out.

⁵² Assumed 20% for common circulation etc, based on recent sale of 30 Ellendon Street.

⁵³ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

Residential two floors, 2,000 m², 45 self contained rooms at 25 m², 23 parking spaces.

Expenditure:

Site purchase	\$ 1,430,000
Construction residential 2,000 m ² @ \$3,800 ⁵⁴	\$ 7,600,000
Car Park 23 spaces at \$5,000	\$ 115,000
Total Cost	\$ 9,145,000

Annual Income:

Rental 45 rooms @ \$280 per week ⁵⁵	\$ 655,000
Less 20% for management and operation	\$ 131,000
Annual income	\$ 524,000
Rate of return	5.7%

Based on a current business investment loan rate of 6.1%, a boarding house is likely to be marginal. Yield could be improved by seeking opportunities to go to three storeys.

3.3.2 Bungendore B4 and R1 zoning

Both the B4 and R1 zoning allow multi dwelling housing and residential flat buildings with consent. Preliminary modelling supports the feasibility of development of residential flat buildings. Development for multi dwelling housing is limited by DCP requirements for a minimum site area per dwelling, varying with dwelling size. This restriction imposes an effective FSR of around 0.2:1.0, and is likely to be a significant impediment to development.

The Bungendore B4 and R1 zoned area is shown in the figure below.

⁵⁴ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.,

⁵⁵ 80% of one bedroom median

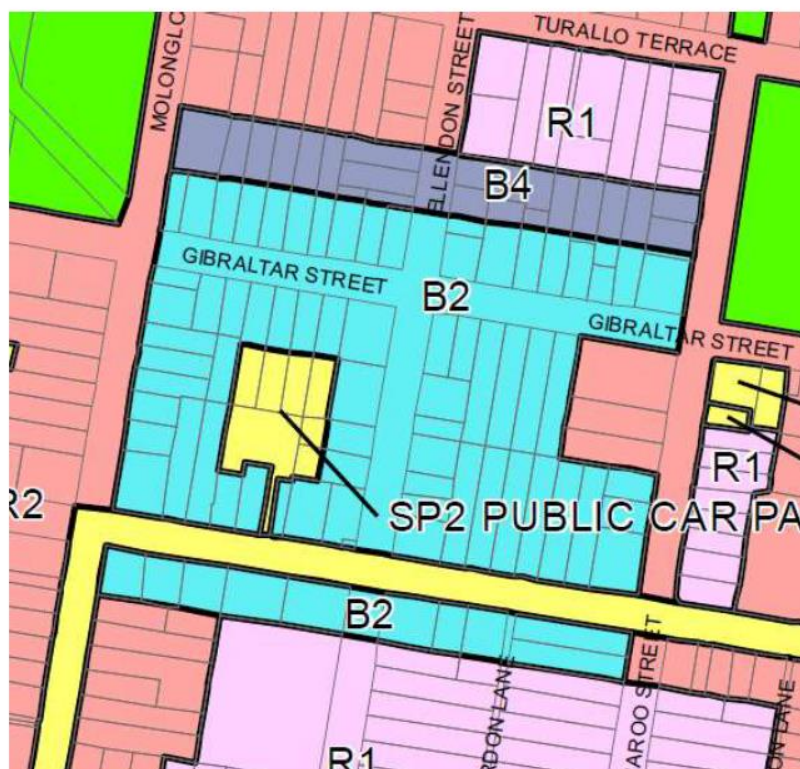


Figure 3.7: Bungendore B2 zoned area

Source: Queanbeyan LEP 2012

Amongst other forms, Boarding houses, Multi dwelling housing and Residential flat buildings are permitted with consent.

The table below shows sales in the R1 and B4 zone for the last two years.

Table 3-9: Sales in Bungendore R1 and B4 zones since January 2020

Address	Sale price	Area (m ²)	Price/m ²
5 Butmaroo Street	\$915,000	1,018	\$899
33 Turallo Terrace	\$1,460,000	2,578	\$566
40 Butmaroo Street	\$688,000	860	\$800
38 Butmaroo Street	\$650,000	860	\$756
9 Rutledge Street	\$1,400,000	2,703	\$518

Address	Sale price	Area (m ²)	Price/m ²
52 Ellendon Street	\$850,000	2,023	\$420
50 Ellendon Street	\$600,000	1,367	\$439
57 Butmaroo Street	\$1,085,000	1,897	\$572
56 Butmaroo Street	\$650,000	1,120	\$580
54 Butmaroo Street	\$842,000	1,174	\$717
5 Champion Lane	\$300,000	794	\$378

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$604/m² with a standard deviation of \$161.

Relevant development controls are building height, which is typically 8.5 metres (two stories).

FSR for multi dwelling housing and for residential flat buildings is 0.66:1 (DCP C2.4.2.3 and C2.3.1). There is a further limitation on multi dwelling housing (C2.3.6) which sets out minimum lot size per dwelling. This is an effective FSR of 0.2:1 for a two bedroom apartment. Setbacks are 4 metres to the front, 0.9 metres to the side and 3 metres to the rear. The modelling below assumes a site foot print of 30%.

Parking is not defined in the DCP, but reference to the *Guide to Traffic Generating Developments* suggests one parking space per apartment.

The calculations below assess in a preliminary way the development feasibility for a case study site.

57 Butmaroo St Bungendore

The site is 20 metres wide by 90 metres deep.

Height is two stories. The modelling is based on a 30% site footprint, to accommodate setbacks and the like. This gives a residential area of 1,140 m² for a residential flat building. The minimum lot size per dwelling allows for five villas.

Modelled Development

13 two bedroom apartments at 70 m², 15 parking spaces.

Expenditure:

Site purchase \$ 1,085,000

Construction residential 910 m ² @ \$3,700 ⁵⁶	\$ 3,367,000
Car Park 15 spaces at \$5,000	\$ 75,000
Total Cost	\$ 4,527,000
Income:	
Residential 13 @ \$450,000 ⁵⁷	\$ 5,850,000
Total income	\$ 5,850,000
Margin: 29%	

It can be seen that the development is viable.

The following calculation assesses a villa option.

Single storey villa development, 5 two bedroom dwellings at 70 m², 5 garages.

Expenditure:	
Site purchase	\$ 1,085,000
Construction residential 350 m ² @ \$3,000 ⁵⁸	\$ 1,050,000
Car Park 5 spaces at \$21,000	\$ 105,000
Total Cost	\$ 2,240,000
Income:	
Residential 5 @ \$450,000 ⁵⁹	\$ 2,250,000
Total income	\$ 2,250,000
Margin: 0%	

The development is marginal. The calculation below shows development for townhouses, disregarding the minimum site area and assuming a 30% footprint.

Two storey town house development, 13 two bedroom dwellings at 70 m², 13 garages.

Expenditure:	
Site purchase at average prices	\$ 1,085,000
Construction residential 910 m ² @ \$3,500 ⁶⁰	\$ 3,185,000

⁵⁶ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard, no lift.

⁵⁷ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

⁵⁸ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

⁵⁹ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

⁶⁰ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

Car Park 13 spaces at \$21,000	\$ 273,000
Total Cost	\$ 4,543,000
Income:	
Residential 13 @ \$450,000 ⁶¹	\$ 5,850,000
Total income	\$ 5,850,000
Margin: 29%	
It can be seen that development is viable.	

3.3.3 Braidwood

Overview

There are considerable constraints on the development of smaller and diverse housing in Braidwood.

Braidwood B2 zoning

Modelling carried out below does not support the viability of shop top housing development in Braidwood. This is because of the relatively high value of business zoned land in Braidwood, and the low value of smaller dwellings. Development opportunities in the B2 zone are also restricted due to heritage constraints.

The Braidwood B2 zoned area is shown in the figure below.

⁶¹ Using third quartile sales price for two bedroom apartments in Queanbeyan, Queanbeyan East and Queanbeyan West.

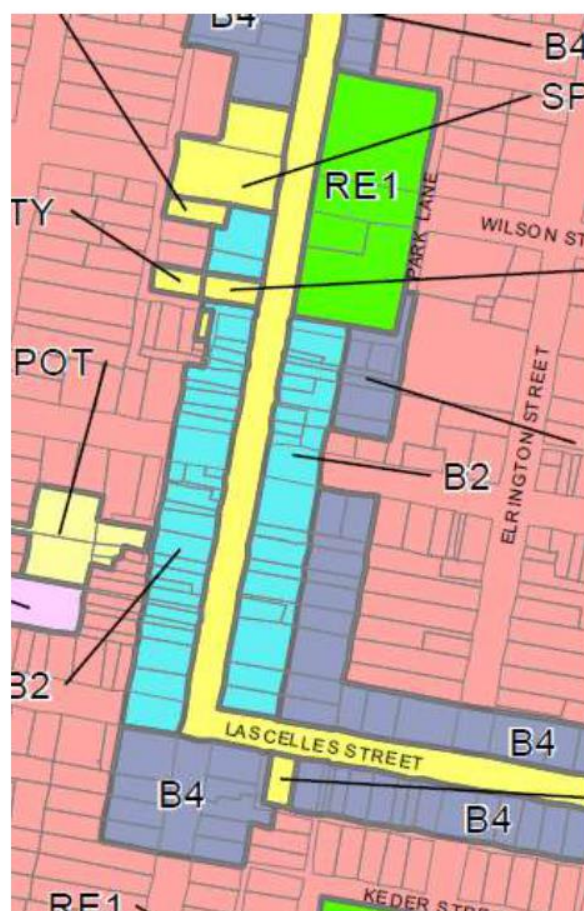


Figure 3.8: Braidwood B2 zoned area

Source: Palarang LEP 2014

Boarding houses and Shop top housing are permissible with consent. Residential flat buildings and multi dwelling housing are prohibited.

The table below shows sales in the B2 zone for the last two years.

Table 3-10: Sales in Braidwood B2 zone since January 2020

Address	Sale price	Area (m ²)	Price/m ²
78 Wallace Street	\$390,000	736	\$530
90 Wallace Street	\$810,000	512	\$1,582

Address	Sale price	Area (m ²)	Price/m ²
114 Wallace Street	\$1,350,000	338	\$3,994
128 Wallace Street	\$330,000	215	\$1,535
143 Wallace Street	\$420,000	171	\$2,456
137 Wallace Street	\$400,000	379	\$1,055
123 Wallace Street	\$636,000	259	\$2,455
103 Wallace Street	\$2,100,000	1,056	\$1,989

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$2,075/m² with a standard deviation of \$929.

Relevant development controls are building height, which is typically 12 metres (three stories). Most of the sites in the B2 zone are shown as heritage items.

The DCP identifies zero setbacks on all boundaries for commercial development (Table 19). Shoptop housing and Residential flat buildings are allowed 66% of site area as GFA (C2.4.2.3); and 150% of site area as GFA (C7.1) is allowed in the B2 and B6 zone.

Parking is not defined in the DCP, but reference to the *Guide to Traffic Generating Developments* suggests one parking space per apartment.

The following preliminary calculations model development on a case study site in the B2 Zone.

137 Wallace St Braidwood

The site is not heritage listed and contains a single storey shop. The site has a 12 metre frontage and is 30 metres deep.

Height is three stories. The modelling is based on a 50% site footprint, leaving half the site to provide at grade parking. Based on these assumptions, commercial development will be around 190 m² and residential development will be around 379 m².

Modelled Development

Commercial 190 m², 3 parking spaces

Residential 4 two bedroom apartments at 70 m², 4 parking spaces.

Expenditure:

Site purchase \$ 400,000

Construction residential 280 m ² @ \$3,700 ⁶²	\$ 1,036,000
Construction commercial 190 m ² @ \$1,600 ⁶³	\$ 304,000
Car Park 7 spaces at \$5,000	\$ 35,000
Total Cost	\$ 1,775,000
Income:	
Commercial 190 m ² @ \$1,055 ⁶⁴	\$ 200,000
Residential 4 @ \$365,000 ⁶⁵	\$ 1,460,000
Total income	\$ 1,660,000
Margin: -6%	

It can be seen that the development is not viable, although new residential is likely to attract a somewhat higher price than comparable recent sales.

The following calculation assesses a Boarding House/Co living housing option. Rooms are “New Generation” with self contained bathroom and kitchen.

Residential three floors, 570 m², 16 self contained rooms at 25 m², 8 parking spaces.

Expenditure:	
Site purchase	\$ 400,000
Construction residential 570 m ² @ \$3,800 ⁶⁶	\$ 2,166,000
Car Park 8 spaces at \$5,000	\$ 40,000
Total Cost	\$ 2,606,000
Annual Income:	
Rental 16 rooms @ \$280 per week ⁶⁷	\$ 233,000
Less 20% for management and operation	\$ 47,000
Annual income	\$ 186,000
Rate of return	7.1%

⁶² Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc., medium standard.

⁶³ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc. Cost is for a retail shell ready to fit out.

⁶⁴ Assumed 20% for common circulation etc, based on recent sale of 137 Wallace Street.

⁶⁵ Based on recent sale of 3/22 Cornonation Street.

⁶⁶ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.,

⁶⁷ 80% of one bedroom median – there is no data on rentals in the Braidwood region.

Based on a current business investment loan rate of 6.1%, a boarding house is likely to be viable. Income is likely to be overestimated, as the assumed rent is for Queanbeyan and surrounds.

Braidwood B4 and R1 zoning

Both B4 and R1 zoning allow multi dwelling housing and residential flat buildings with consent. Preliminary modelling supports the feasibility of development of multi dwelling housing on a low value lot, although this is limited by DCP requirements for a minimum site area per dwelling, varying with dwelling size. This restriction imposes an effective FSR of around 0.2:1.0. There is historical development for multi dwelling housing in R2 zones in Braidwood, and this probably reflects opportunities available under previous planning controls.

Opportunities for multi dwelling housing could be further enhanced by rezoning areas to the south and southwest of Braidwood from R2 to R1.

The Braidwood B4 and R1 zoned area is shown in the figure below.

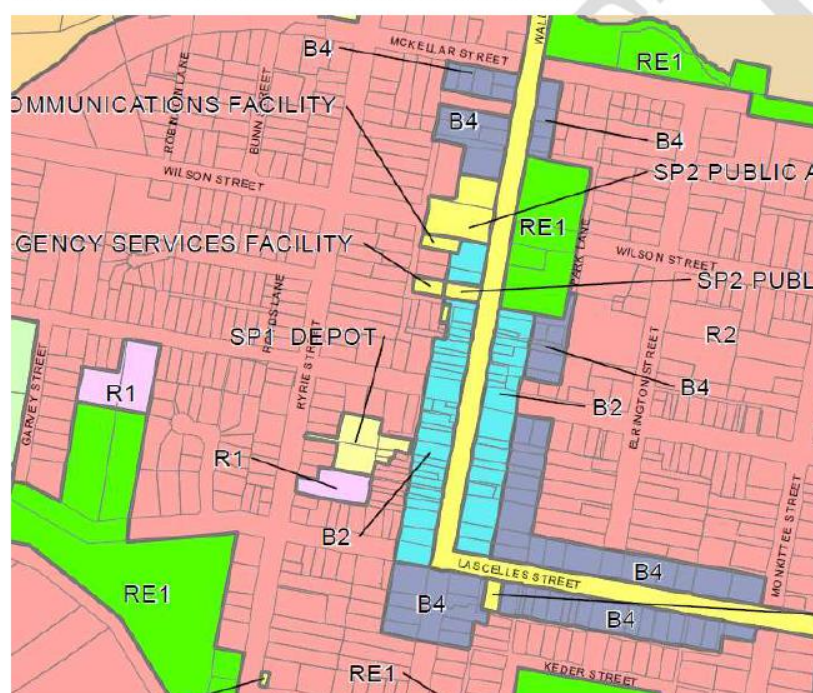


Figure 3.9: Braidwood B4 and R1 zoned area

Source: Palerang LEP 2014

Amongst other forms, Boarding houses, Multi dwelling housing and Residential flat buildings are permitted with consent.

The table below shows sales in the R1 and B4 zone for the last two years.

Table 3-11: Sales in Braidwood R1 and B4 zones since January 2020

Address	Sale price	Area (m ²)	Price/m ²
35a Ryrie Street	\$585,000	3,149	\$186
68 Lascelles Street	\$300,000	1,126	\$266

Source: EAC RedSquare Data Base, JSA calculation

The average price is \$226/m² with a standard deviation of \$40.

Relevant development controls are building height, which is 7.2 metres in the B4 zone and 6.5 and 8.5 metres (two stories) in the R1 zone.

FSR for multi dwelling housing and for residential flat buildings is 0.66:1 (DCP C2.4.2.3 and C2.3.1). There is a further limitation on multi dwelling housing (C2.3.6) which sets out minimum lot size per dwelling. This is an effective FSR of 0.2:1 for a two bedroom apartment. Setbacks are 4 metres to the front, 0.9 metres to the side and 3 metres to the rear. The modelling below assumes a site foot print of 30%.

Parking is not defined in the DCP, but reference to the *Guide to Traffic Generating Developments* suggests one parking space per apartment.

The calculations below assess in a preliminary way the development feasibility for a case study site.

35a Ryrie Street, Braidwood

The site is 3,149 m² and is rectangular with a narrow vehicle access from Ryrie Street. The site is vacant land.

Height is one storey. The minimum lot size per dwelling allows for nine villas.

Modelled Development

The following calculation assesses a villa option.

Single storey villa development, 9 two bedroom dwellings at 70 m², 9 garages.

Expenditure:

Site purchase	\$ 585,000
Construction residential 630 m ² @ \$3,000 ⁶⁸	\$ 1,890,000
Car Park 9 spaces at \$21,000	\$ 189,000
Total Cost	\$ 2,664,000

Income:

⁶⁸ Using rates from Rawlinsons plus 50% allowance for GST, holding costs, financing, profit etc.

Residential 9 @ \$365,000 ⁶⁹	\$ 3,285,000
Total income	\$ 3,285,000
Margin: 23%	

⁶⁹ Based on recent sale of 3/22 Cornonation Street.

4 APPENDIX D: Population, dwelling & household projections 2016 to 2041

4.1 Population projections to 2041

Table 4-1: Population projections to 2041, small areas within QPR LGA

Area	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	1,690	3%	2,092	2%	402	23.8
Bungendore	4,285	7%	7,671	9%	3,386	79
Captains Flat - Hoskinstown - Primrose Valley - Rural East	3,976	7%	4,259	5%	283	7.1
Carwoola - Greenleigh - The Ridgeway	2,338	4%	2,853	3%	515	22
Crestwood	4,764	8%	5,282	6%	518	10.9
Googong	2,737	5%	22,593	26%	19,856	725.5
Jerrabomberra	9,887	17%	9,116	10%	-771	-7.8
Karabar	8,531	15%	8,455	10%	-76	-0.9
Queanbeyan	6,466	11%	7,506	9%	1,040	16.1
Queanbeyan East	4,087	7%	4,537	5%	450	11
Queanbeyan West	3,263	6%	3,272	4%	9	0.3
Royalla - Burra	1,866	3%	1,797	2%	-69	-3.7
Tralee - Environa	15	0%	4,961	6%	4,946	32976.1
Wamboin - Bywong - Sutton	3,876	7%	3,864	4%	-12	-0.3
Queanbeyan-Palerang Regional Council	57,781	100%	88,258	100%	30,477	52.7

Source: .id (informed decisions), March 2022, <https://forecast.id.com.au/queanbeyan-palerang/population-age-structure-map>, accessed 14/07/2022.

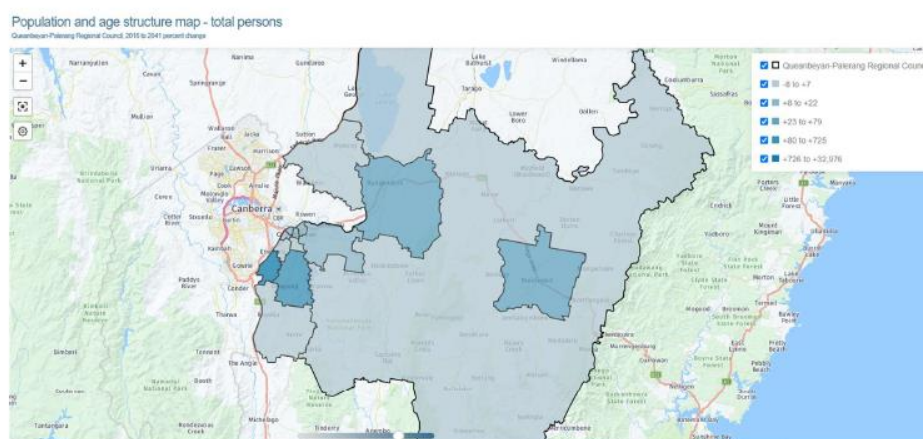


Figure 4.1: Population and age structure map – total persons, projection to 2041 prepared by .id (informed decisions), March 2022

Source: <https://forecast.id.com.au/queanbeyan-palerang/population-age-structure-map>, accessed 14/07/2022.

Table 4-2: Population Projection by Age Cohorts 2016- 2041 QPR LGA

	2016		2041		Change 2016-2041	
	#	% of pop	#	% of pop	#	% of total pop growth
0-9	7868	14%	12019	14%	4151	14%
10-19 yrs	7315	13%	11410	13%	4094	13%
20-34 yrs	11718	20%	16839	19%	5122	17%
35-49 yrs	12807	22%	19770	22%	6963	23%
50-64 yrs	11355	20%	15928	18%	4574	15%
65-74 yrs	4253	7%	6876	8%	2623	9%
75+ yrs	2466	4%	5414	6%	2949	10%
Total persons	57781	100%	88258	100%	30477	100%

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

4.1.1 Age projections for small areas, change from 2016 to 2041

%'s for each area reflect the % of all population change projected to 2041 in each area by age group

A bit confusing for some areas like Jerrabomberra or Karabar where there is a – negative change in population projected from 2016 to 2041, the +/- in the % seem the wrong way around, but are reflecting an over – negative change.

SEE the Fragment – Small area projections_QPRC_220714 – to look at forecast change in age structure for each of the areas.

Table 4-3: Change in total population for small areas by age group, 2016 to 2041 using .id projections

	Change 2016-2041	Age group (years)							Total persons
		0-9	10-19 yrs	20-34 yrs	35-49 yrs	50-64 yrs	65-74 yrs	75+ yrs	
Braidwood	#	-1	31	63	62	74	82	90	402
	%	0%	8%	16%	15%	18%	20%	22%	100%
Bungendore	#	306	478	641	741	663	318	239	3386
	%	9%	14%	19%	22%	20%	9%	7%	100%
Captains Flat - Hoskinstown - Primrose Valley - Rural East	#	-24	-32	-23	-31	6	105	280	283
	%	-8%	-11%	-8%	-11%	2%	37%	99%	100%
Carwoola - Greenleigh - The Ridgeway	#	110	18	34	287	-17	-48	130	515
	%	21%	3%	7%	56%	-3%	-9%	25%	100%
Crestwood	#	41	83	30	212	73	33	47	518
	%	8%	16%	6%	41%	14%	6%	9%	100%
Googong	#	3164	3165	3722	5052	3203	1024	524	19856
	%	16%	16%	19%	25%	16%	5%	3%	100%
Jerrabomberra	#	-319	-318	-177	-617	-132	357	436	-771
	%	41%	41%	23%	80%	17%	-46%	-57%	100%
Karabar	#	-87	-105	56	27	-225	41	218	-76
	%	114%	138%	-74%	-36%	296%	-54%	-287%	100%
Queanbeyan	#	41	76	100	147	174	147	357	1040
	%	4%	7%	10%	14%	17%	14%	34%	100%
Queanbeyan East	#	-9	85	55	72	69	95	83	450

	Change 2016-2041	Age group (years)							Total persons
		0-9	10-19 yrs	20-34 yrs	35-49 yrs	50-64 yrs	65-74 yrs	75+ yrs	
	%	-2%	19%	12%	16%	15%	21%	18%	100%
Queanbeyan West	#	-4	-43	-50	-32	-55	95	98	9
	%	-44%	-478%	-556%	-356%	-611%	1056%	1089%	100%
Royalla - Burra	#	-25	-55	3	-90	-53	54	99	-69
	%	36%	80%	-4%	130%	77%	-78%	-143%	100%
Tralee - Environa	#	946	798	648	1098	959	323	176	4946
	%	19%	16%	13%	22%	19%	7%	4%	100%
Wamboin - Bywong - Sutton	#	12	-86	20	36	-164	-2	173	-12
	%	-100%	717%	-167%	-300%	1367%	17%	-1442%	100%
Queanbeyan-Palerang Regional LGA	#	4151	4094	5122	6963	4574	2623	2949	30477
	%	14%	13%	17%	23%	15%	9%	10%	100%

Source:

4.2 Dwelling projections to 2041

Key areas of dwelling growth to 2041 (accounting for 86% of projected dwelling growth for the LGA)

- Googong (57% of projected dwelling growth)
- Tralee – Environa (13%)
- Bungendore (12%)
- Queanbeyan (4%)

Table 4-4: Dwelling projections to 2041, small areas within QPR LGA

Area	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	792	3.3	1,039	2.9	+247	+31.2
Bungendore	1,529	6.3	2,940	8.2	+1,411	+92.3
Captains Flat - Hoskinstown - Primrose Valley - Rural East	2,165	9.0	2,454	6.8	+289	+13.3
Carwoola - Greenleigh - The Ridgeway	843	3.5	1,091	3.0	+248	+29.4
Crestwood	2,396	9.9	2,664	7.4	+268	+11.2
Googong	900	3.7	7,717	21.4	+6,817	+757.1
Jerrabomberra	3,314	13.7	3,353	9.3	+39	+1.2
Karabar	3,411	14.1	3,535	9.8	+124	+3.6
Queanbeyan	3,262	13.5	3,768	10.4	+506	+15.5
Queanbeyan East	2,147	8.9	2,407	6.7	+260	+12.1
Queanbeyan West	1,332	5.5	1,399	3.9	+67	+5.0
Royalla - Burra	631	2.6	686	1.9	+55	+8.7
Tralee - Environa	5	0.0	1,528	4.2	+1,523	+33330.1
Wamboin - Bywong - Sutton	1,396	5.8	1,484	4.1	+88	+6.3
Queanbeyan-Palerang Regional Council	24,124	100.0	36,066	100.0	+11,942	+49.5

Source: .id (informed decisions), March 2022, <https://forecast.id.com.au/queanbeyan-palerang/dwellings-development-map>, accessed 14/07/2022.

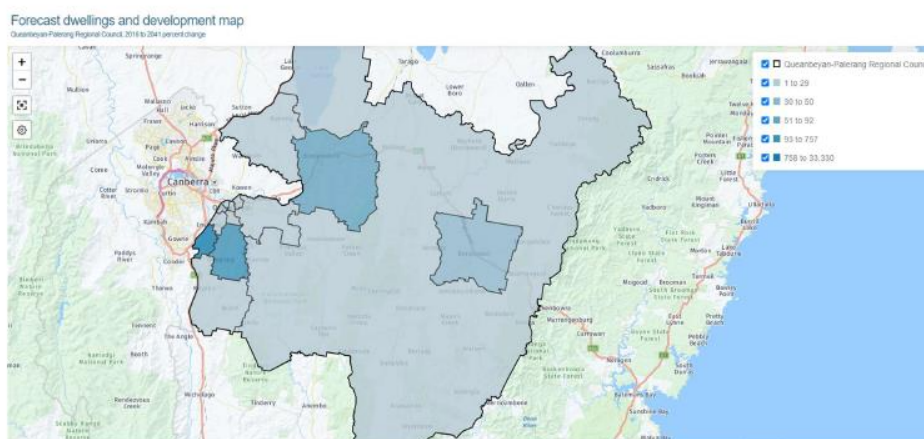


Figure 4.2: Forecast dwellings and development map to 2041 prepared by .id (informed decisions), March 2022

Source: <https://forecast.id.com.au/queanbeyan-palerang/dwellings-development-map>, accessed 14/07/2022.

4.3 Household projections to 2041

4.3.1 Household projections for small areas, change from 2016 to 2041

Table 4-5: Change in households for small areas by household type, 2016 to 2041 using .id projections

Change 2016-2041	Lone person households	One parent family	Couple w/ dependents	Couple only	Other family	Group household	Total households
Braidwood	# 87	24	39	75	1	-1	225
	% 39%	11%	17%	33%	0%	0%	100%
Bungendore	# 275	85	547	386	29	14	1336
	% 21%	6%	41%	29%	2%	1%	100%
Captains Flat - Hoskinstown - Primrose Valley - Rural East	# 115	1	-1	103	3	3	224
	% 51%	0%	0%	46%	1%	1%	100%
Carwoola - Greenleigh - The Ridgeway	# 90	4	101	28	4	6	233
	% 39%	2%	43%	12%	2%	3%	100%
Crestwood	# 96	22	61	63	3	7	252
	% 38%	9%	24%	25%	1%	3%	100%
Googong	# 698	250	3,329	1,706	218	95	6296
	% 11%	4%	53%	27%	3%	2%	100%
Jerrabomberra	# 155	-10	-309	200	-3	4	37
	% 419%	-27%	-835%	541%	-8%	11%	100%
Karabar	# 112	-24	-30	73	-15	1	117
	% 96%	-21%	-26%	62%	-13%	1%	100%
Queanbeyan	# 194	45	62	137	6	19	463
	% 42%	10%	13%	30%	1%	4%	100%
Queanbeyan East	# 75	28	36	88	2	5	234
	% 32%	12%	15%	38%	1%	2%	100%
Queanbeyan West	# 56	-8	-19	44	-5	-4	64
	% 88%	-13%	-30%	69%	-8%	-6%	100%
Royalla - Burra	# 74	-3	-31	17	-4	1	54
	% 137%	-6%	-57%	31%	-7%	2%	100%
Tralee - Environa	# 246	0	655	473	61	22	1457
	% 17%	0%	45%	32%	4%	2%	100%
Wamboin - Bywong - Sutton	# 95	1	-19	7	-3	1	82
	% 116%	1%	-23%	9%	-4%	1%	100%
Queanbeyan-Palerang Regional Council	# 2,368	418	4,419	3,398	292	173	11068
	% 21%	4%	40%	31%	3%	2%	100%

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

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The following tables show the # and proportion of households in each area that are comprised of the household type – for example what % of households in Braidwood in 2016 and 2041 were lone person households, then what is the projected change in # & % from 2016 to 2041.

4.3.2 Lone person households

Table 4-6: Lone person household projections to 2041, small areas within QPR LGA

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	211	29.2	298	31.4	87	41
Bungendore	166	11.4	441	15.8	275	166
Captains Flat - Hoskinstown - Primrose Valley - Rural East	441	26.5	556	29.4	115	26
Carwoola - Greenleigh - The Ridgeway	95	12	185	18	90	95
Crestwood	955	42.3	1,051	41.9	96	10
Googong	58	7	756	10.6	698	1,203
Jerrabomberra	413	12.8	568	17.4	155	38
Karabar	780	24.3	892	26.8	112	14
Queanbeyan	1,227	41.4	1,421	41.4	194	16
Queanbeyan East	850	43.9	925	42.6	75	9
Queanbeyan West	323	25.9	379	28.9	56	17
Royalla - Burra	45	7.5	119	18.2	74	164
Tralee - Environa	0	0	246	16.8	246	
Wamboin - Bywong - Sutton	191	14.9	286	21	95	50
Queanbeyan-Palerang Regional Council	5,756	25.9	8,124	24.4	2,368	41

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

4.3.3 One parent family

Table 4-7: One parent family projections to 2041, small areas within QPR LGA

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	90	12.4	114	12	24	27
Bungendore	105	7.2	190	6.8	85	81
Captains Flat - Hoskinstown - Primrose Valley - Rural East	107	6.4	108	5.7	1	1

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Carwoola - Greenleigh - The Ridgeway	33	4.2	37	3.6	4	12
Crestwood	217	9.6	239	9.5	22	10
Googong	33	4	283	4	250	758
Jerrabomberra	260	8.1	250	7.7	-10	-4
Karabar	455	14.2	431	13	-24	-5
Queanbeyan	313	10.6	358	10.4	45	14
Queanbeyan East	168	8.7	196	9	28	17
Queanbeyan West	168	13.5	160	12.2	-8	-5
Royalla - Burra	18	3	15	2.3	-3	-17
Tralee - Environa	0	0	0	0	0	
Wamboin - Bywong - Sutton	59	4.6	60	4.4	1	2
Queanbeyan-Palerang Regional Council	2,025	9.1	2,443	7.3	418	21

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

4.3.4 Couple with dependent family

Table 4-8: Couple with dependent family projections to 2041, small areas within QPR LGA

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	184	25.4	223	23.5	39	21
Bungendore	703	48.4	1,250	44.8	547	78
Captains Flat - Hoskinstown - Primrose Valley - Rural East	491	29.5	490	26	-1	0
Carwoola - Greenleigh - The Ridgeway	339	42.7	440	42.9	101	30
Crestwood	485	21.5	546	21.8	61	13
Googong	452	54.4	3,781	53.1	3,329	737
Jerrabomberra	1,708	53	1,399	42.9	-309	-18
Karabar	1,064	33.1	1,034	31.1	-30	-3
Queanbeyan	567	19.1	629	18.3	62	11
Queanbeyan East	428	22.1	464	21.4	36	8
Queanbeyan West	403	32.3	384	29.3	-19	-5

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Royalla - Burra	276	46.1	245	37.5	-31	-11
Tralee - Environa	3	75	658	45	655	21,833
Wamboin - Bywong - Sutton	529	41.3	510	37.4	-19	-4
Queanbeyan-Palerang Regional Council	7,634	34.4	12,053	36.2	4,419	58

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

4.3.5 Couple without dependent family

Table 4-9: Couple without dependent family projections to 2041, small areas within QPR LGA

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	212	29.3	287	30.3	75	35
Bungendore	430	29.6	816	29.3	386	90
Captains Flat - Hoskinstown - Primrose Valley - Rural East	580	34.9	683	36.2	103	18
Carwoola - Greenleigh - The Ridgeway	289	36.4	317	30.9	28	10
Crestwood	490	21.7	553	22	63	13
Googong	241	29	1,947	27.3	1,706	708
Jerrabomberra	755	23.4	955	29.3	200	26
Karabar	708	22.1	781	23.5	73	10
Queanbeyan	651	21.9	788	23	137	21
Queanbeyan East	385	19.9	473	21.8	88	23
Queanbeyan West	261	20.9	305	23.2	44	17
Royalla - Burra	217	36.2	234	35.8	17	8
Tralee - Environa	1	25	474	32.4	473	47,300
Wamboin - Bywong - Sutton	448	35	455	33.4	7	2
Queanbeyan-Palerang Regional Council	5,668	25.5	9,066	27.3	3,398	60

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

4.3.6 Other family

Table 4-10: Other family projections to 2041, small areas within QPR LGA

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	9	1.2	10	1.1	1	11
Bungendore	35	2.4	64	2.3	29	83
Captains Flat - Hoskinstown - Primrose Valley - Rural East	17	1	20	1.1	3	18
Carwoola - Greenleigh - The Ridgeway	29	3.7	33	3.2	4	14
Crestwood	36	1.6	39	1.6	3	8
Googong	31	3.7	249	3.5	218	703
Jerrabomberra	50	1.6	47	1.4	-3	-6
Karabar	118	3.7	103	3.1	-15	-13
Queanbeyan	89	3	95	2.8	6	7
Queanbeyan East	40	2.1	42	1.9	2	5
Queanbeyan West	53	4.2	48	3.7	-5	-9
Royalla - Burra	37	6.2	33	5.1	-4	-11
Tralee - Environa	0	0	61	4.2	61	
Wamboin - Bywong - Sutton	41	3.2	38	2.8	-3	-7
Queanbeyan-Palerang Regional Council	587	2.6	879	2.6	292	50

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

4.3.7 Group households

Table 4-11: Group household projections to 2041, small areas within QPR LGA

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Braidwood	17	2.4	16	1.7	-1	-6
Bungendore	13	0.9	27	1	14	108
Captains Flat - Hoskinstown - Primrose Valley - Rural East	28	1.7	31	1.6	3	11
Carwoola - Greenleigh - The Ridgeway	8	1	14	1.4	6	75
Crestwood	74	3.3	81	3.2	7	9

	2016		2041		Change 2016-2041	
	#	%	#	%	#	%
Googong	16	1.9	111	1.6	95	594
Jerrabomberra	39	1.2	43	1.3	4	10
Karabar	85	2.6	86	2.6	1	1
Queanbeyan	119	4	138	4	19	16
Queanbeyan East	64	3.3	69	3.2	5	8
Queanbeyan West	40	3.2	36	2.7	-4	-10
Royalla - Burra	6	1	7	1.1	1	17
Tralee - Environa	0	0	22	1.5	22	
Wamboin - Bywong - Sutton	13	1	14	1	1	8
Queanbeyan-Palerang Regional Council	523	2.4	696	2.1	173	33

Source: .id (informed decisions) March 2022, <https://forecast.id.com.au/queanbeyan-palerang/household-types-map>, accessed 14/07/2022

5 APPENDIX E: GEOGRAPHIES USED IN ANALYSIS

5.1 ABS Statistical Local Area 2 (SA2's)

Demographic analysis by SA2 uses ABS 2021 General Community Profiles (the only available 2021 data at the time of writing in July 2022) and ABS 2016 Time Series Profiles which provides data for 2016, 2011 and 2006 with an equivalent geography.

5.1.1 Queanbeyan SA2

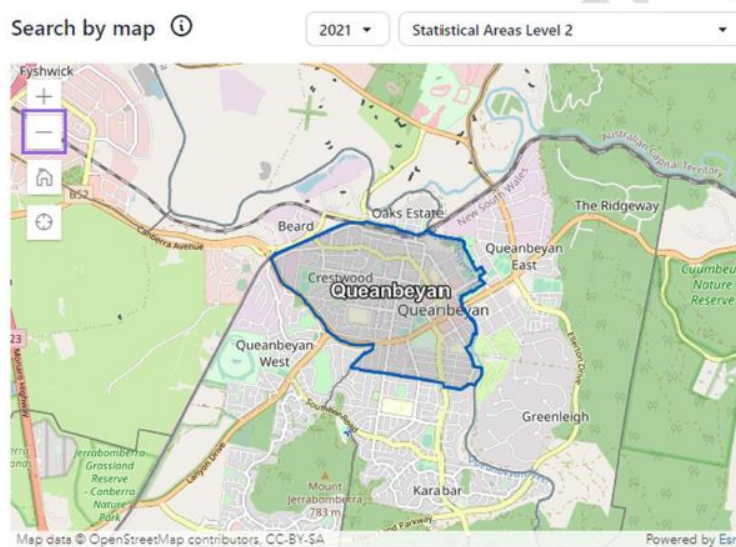


Figure 5.1: Queanbeyan Statistical Area Level 2

Source: ABS 2021, Census of Population and Housing

5.1.2 Queanbeyan East SA2

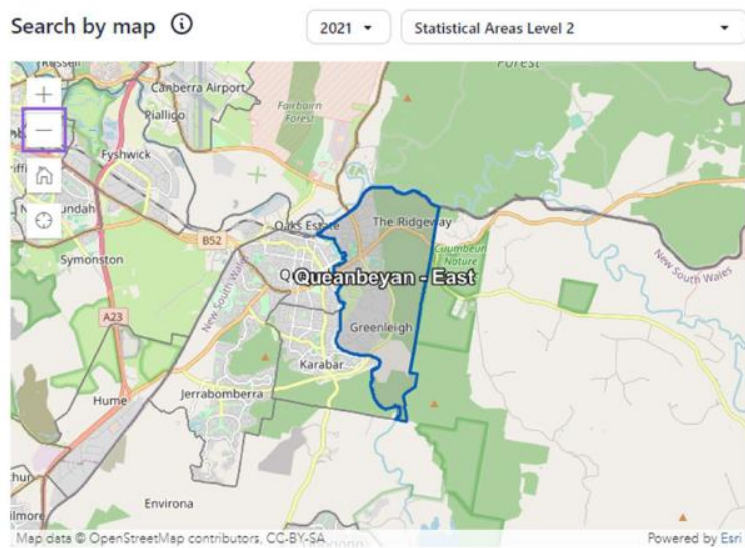


Figure 5.2: Queanbeyan East Statistical Area Level 2
Source: ABS 2021, Census of Population and Housing

5.1.3 Queanbeyan West-Jerrabomberra SA2

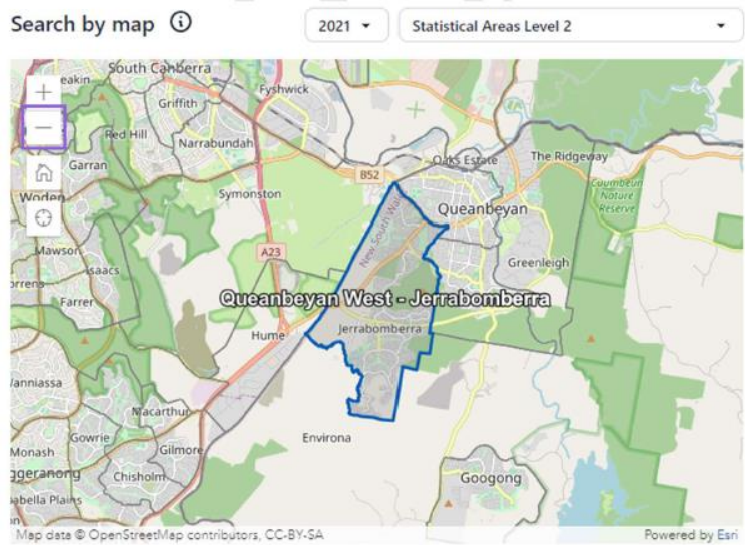


Figure 5.3: Queanbeyan West-Jerrabomberra Statistical Area Level 2
Source: ABS 2021, Census of Population and Housing

5.1.4 Karabar SA2

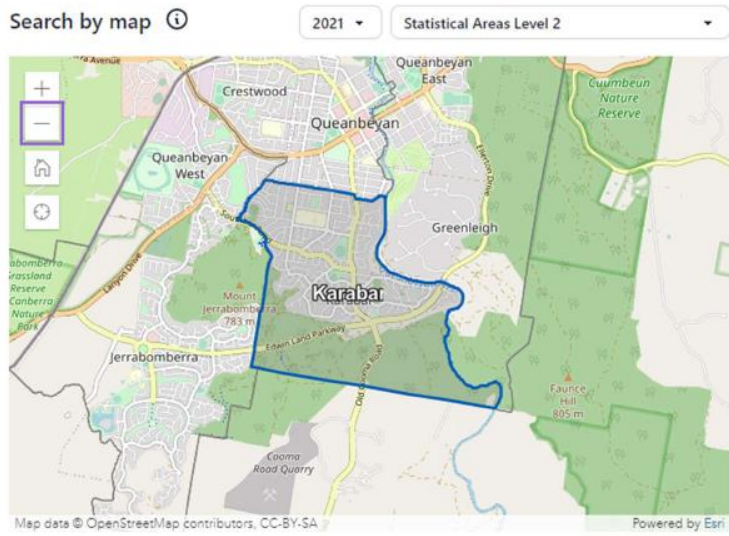


Figure 5.4: Karabar Statistical Area Level 2
Source: ABS 2021, Census of Population and Housing

5.1.5 Googong SA2

ABS data is available for Googong SA2 in 2021 only. The area did not have its own geography in the 2016 Census.

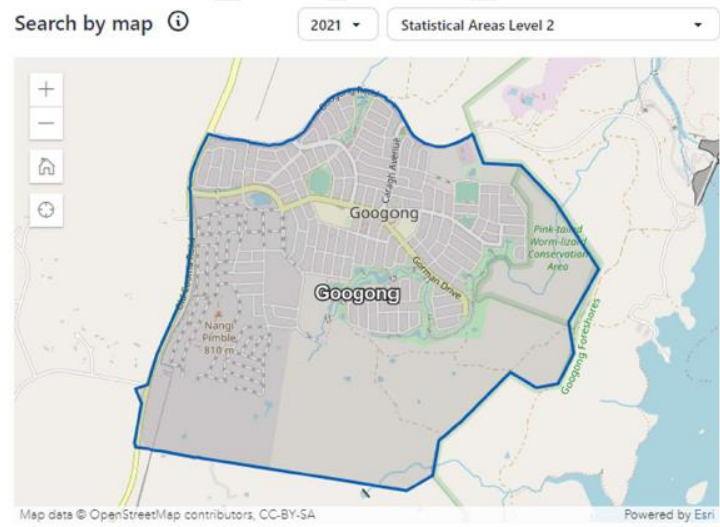


Figure 5.5: Googong Statistical Area Level 2
Source: ABS 2021, Census of Population and Housing

5.2 ABS Suburbs

5.2.1 Braidwood

Demographic analysis for Braidwood utilises the ABS 2021 Suburb and Locality area for indicators reporting 2021 ABS General Community Profile data (the only 2021 Census data available at the time of writing in July 2022).

Change over time for the 15 year period 2006 to 2021 utilises ABS 2021 Suburb and Locality area (General Community Profile) and ABS 2006 State Suburb area (Basic Community Profile) data, as Time Series Profile data for ABS 2016 is not available by State Suburb.

Report notes that these geographies are not equivalent over time, but is the closest approximation to explore change over time for this period using available data.

Braidwood Suburb and Locality 2021

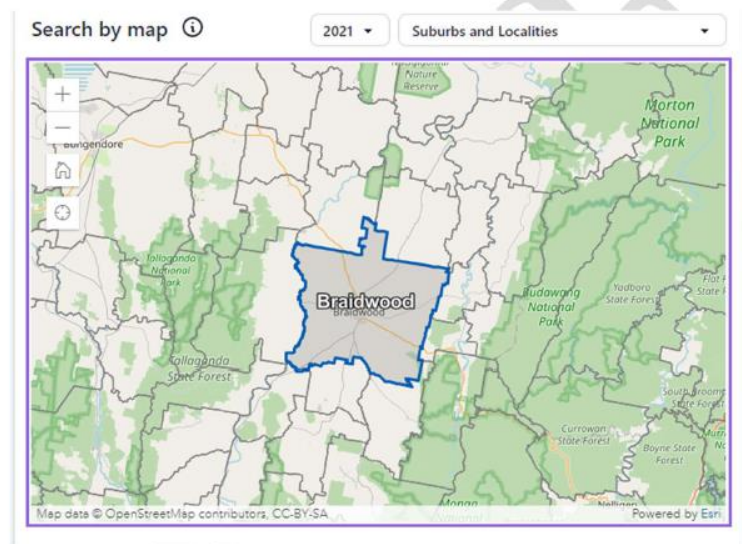


Figure 5.6: Braidwood Suburb and Locality

Source: ABS 2021, Census of Population and Housing

Braidwood State Suburb 2006

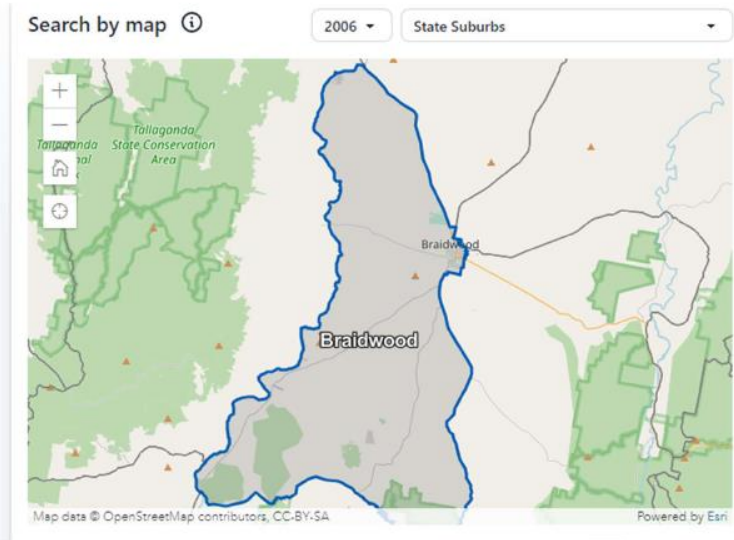


Figure 5.7: Braidwood State Suburb
Source: ABS 2006, Census of Population and Housing

5.2.2 Bungendore

Bungendore Suburb and Locality 2021

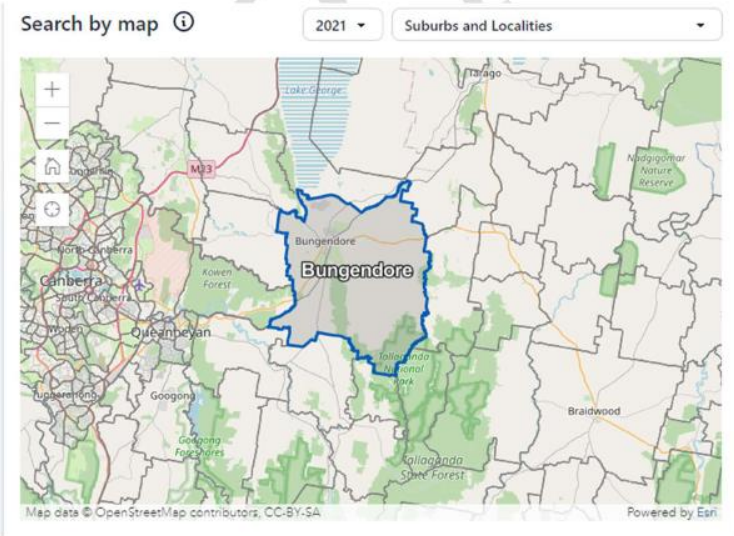


Figure 5.8: Bungendore Suburb and Locality
Source: ABS 2021, Census of Population and Housing

Bungendore State Suburb 2006

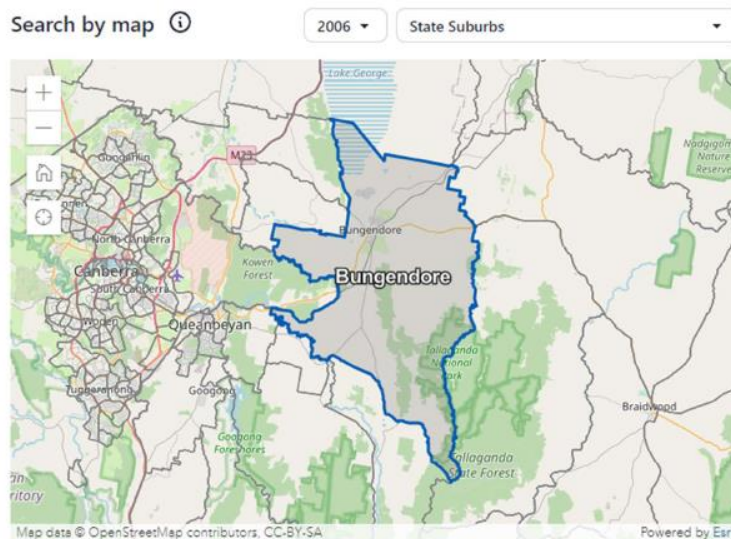


Figure 5.9: Bungendore State Suburb
Source: ABS 2006, Census of Population and Housing

5.3 ABS Postal Areas

Parts of the affordability analysis uses ABS postal area geographies in order to align with the smallest geographic areas provided by the DCJ Rent and Sales reports.

ABS Postal Area geographies for these areas are the same for 2021 and 2016.

5.3.1 2619 Jerrabomberra

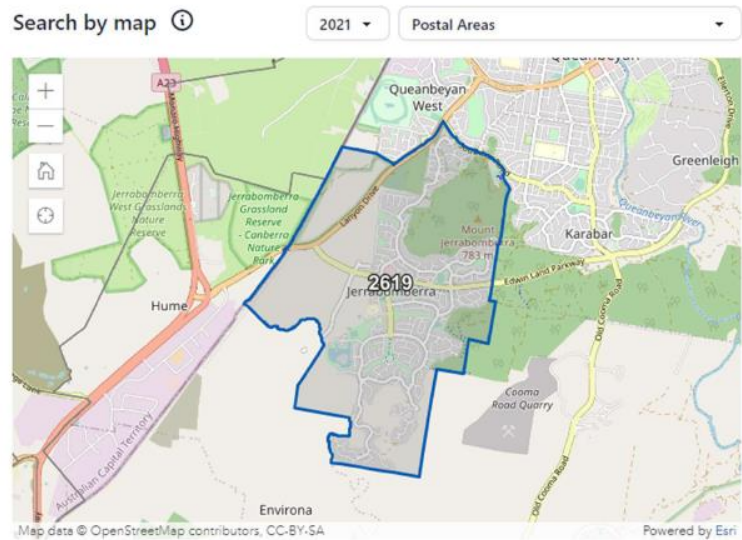


Figure 5.10: Postal area 2619 Jerrabomberra
Source: ABS 2021, Census of Population and Housing

5.3.2 2620 Queanbeyan and surrounding region

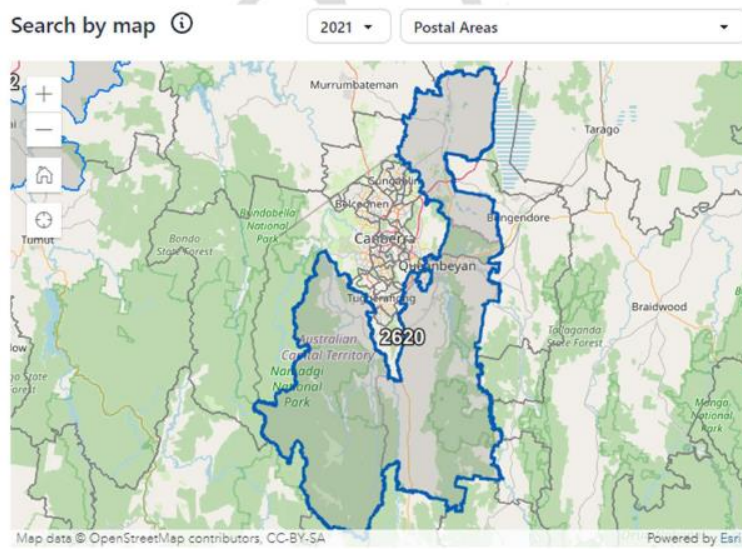


Figure 5.11: Postal area 2620 Queanbeyan and surrounding region
Source: ABS 2021, Census of Population and Housing

5.3.3 2621 Bungendore

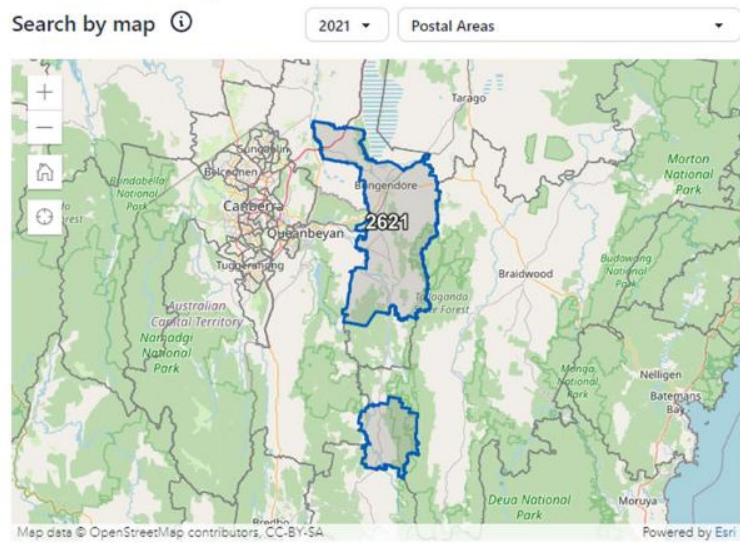


Figure 5.12: Postal area 2621 includes Bungendore and surrounds
Source: ABS 2021, Census of Population and Housing

5.3.4 2622 Braidwood

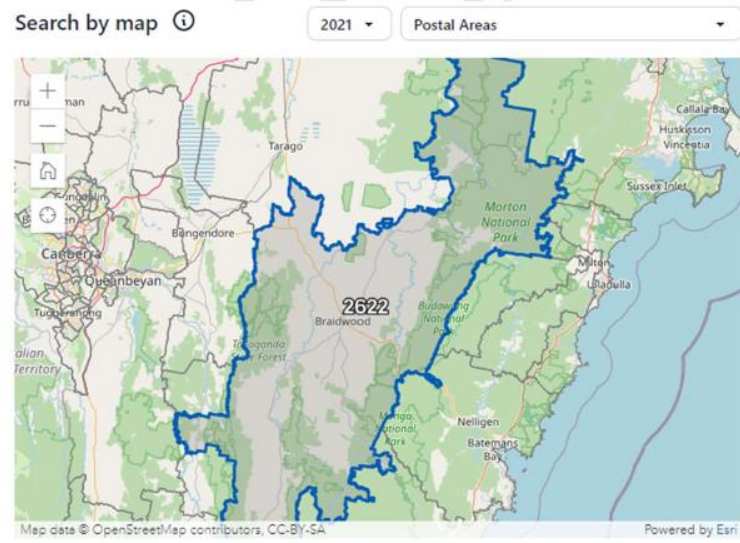


Figure 5.13: Postal area 2622 includes Braidwood and surrounds
Source: ABS 2021, Census of Population and Housing

5.4 ABS benchmark areas

5.4.1 Queanbeyan-Palerang Regional LGA



Figure 5.14: Queanbeyan-Palerang Regional Local Government Area
Source: ABS 2021, Census of Population and Housing

5.4.2 Rest of NSW

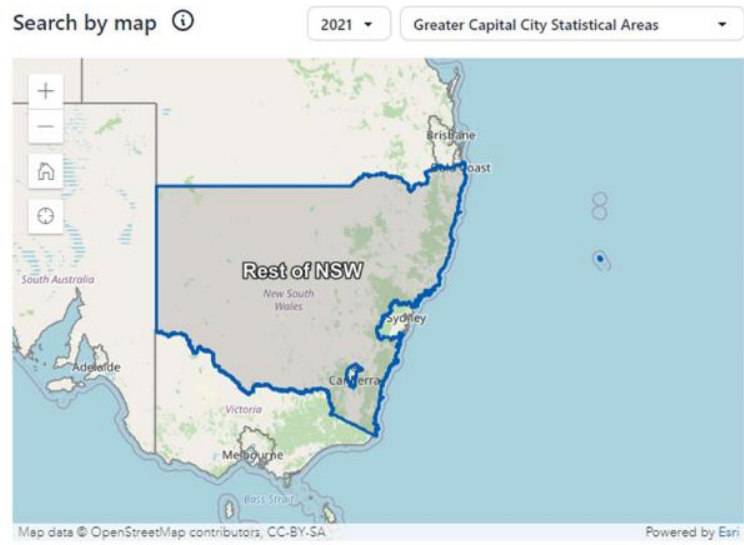


Figure 5.15: Rest of NSW – Greater Capital City Statistical Area
Source: ABS 2021, Census of Population and Housing

5.4.3 NSW

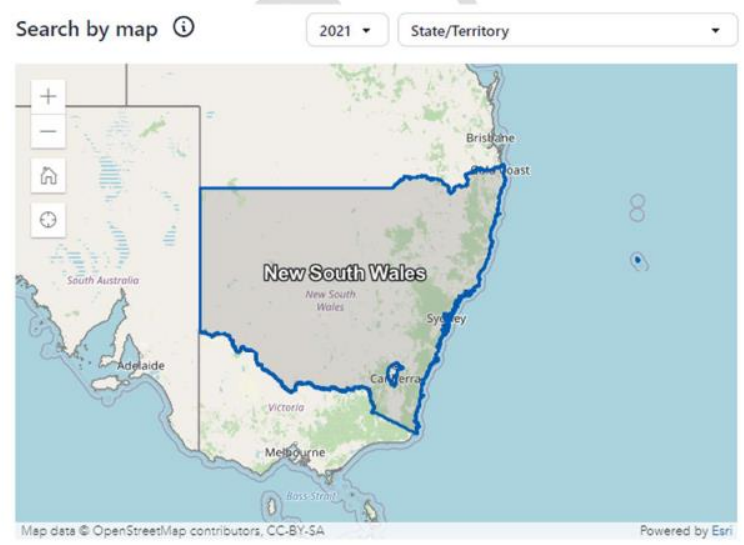


Figure 5.16: New South Wales – State/Territory
Source: ABS 2021, Census of Population and Housing

5.4.4 Australian Capital Territory

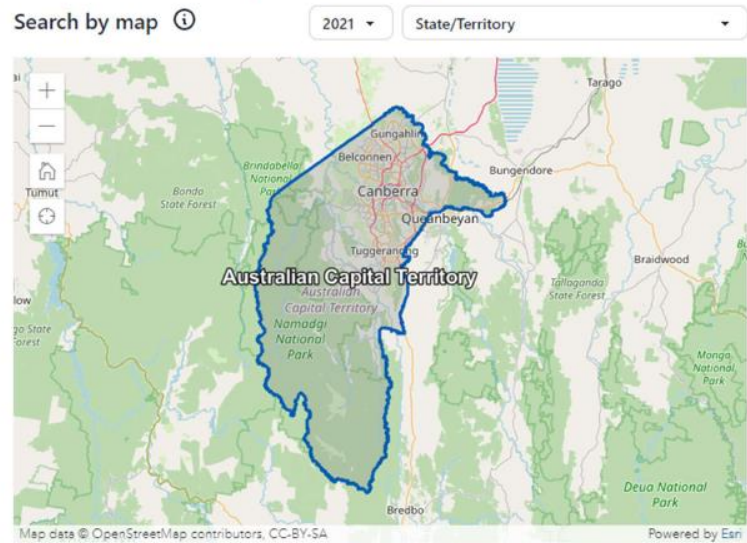


Figure 5.17: Australian Capital Territory – State/Territory
Source: ABS 2021, Census of Population and Housing

5.5 .id (informed decisions) forecast areas

.id (informed decisions) data is utilised by Queanbeyan-Palerang Regional Council for its population, household and dwelling projection analysis. JSA has relied upon this data and its geographies for the projection analysis.

5.5.1 Queanbeyan-Palerang Regional LGA



Figure 5.18: Queanbeyan-Palerang Regional LGA Forecast Area

Source: id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.2 Braidwood forecast area



Figure 5.19: Braidwood Forecast Area

Source: id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.3 Bungendore forecast area

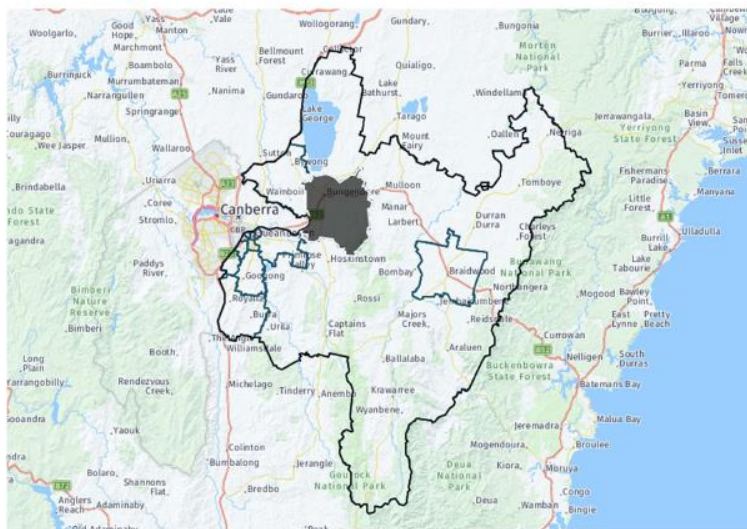


Figure 5.20: Bungendore Forecast Area

Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.4 Captains Flat – Hoskinstown – Primrose Valley – Rural East forecast area



Figure 5.21: Captains Flat-Hoskinstown-Primrose Valley-Rural East Forecast Area

Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.5 Carwoola – Greenleigh- The Ridgeway forecast area

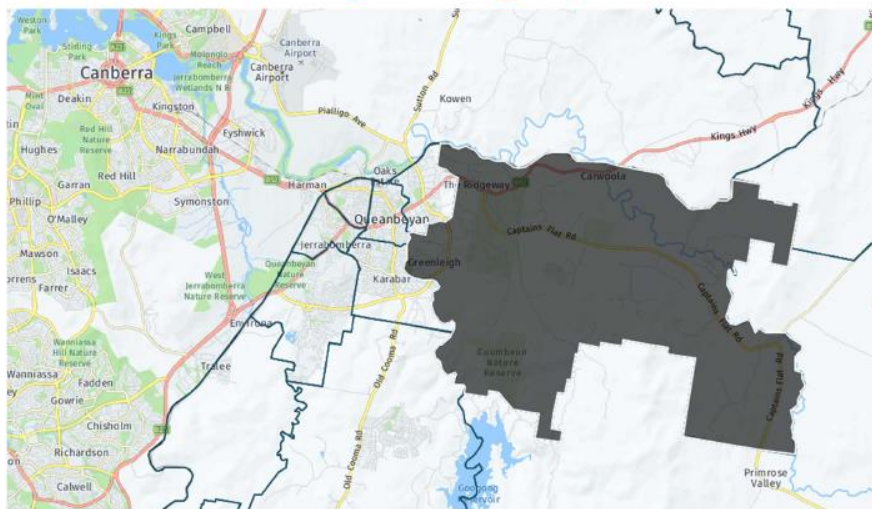


Figure 5.22: Carwoola-Greenleigh-The Ridgeway Forecast Area

Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.6 Crestwood forecast area

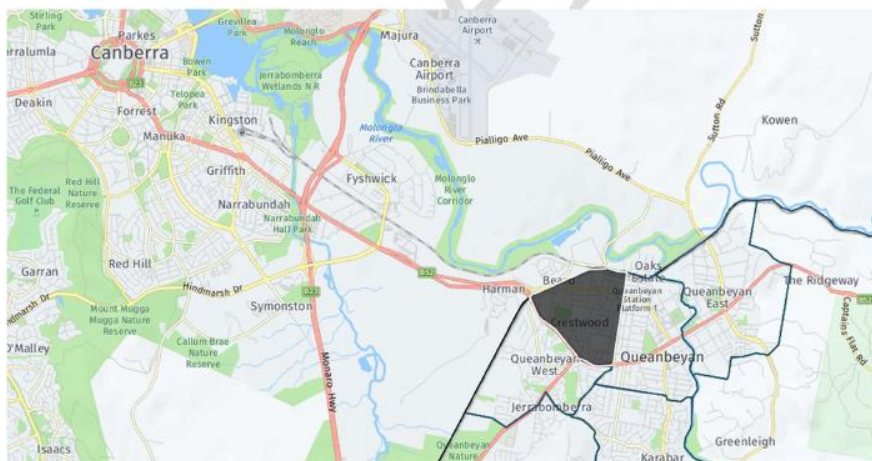


Figure 5.23: Crestwood Forecast Area

Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.7 Googong forecast area

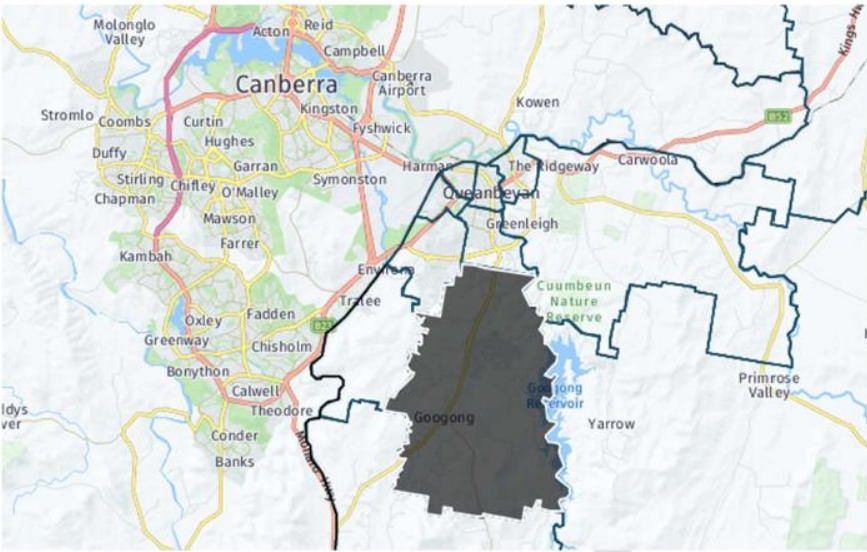


Figure 5.24: Googong Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.8 Jerrabomberra forecast area



Figure 5.25: Jerrabomberra Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.9 Karabar forecast area

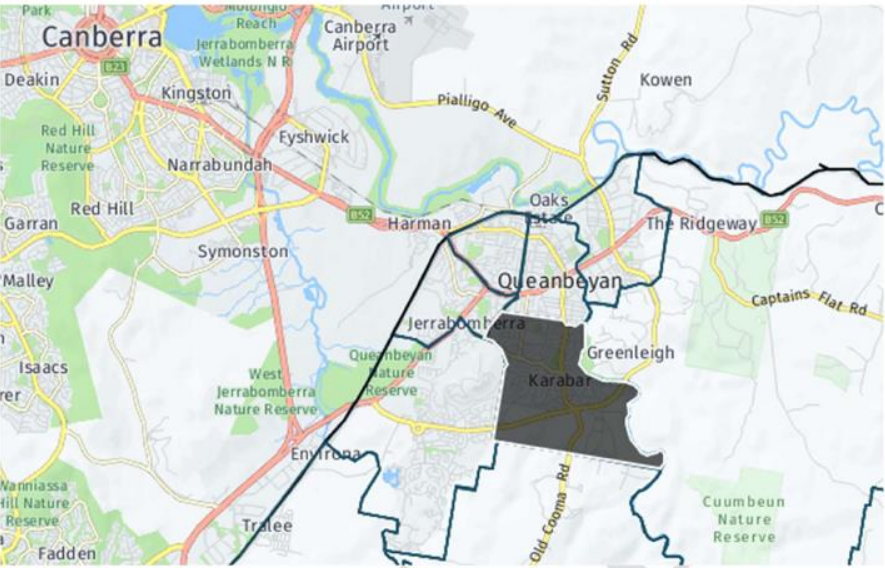


Figure 5.26: Karabar Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.10 Queanbeyan forecast area



Figure 5.27: Queanbeyan Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.11 Queanbeyan East forecast area



Figure 5.28: Queanbeyan East Forecast Area
Source: id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.12 Queanbeyan West forecast area



Figure 5.29: Queanbeyan West Forecast Area
Source: id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.13 Royalla – Burra forecast area

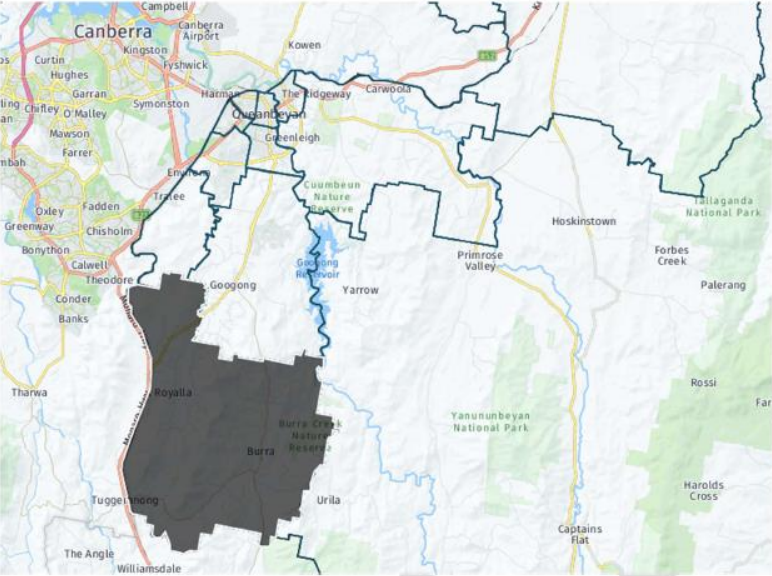


Figure 5.30: Royalla-Burra Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.14 Tralee – Envirova forecast area

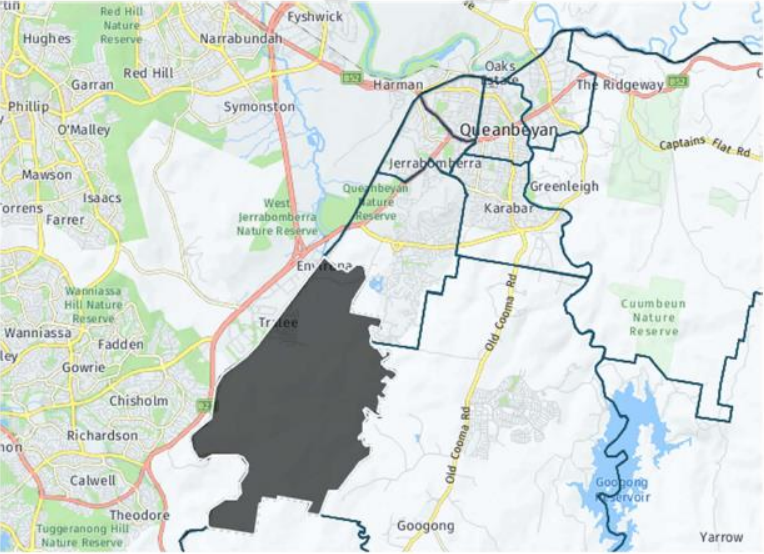


Figure 5.31: Tralee-Envirova Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

5.5.15 Wamboin – Bywong – Sutton forecast area

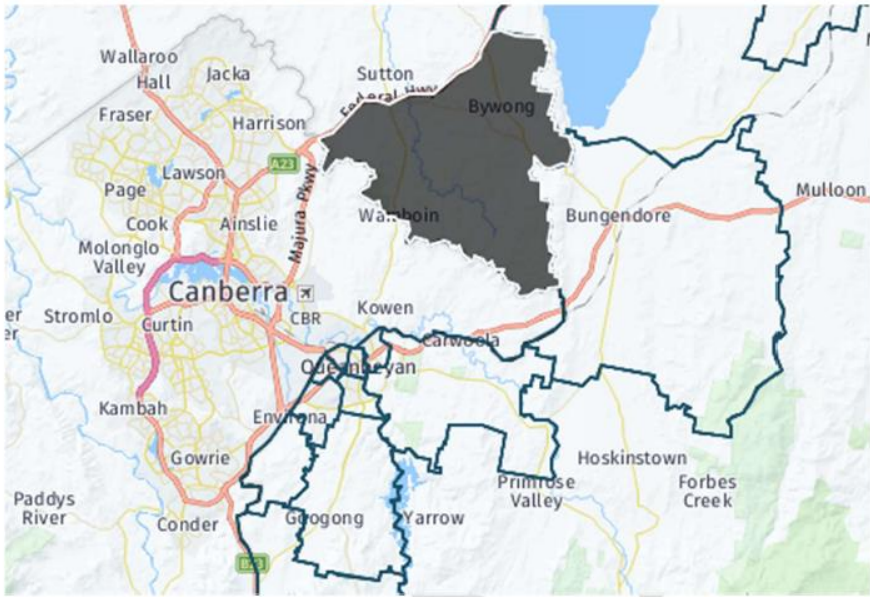


Figure 5.32: Wamboin-Bywong-Sutton Forecast Area
Source: .id (informed decisions), <https://forecast.id.com.au/queanbeyan-palerang/about-forecast-areas>

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

23 NOVEMBER 2022

ITEM 9.5 DRAFT QPRC AFFORDABLE HOUSING STRATEGY

ATTACHMENT 4 QPRC AFFORDABLE HOUSING STRATEGY - CASE STUDIES

Queanbeyan Palerang Affordable
Housing Strategy:
Affordable Housing Case Studies
Judith Stubbs & Associates

Introduction

A range of case studies are provided as examples of the types of support and engagement that local government can have with affordable housing needs and issues at the local level.

The focus of the case studies is on practical ways that Council can address the need for affordable housing that are most likely to be effective and within its power as a local authority. Most case studies have involved some form of partnership with the community and/or the private sector, and also include practical ways that Council can support affordable housing through the planning and development process.

Specifically, the case studies include:

- Affordable housing development and/or management partnerships where Council has been proactive
- Innovative and genuinely affordable 'New Generation' Boarding House models for various target groups
- Mixed tenure developments including private owner occupied and rented housing, as well as social and affordable ('key worker') housing as well as a component of housing for formerly homeless people
- The use of Voluntary Planning Agreements to capture a reasonable share of land value uplift
- Developments that include a proportion of shared equity arrangements to facilitate affordable purchase for low to moderate income households.

Development & Management Partnerships on Council Land

Introduction

Council can enter into a long term development and/or management partnership with a community housing provider (CHP), where the CHP has 'preferred partner' status. Alternately, Council may decide to enter into a partnership on a case by case basis, subject to a competitive tendering or EOI process for each development.

Different councils have also taken varying approaches to partnering arrangements, ranging from making land available at no cost or at a discount rate to direct construction and ownership of the development themselves, with a range of options between these two positions available.

Examples of a few different approaches taken by councils that are active in the direct development of affordable housing are provided below. At one end of the spectrum is **City of Perth**, which provided both land and financing for an affordable housing (mainly 'key worker') development on an under-utilised Council car park, took all of the risk on the project, and engaged a local community housing provider to manage the development after its completion.

Using two different approaches, in 2010, **Shoalhaven City Council** sold land at a very low cost to a local CHP, Southern Cross Community Housing (SCCH). SCCH then partnered with another CHP with extensive development experience, capital resources and access to Federal funding to develop a low density affordable and social rental housing development at **East Nowra**. A further partnership development is currently in the planning process at **Bomaderry**. This will see Council take on a more active role in its partnership with SCCH on Council-owned land in a mixed tenure development.

In these two approaches by Shoalhaven City Council, we also see its growing engagement with an increasingly serious local issue, noting that in late 2017 Council unanimously adopted its first Affordable Housing Strategy that includes the dedication of several sites for the purpose of affordable housing partnerships.

A range of partnering arrangements is possible, depending on a council's preference, asset base, desired rate of return, and appetite for risk.

City of Perth Case Study

In 2009, City of Perth adopted its first *Affordable Housing Strategy*, which included a commitment to proactively develop well-located affordable housing on under-utilised Council land. The research for the *Strategy* had identified 16 Council car parks with the potential for mixed use development, including commercial or community uses, affordable housing and replacement of car parking spaces. Council resolved to dedicate three of these high value, but financially under-utilised assets, to affordable housing.

Fig 1: City of Perth Affordable and Social Housing Development, managed by Access Housing



Fig 2: A City of Perth Car Park identified for a future Affordable Housing Development

In 2012/13, it undertook the redevelopment of the first of these car parks to construct 48 units of affordable housing, mainly allocated to locally-employed 'key workers' at discount market rent (around 70% of market rent for that precinct). Four of these units were initially allocated to social housing, where very low income households pay around 25% of their income in rent, with more units planned to be dedicated to social housing as debt is retired.

In this case, Council used its own resources to construct the housing in anticipation of short-term cash flow and longer-term return on capital. As well as income and other criteria applied to tenancies, there is a time limit on the occupancy period for the 'affordable housing' units so as to provide a 'stepping stone' for workers into the private market. Access Housing Australia was successful in a competitive EOI process as the housing/tenancy manager, and looks after all maintenance and tenancy issues on a fee-for-service basis.

SCCH Social and Affordable Housing Development at East Nowra

In 2009, Shoalhaven City Council sold land at a very low cost to a local CHP, Southern Cross Community Housing (SCCH) for the purpose of a low to medium density affordable and social housing development on the outskirts of **East Nowra**, and opposite a relatively new private development. However, the development application process was not easy. The proposed development received very strong opposition from local private residents, who were angry at the loss of the lightly wooded open space area on which the development would be built, as well as fears about devaluation of their properties and the 'type of people' who would move into their community. Despite having sold SCCH the land, Council refused the development.

SCCH appealed Council's refusal in the NSW Land and Environment Court, which upheld the appeal in 2010.ⁱⁱ The development was completed in 2014, and provides homes to around 50 diverse people who are working

parents, families with young children, aged couples and people living with a disability who meet the affordable or social housing eligibility criteria. The East Nowra development (pictured below) has since gained a high degree of community acceptance and support from Council, and is reported to have a high level of satisfaction among tenants.ⁱⁱⁱ

SCCH also engaged BlueCHP, a community housing association with considerable experience in construction of affordable housing and capital raising capacity, to construct the development. The development was also supported by NRAS credits from the Federal Government. The development includes 26 dwellings including 21 freestanding homes, 1 cluster-housing group of 3 dwellings and 1 dual occupancy. Most dwellings are 2 bedroom, single storey with a single garage and a driveway, with a few larger family homes. SCCH is the tenancy manager for the development.





Shoalhaven City Council Future Affordable Housing Development at Bomaderry

In late 2017, Shoalhaven City Council unanimously adopted its first ***Affordable Housing Strategy***^{iv} that includes the dedication of several sites for the purpose of affordable housing partnerships. The *Strategy* was based on extensive research on the state of the local housing market, local housing need and the most effective ways of meeting this need. Although a relatively low cost regional housing market, the Shoalhaven experiences higher levels of housing stress among local renters than the Sydney average due to the constrained supply of social and private rental housing and smaller dwellings, high vacancy rates and holiday lettings, loss of long-term caravan parks sites, pressure from the Sydney market, and the relatively low incomes of the resident population.

Fig 3: Council Site at Bomaderry ear-marked for Affordable Housing

The **direct creation of affordable and social housing** was found to be one of the most effective strategies that Council could pursue given the nature of need and the ability of the market to respond. Mechanisms such as value capture and development incentives are not generally feasible, at least in the short- to medium-term.

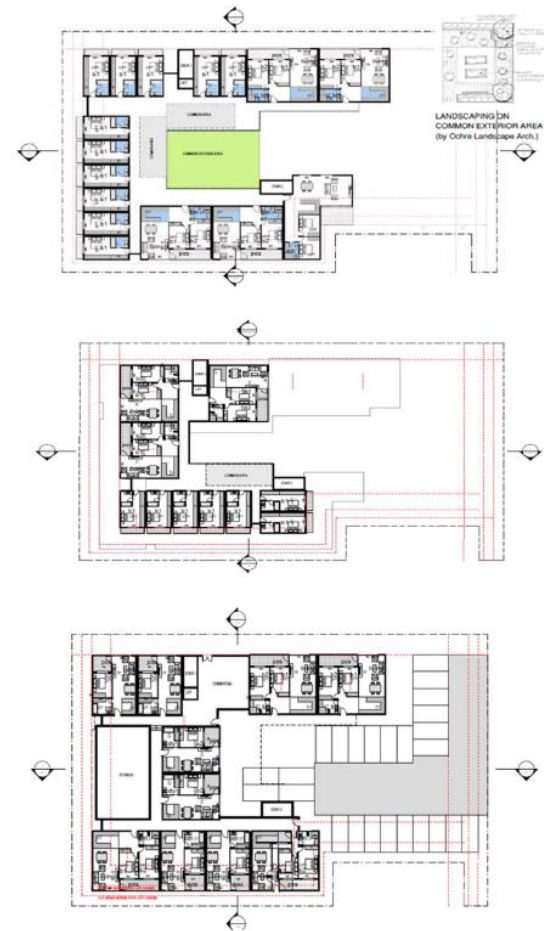
A **land audit of suitable Council sites** was conducted based on a number of key criteria, including the size and zoning of the site, its proximity to transport and services, existing uses on the site, and whether there were any significant environmental or heritage constraints. On this bases, a range of sites were short-listed and assessed by the consultants. In close consultation with Council, a number of these sites were subjected to financial feasibility analysis based on several development options that sought to maximise yield without 'over-developing' the site, and to house those most in need (very low income renters who were effectively excluded from the

private rental market but unlikely to gain access to social housing due to very long waiting lists, and including some who were at risk of homelessness).

The first site selected currently has two older fibro dwellings on it that have reached the end of their economic life. It is also near a high frequency train station with links to Wollongong and Sydney CBD, is proximate to service and facilities, and has good yield potential.

Following the preliminary financial feasibility analysis, Council then initiated a '**co-design**' process between a private sector peak body (PCA), SCCH, local resident association, as well as pro bono input from a local architecture firm, a local developer, and council engineers, property officers, and quantity surveyor. A further workshop on doing a '**DA in Day**' was also conducted to identify any further opportunities and constrains to the site and the proposed development (pictured below).

A Concept Design Plan (CDP) was produced and 'ground-truthed' during this process, with a somewhat yield higher than that initially envisaged from the feasibility analysis. This CDP currently incorporates 18 New Generation Boarding House rooms, 6 x one-bedroom apartments, 12 x two-bedroom apartments, a ground floor commercial space and 25% under-croft parking (see draft concept plans for 3 storey building at right). All dwellings will be affordable to very low and low income households. At the time of writing, planning for an EOI process are currently underway, as is an application for SAHF by SCCH and Council.



Many partnering options are possible...

Councils around Australia have also pursued other options in the development and management of affordable housing partnership developments.

Some Councils have entered into development and management partnerships on Council owned land. Some councils have put out an EOI with performance criteria, for example, the type of land uses to be included in development; the number and type of anticipated units; the expected rate of return on capital; tenant selection criteria; and cost/income/asset/risk sharing arrangements between Council and the Community Housing Provider, and selects its preferred partner on the basis of their ability to meet these criteria or to otherwise add value.

There are also a range of preferred partnering approaches, for example, where Council pre-qualifies the preferred Community Housing Provider based on demonstrated capacity, cultural alignment and the like, and negotiates all aspects of development, management, cost/income sharing with them as the long-term preferred partner rather than go through a case by case competitive selection process.

There are many possible types of arrangements, depending on a council's preference, asset base, desired rate of return, and appetite for risk.

‘New Generation’ and Supported Boarding Houses

Introduction

Increasingly, Boarding Houses, particularly New Generation Boarding Houses using the provisions of *SEPP Affordable Rental Housing 2009* are providing affordable accommodation to diverse very low and low income households. These are likely to fill an important affordable housing gap for a range of very low and low income retirees, workers, and other singles and couples without an asset who are otherwise likely to struggle to find anything ‘affordable’ in many local housing markets.

Boarding Houses are often permissible with consent under local planning schemes in a wide number of zones, including R1, R2, R3, B1, B2 B3, B4 and B5, consequently there are limited planning restrictions on the development of Boarding Houses, and the SEPP is likely to take precedence over a local DCP to the extent of any inconsistencies in controls.

However, Boarding Houses are often unpopular with local residents, generally due to intensification of land use in lower density environments, and misconceptions about the ‘type of people’ who will live there. Councils also sometimes have concerns that privately developed Boarding House are not likely to genuinely ‘affordable’ in higher value markets, and about the internal amenity of design in this context. Incompatibility with ‘local character’ is often used as a grounds for refusal.

Some of these concerns can be addressed through a negotiated development approval process if a local authority has clear ideas and /or guidelines on preferred design, rents and management. There is also a

considerable advantage in having the Boarding House developed and/or managed by a Community Housing Provider with a long-term interest in the building, strong links to the local community and appropriate rent-setting and tenancy management policies and procedures. Moreover, rates of return on capital are often favourable for Boarding Houses, and they are becoming more popular.

Several examples of genuinely affordable New Generation Boarding Houses are provided below. The first is one developed by North Sydney Council on Council-owned land in **Wollstonecraft** in partnership with Link Community Housing for very low income households in one of Sydney’s most expensive housing market.

The second is a privately constructed Boarding House in Sydney’s **Inner West** that is managed by Hume Community Housing, and genuinely affordable to smaller low-income working households.

The third is one constructed under the **Abbeyfield model** for older low-income people with low to moderate support needs in a regional area of South Australia.

The future development at Bomaderry on Shoalhaven Council land provides a further example of the potential to combine this form of accommodation with other housing types and tenures.

Each of these examples could be readily adapted to the Queanbeyan Palerang context.

Wollstonecraft Boarding House Development

The development of the **Wollstonecraft 'New Generation' Boarding House** is an example of a strong partnership between a community housing provider, Link Housing, with a proved track record in the local area, and North Sydney Council, a local government authority with a long-term commitment to maintaining at least *some* affordable housing and income diversity in one of Sydney's most expensive housing markets.



Once the home of many very low and low income people, including in more than 100 older boarding houses, North Sydney has been gentrifying for many years. It has lost most of its low cost flats buildings and all but 20 of its low cost boarding houses over the past two decades, despite the provisions of SEPP 10 (Now SEPP ARH) that aims to protect such stock. Amid this serious decline, Council has been able to expand the amount of stock it owns that is dedicated to affordable and social housing through a range of strategies and its strong commitment and leadership.

The site of the new Wollstonecraft Boarding House previously contained an older two-storey single family home that was part of Council's affordable housing portfolio (pictured left). The cottage had been rented to social housing tenants, and managed by Link Housing, for many years. North Sydney Council identified the site as a good place to grow the local supply of affordable housing and increase the efficient use of land under its **Strategic Asset Management Plan** by replacing the house with something that would meet the needs of more than just one household. This approach was also supported by Council's **North Sydney Council Affordable Housing Strategy 2008; and 2015**.^v

Council utilised provisions in the SEPPARH to develop the new two-storey Boarding House. As part of the planning and design process, North Sydney Council and Link Housing **pro-actively engaged with neighbours**, providing information on the project prior to lodging the application and an opportunity to comment early on the design.

Once the DA was lodged and a few concerns were raised by neighbours about overlooking and privacy, the proponents took these concerns on board and found an architectural solution to the problem. When Link Housing fielded a few calls from neighbours with concerns about *“who might be living there?”*, neighbours were satisfied when Link Housing advised that the new tenants would be *“people similar to those who have been renting the home previously”*.

In 2016, Link Housing and North Sydney Council successfully completed the **seven-room Boarding House**. Up to fourteen very low income tenants can now call this Boarding House home.

The strong partnership between Link Housing and North Sydney Council has made the growth of quality affordable housing for very low income households in an exceptionally unaffordable part of Sydney a reality.



Fig 4: New Generation Boarding House developed by Council and Link Housing in 2016 (2nd from the right)

Hume Community Housing 'New Generation' Boarding House

The 'New Generation' Boarding House at Pembroke Street, Ashfield is an example of a private sector development that is genuinely affordable in an expensive housing market due to its management by Hume Community Housing. The Boarding House (pictured below) offers a high quality external and internal finish throughout at an affordable rental price, mainly to low income working single people and couples. The Boarding House is in an area that was once affordable to low income people, but is now one of the most rapidly gentrifying areas in NSW.^{vi}

However, the early days of its development were not without their problems. The SEPPARH DA was refused by the then Ashfield Council. Council had received at least 50 submissions from neighbours opposed to the proposal, with particular issues raised including incompatibility with the 'character of the local area' and unacceptable privacy impacts on neighbouring properties.

The applicant appealed the refusal to the NSW Land and Environment Court. After a conciliation conference, it was agreed that all of the relevant development standards contained in SEPPARH had been met, with the remaining issue being whether the development met the 'character test'. The LEC concluded that the development as designed was appropriate in its context and sufficiently compatible with 'local character' to be

approved. More covert issues were also raised about the 'type of people' who would be living there.

In 2014, the private developer successfully completed the development of the 20 room 'New Generation' boarding house in Summer Hill. It is managed to a high standard by Hume Community Housing and their on-site manager. Hume Community Housing is proactively managing the property with regular inspections, block meetings and customer wellbeing visits as well as the provision of an on-site manager.

Fig 5: Pembroke Street, Ashfield (pictured below)



Each room features well-appointed living areas, with a fitted fridge/freezer, washing machine and tumble dryer as well as having fitted air conditioning. The 16-20m² rooms offer a good-sized bedroom area with built in robes and well-appointed bathroom and kitchen. They each have their own balcony or courtyard, and there is also a common area lounge and a common area garden.



Fig 6: Inside one of the New Generation Boarding House Rooms

To be eligible for accommodation, prospective residents must meet a number of allocation criteria, including being in full or part time work, having links to the local area, being on a low income, having no children, and being prepared to enter into a 12 month lease, with options to renew.

A recent study found that the residents of the Summer Hill Boarding House are very satisfied with the quality of the internal design and fit out and standard of management and maintenance. The rent is genuinely affordable to low income working singles and couples.

Despite initial opposition raised by neighbours, it appears that quality design and good management matters, with the overall sentiment of neighbours towards the project post-occupancy much improved. There have been no complaints to Council, and post-occupancy neighbour relationships are reported to be 'very good'.

Supported Boarding House for Older People ('Abbeyfield' Model)



'New Generation' Boarding House-style accommodation can also be provided with varying levels of support to frail aged people or those with a disability who have no, or very limited, capital base. Such developments often have a live-in manager/housekeeper, visiting support staff such as personal care workers, in-home meals, cleaning etc. This can be provided from tenant rents augmented by FACS or other government funding, through HACC Community Aged Care Packages or other funding programs.

One example is the **Abbeyfield Housing Model**, which offers a community-based group housing option for very low income frail aged people and people with a disability who are in need of housing and some degree of support.

Fig 7: Abbeyfield House, Williamstown, South Australia

The developments are generally initiated, developed and managed by volunteers from local communities in partnership with Abbeyfield Australia. They are well-integrated into the streetscape and are non-institutional in design and operation, and usually accommodate no more than 10 people. Residents are encouraged to be active and involved in the

running of the house and in the life of the community. The operation of the houses is supported by a formal legal and administrative framework linking the local and national levels; and support funding for a live-in housekeeper. As noted, visiting support staff can be incorporated through different funding programs.

Mixed Tenure Housing Developments that include Social and Special Needs Accommodation

Introduction

Mixed tenure developments, when **well designed and managed**, can promote housing affordability for a range of income groups and social inclusion for low income people and for more marginalised groups within mainstream housing in the general community.

Increasingly, mixed tenure developments in Australia includes a mix of private rented and owned occupied housing, affordable rental housing for low income working households, as well as social rental housing. Some relatively 'up market' mixed tenure developments, like those in **Adelaide** and **Melbourne** described below, also successfully incorporate special needs accommodation for formerly homeless people.

Despite community concerns, research has shown that developments that incorporate a wide range of income and lifecycle groups **do not**

adversely affect property values or marketability, or lead to social problems such as anti-social behaviour provided they are well-designed, well managed by a community housing provider, and are 'tenure blind' (that is tenures are indistinguishable from the outside, and there is good opportunity for casual social interaction between tenure groups through access to common entrance ways, streets and public open space areas).

Although the case studies below were partnerships between relevant state governments, the private sector, community housing providers and other NGOs, on a smaller scale, these could readily translate to sites owned by Council or another public authority in the local area. However, a reasonable level of public investment was required in the case of these developments in order to incorporate housing for those most socially marginalised and to ensure they are appropriately supported.

The Nicholson at East Coburg, Melbourne



Of the 199 new apartments, 45% are social and affordable housing and 55% are private housing. Decisions about ‘**tenure mix**’ related to contractual requirements and commercial considerations, mainly how integrated on-site place management is provided by community housing provider, **Urban Communities Ltd**, which is contracted by the Owners’ Corporation (OC) to provide OC management, building and facilities management, tenancy management, and maintenance services for some private rental units. **Launch Housing**, another community housing provider, provides tenancy management and maintenance for their social and affordable housing tenants.

The Nicholson Apartments in East Coburg (pictured left) is a mixed use/tenure development of 199 apartments and eight ground floor commercial spaces on the site of a former government tram depot.

The redevelopment was led by the State Government (Places Victoria), which engaged a private sector developer under a competitive tendering process. **Launch Housing** is the owner and manager of the social and affordable housing dwellings, which were funded through government grants, their own borrowings and private sales. **Urban Communities Ltd** is contracted as the on-site place manager, providing body corporate services, tenancy management for privately rented apartments and other services across the site.

many units would be needed to be privately sold to fund the project when grant funding and debt equity was considered.

Importantly, 18 of the social housing tenants are **formerly homeless people** with high support needs. Urban Communities is able to get to know people, and are attuned to residents’ needs and issues. They are able to ‘softly’ intervene to avoid or de-escalate conflict should it occur. They can also develop relationships across tenures and ensure integrated services are provided promptly and to a high standard.



Tenure configuration is in a 'quasi-core' layout:

Residential floors are laid out around a central courtyard, accessible to all tenures (pictured left);

There are two separate entrances but access is available across each floor;

The 58 social housing units are on one side (72% of units on that side), so tenants collect their mail and generally enter the building through that entrance;

All units are of the same high quality design externally, although there are some optional extras provided in the internal fitout of private units.

The Nicholson was highly regarded at the time of construction for its innovative design and use of modular construction, and has **won a number of awards** including UDIA (Victoria) Award for Excellence in 2011; and was a finalist in the 2012 Property Council of Australia/Rider Levett Bucknall Innovation and Excellence Awards.

UNO Apartments in Adelaide



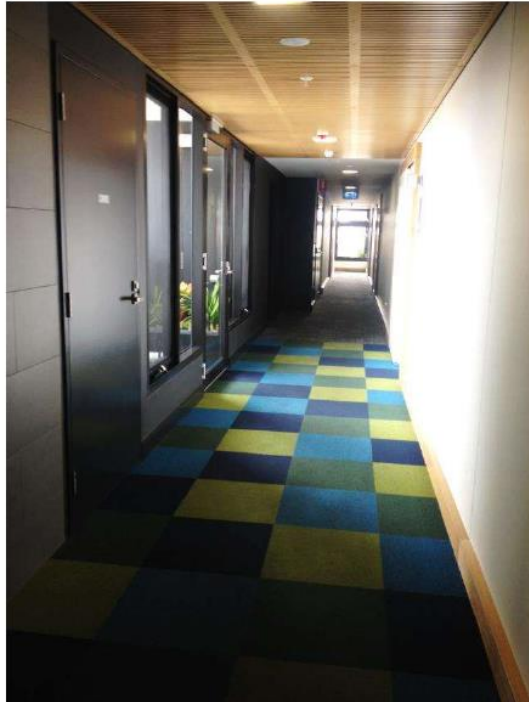
UNO Apartments is an **award winning urban intensification project** comprising 146 apartments in a 17 storey development. The units are in a 'clustered' and 'pepper potted' layout (generally all tenures mixed across each floor throughout the building, apart from the top three floors. with:

- 30 studios and offices for a youth crisis service in one 'core';
- 116 mixed tenure units in one 'core':
- 27 social housing units
- 27 NRAS rental (private)
- 28 AH ownership (private)
- 34 private market units

The lead agency was the SA Department for Communities and Social Inclusion, which contracted with a private developer to construct the development, and with Urban Communities Ltd (a CHP) to provide integrated site management (tenancy management for the social housing dwellings, on-site place management and to be the owners corporation manager). St Johns Youth Services is the youth crisis accommodation manager.

Interestingly, UNO was the **highest priced and best-selling apartment building in Adelaide** at the time it was sold, with the mixed tenure reportedly having no bearing on the value of the units sold. UNO Apartments shows that **'affordable housing' does not mean 'lower quality' housing**. The development teams was particularly committed to achieving as high a quality a finish and design as possible on every floor,

regardless of tenure mix. This is particularly important for parties with a long-term investment in the development – for the apartment owner, and for those with long-term responsibility for building management and maintenance. Government also sought to maximise its return through the sale of the private dwellings, and providing a high standard that all tenures could enjoy ensured this.



A reasonable amount of **public investment was initially required**, noting that the project's aim was first and foremost to create youth crisis accommodation. Additional funding, debt financing and sale of private apartments made a much larger and innovative project possible. There was also reported to be a considerable amount of political will and risk taking to make a project with the type of tenure mix proposed happen.

It is also important to note that strata subdivision need not be an impediment to mixing tenures within a building and across floors – even if a higher level of integration is desired. As noted, the configuration of tenures in UNO Apartments is partly clustered in cores and separate floors, and partly ‘pepper potted across floors’. Key features of UNO Apartments in this regard are:

- Secondary titling is used to create a quasi-core of private units on upper three floors to increase marketability and maximise return to government;
- Indistinguishable amenity and finishes to other floors containing mixed private and affordable housing;
- Communal entry and lifts for all tenures in the mixed ‘core’;
- Provides owners on the 3 upper floors with more choice for upgrades to finishes in future, and capacity to charge differential service fees, which is important to contain costs for community housing providers who own/manage other apartments in the complex.

‘Pop-Up’ Models of Transitional or Temporary Accommodation

Pop-up shelter for homeless women uses Sydney building awaiting demolition

With no end in sight to Australia's homelessness crisis, one charity is taking an innovative approach to housing people in need - a pop-up shelter. Uniting Care has repurposed one of its out-of-use aged care homes that is awaiting demolition into a temporary home for women aged 45 and over, who are making up a growing proportion of the homeless population.

Uniting's director of property and housing, Simon Furness, said the inner-Sydney building would otherwise be lying vacant while awaiting demolition, planned for early next year.

"We've all seen pop-ups all over the place — pop-up bars, pop-up restaurants and clothes outlets and shoe outlets," he said. "Those are pop-ups for a commercial purpose, why not have pop-ups for a social purpose? 'Really, anybody can do this'".

Mr Furness said it did not take too much work to make 30 rooms in the building fit for use. They just needed a good clean and for the utilities to remain connected. They were furnished using second-hand items from a major hotel chain that was having a cleanout.

"We knew the building was going to be here for probably a year to two years while we do all the DAs and engage contractors, so it occurred to us that it's an empty building and a lot of people

need homes, so we decided to reopen the building as temporary housing for older women," he said.

He urged others with empty buildings to consider whether they could do the same with their properties, which he said were often vacant for months or years during the development application and planning control period before redevelopment.

"Really, anybody can do this," he said. "I would strongly encourage any property developer or owner-operator like ourselves to look at their building portfolio and their development plans and if there are buildings that are going to be empty, think about what they can be used for."

Former general manager for Frasers Property Australia, Robert Pradolin, said he believed there were thousands of empty buildings around Australia that could be used for temporary housing with the support of not-for-profit housing providers.

"Well over a decade ago, we used to throw away good food," he said. "Then we changed the laws because it did not make ... sense to discard such a valuable resource. Existing buildings sitting there empty while people are homeless on our streets does not make sense. We need to change the

laws to allow society to help people with the fundamental human need of shelter."

Liz Yeo, CEO of Newtown Neighbourhood Centre said that housing options for women like Anne were often unsafe, male-dominated boarding houses. She said the homelessness crisis was worsening and needed innovative solutions to solve.

"We know we're not going to suddenly, magically have government be able to produce the hundreds of thousands of new homes that are needed," she said.

"So, we need organisations like Uniting and other housing providers to take these initiatives and provide appropriate housing for people."

Anne (not her real name) is one of the 30 women who have lived in the pop-up shelter while seeking permanent housing. The 54-year-old lost her home in March after suddenly becoming unemployed, and has since been living in her car and in temporary accommodation.

"I'd lost my job after 18 years of work, and I wasn't able to pay my rent because I live on my own," she told AM.

Anne was concerned that if she stayed in the property and was unable to pay rent, she would lose her good tenancy record.

"You never think you're going to lose your job," she said. "I didn't have any extra in the bank [as] savings. I was on a minimum wage, so I gave the

key, gave them notice, and I went to stay with a friend."

Anne said the women living in the pop-up shelter were finding support among each other, lending one another blankets, sharing meals. She said even though she feared for the future, she felt lucky to have a roof over her head as there were so many people without one.

"If there is other buildings that are going to go under demolition and they can opt to help people for three to six months, a year [they, should]," she said. "This is a good place, and we all feel safe — it's a safe haven for us."



Pictured above: A lot of the furniture used in the pop-up homeless shelter was donated by a large hotel chain

Value Capture Mechanisms

Introduction

The provision of additional development potential through the rezoning of land to higher uses or a variation to controls that would normally apply creates additional value or profit to the developer. Such additional value or profit has not been ‘earned’ by the developer, but is a result of the operation of the planning system. It is also not equitable – the owners of an adjacent block of land or precinct that is *not* subject to up zoning or beneficial variations will *not* receive additional value or profit, and may in fact experience a devaluation of their asset in certain circumstances.

Further, the up zoning or variations to controls will often result in diminished amenity for others in the community, for example, where there is significantly higher density in a low density precinct that is in transition. In international jurisdictions like the USA and Great Britain, it is common practice to capture a reasonable share of the ‘unearned portion’ of land value uplift (LVU) to use for a community benefit, in particular, the creation of affordable rental housing.

The creation of affordable rental housing in redeveloping precincts is both reasonable and appropriate, as such redevelopment generally results in an increase in land and housing values and gentrification, leading to the displacement of historical populations. Seeking to retain at least some of those who would otherwise be displaced through the

creation of affordable housing as part of new mixed tenure developments has been described in a number of the case studies above.

Two mechanisms for capturing a reasonable share of land value uplift created through the planning and approvals process in NSW are described below.

The first is generally negotiated between a consent authority and developer in the form of a **Voluntary Planning Agreement** under s7.4 of the Act (formerly s94F). Various NSW councils use this provision differently, and two examples (**Byron Shire Council** and **Inner West Council**) are provided below.

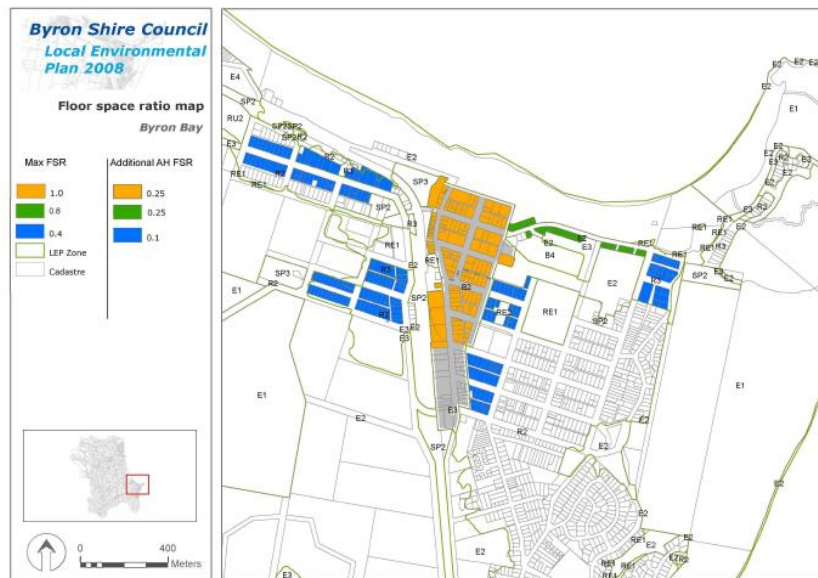
The second is implemented as **mandatory affordable housing contributions** under s7.32 (formerly s94F) of the Act or other enabling legislation. In NSW, this is operationalised under *SEPP 70 – Affordable Housing*, which has **recently been amended to include all council areas in NSW**, provided they can demonstrate need and economic viability.

In each case, the additional affordable rental units created from the cash or in-kind contributions are **created in perpetuity** and rented through a community housing provider.

Voluntary Planning Agreements

Byron Shire Council

Byron Shire Council, one of the least affordable regional areas in Australia, adopted its *Affordable Housing Strategy* in early 2009,^{vii} and its *Voluntary Planning Agreements Policy – Affordable Rental Housing*,^{viii} soon after. Under the *Policy*, planning incentives in the form of density bonuses or other variations to planning controls such as height or parking may be granted where a developer agrees to make a contribution, in cash or in-kind, to Council's affordable housing program in perpetuity.



Byron Shire Council's *Policy* is supported by detailed research, economic analysis and mapping of relevant precincts. The affordable housing contribution is **50% of additional profit on additional floor space/units created**. Other councils, such as **Waverley Council**, have long-established density bonus programs, and have generated hundreds of units over some 30 years.

The mechanism is most effective in precincts where land values are high, and/or where there is significant redevelopment pressure, and where there are sufficient redevelopment opportunities to make implementation worthwhile.

The adjacent map shows the precinct-based approach and the variations apply under the *Policy* in Byron Bay town centre (JSA 2008).

Inner West Council

After extensive demographic and housing market research, and a detailed economic analysis of the quantum of affordable housing contributions that would be reasonable in the local context, **Inner West Council** adopted its *Affordable Housing Policy* in late 2017.^{ix}

Among other things, the Policy provides for a voluntary contribution toward affordable housing based on the nature and the quantum of the proposed re/development. In the case of **rezonings**, the preferred

contribution is 15% of total Gross Floor Area of the new development where the development results in 1700m² or more of total floor area. The calculations that support this take into account all costs to the developer, including land, dwelling construction and 10% normal profit, and a substantial margin on costs that favours the developer. The remaining profit is then assumed to be divided evenly between Council and the developer.



The very high rate of land value uplift in the LGA's main redevelopment areas (for example, along the Sydenham to Bankstown Corridor) would justify even higher rates of contribution. For example, a factory site valued at \$4.0 million before rezoning sold for around \$48.0 million post-rezoning. However, the Council decided on a uniform rate that is effectively an LGA-wide average. It is noted that this type of uplift is unusually high, and that Councils in areas where uplift is far more modest have also implemented this type of mechanism.

A **variable rate of affordable housing contribution** also applies to sites already zoned for residential or commercial uses, where the developer is applying for a variation to the normal controls. In this case, average affordable housing contributions have been calculated on a precinct by precinct basis, and is supported by a contributions table appended to the *Policy*.

Fig 8: Older industrial area in Sydenham in Inner West Council area.

Mandatory Affordable Housing Contributions

Inner West Council was one of a handful of additional councils **included under the provisions of SEPP 70 – Affordable Housing** in late 2017. This means that Council will be able to levy mandatory affordable housing contributions rather than use Voluntary Planning Agreements in the case of major rezonings. Since then, All Council areas in NSW are able to levy affordable housing contributions provided they can demonstrate need and economic viability, which is likely in the Queanbeyan Palerang context in certain areas.

Shared Equity Purchase Arrangements

Introduction

One of the only ways that many low and moderate income purchasers can enter the home purchase market is through some form of shared equity arrangement. This is particularly the case those needing a family home.

Typically, a purchaser will enter shared equity arrangement with a community housing provider where the purchaser will own 25-75% of the equity in the home.

Generally, there is a covenant on title or other similar legal arrangement that provides that the purchaser will sell the home back to the housing provider if they wish to exit the arrangement to regain their equity as well as an agreed share of any capital gain that has accrued. Under some schemes, the purchaser can increase their share of equity over time.

This ensures that the home stays as affordable purchase in perpetuity, and that the first purchaser does not obtain a windfall profit from the sale of a home where there has been a public subsidy (as is often the case in

more standard subsidised home purchase arrangements). Partnering with a community housing provider rather than a bank or private sector developer tends to keep costs lower for the purchaser, and keep the housing stock in the 'affordable housing' market.

This type of arrangement is not generally as well-developed in NSW as it is in some other Australian and international jurisdictions, and there are no government supported schemes in NSW. However, it is likely to work well in the local context in either a higher density or Greenfield development, and a scheme similar to ones that operate in other jurisdictions could be developed by a local community housing provider, potentially in partnership with a financial institution, and/or on Council-owned land.

Share equity arrangements on some dwellings could work well as part of a mixed tenure development, like those described earlier.

Tweed Shire Council/Horizon Housing Partnership



A development in NSW using a partnership approach to shared equity purchase is between Tweed Shire Council and Horizon Housing (a local community housing provider) on a Greenfield site near Murwillumbah on the far north coast. The Commonwealth Government, Stockland and Bank Australia have also been involved as partners to increase the scope of the project.

Federal funding, obtained by Tweed Shire Council through the Building Better Regional Cities program, has seen Horizon Housing partner with Stockland to fund the delivery of infrastructure works in their Hundred Hills Estate, Murwillumbah (pictured).

The infrastructure works will allow the delivery of fully serviced lots throughout various stages of the development, of which Horizon Housing will receive 52 lots within the total development area. As infrastructure works have been progressively completed, Horizon Housing has been constructing 3 and 4 bedroom houses on the designated lots.

A majority of dwellings in the estate will be for private market sale, and the balance to be retained and rented to locals at an affordable rate by Horizon Housing. An innovative feature of the development is the option of more affordable purchase. This is provided through the development subsidy from the BBRC funding, and the ability of low and moderate income purchasers to defer 25% of their mortgage cost until the sale of the property through the Horizon Housing-Australia Bank partnership as a form of shared equity.

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ii Southern Cross Community Housing Ltd v Shoalhaven City Council [2010] NSWLEC 1306.

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vii Prepared by Judith Stubbs and Associates from 2008-09, including detailed Background Reports.

viii Prepared for Byron Shire Council by JSA (2009), and available with the Planning Agreement Template and calculations on the website of Byron Shire Council

ix Developed for Inner West Council by Judith Stubbs and Associates. Policy at: file:///C:/Users/judy.jsa/Downloads/Affordable%20Housing%20Policy.pdf