

Shelter SA 2005 State Conference

Affordable Housing and Planning Mechanisms

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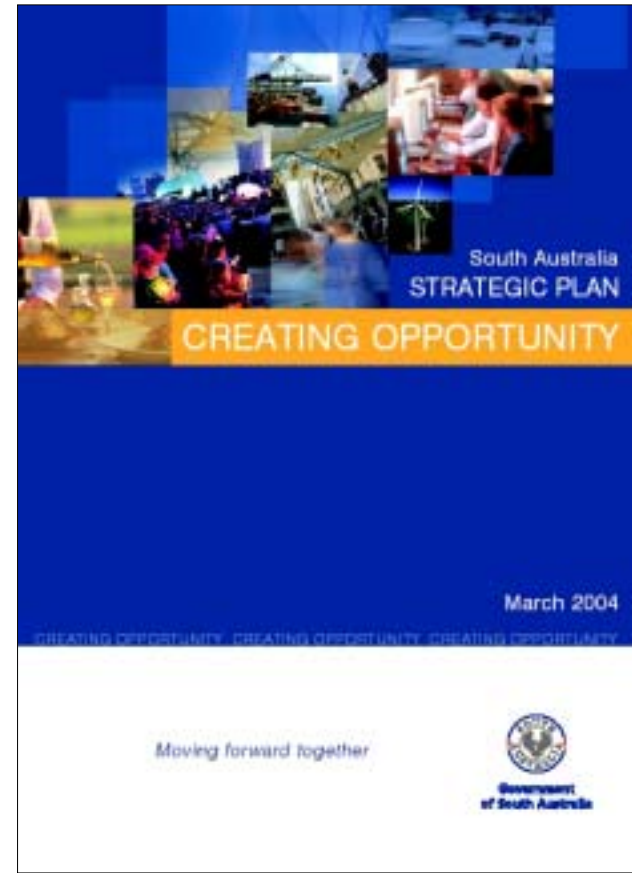
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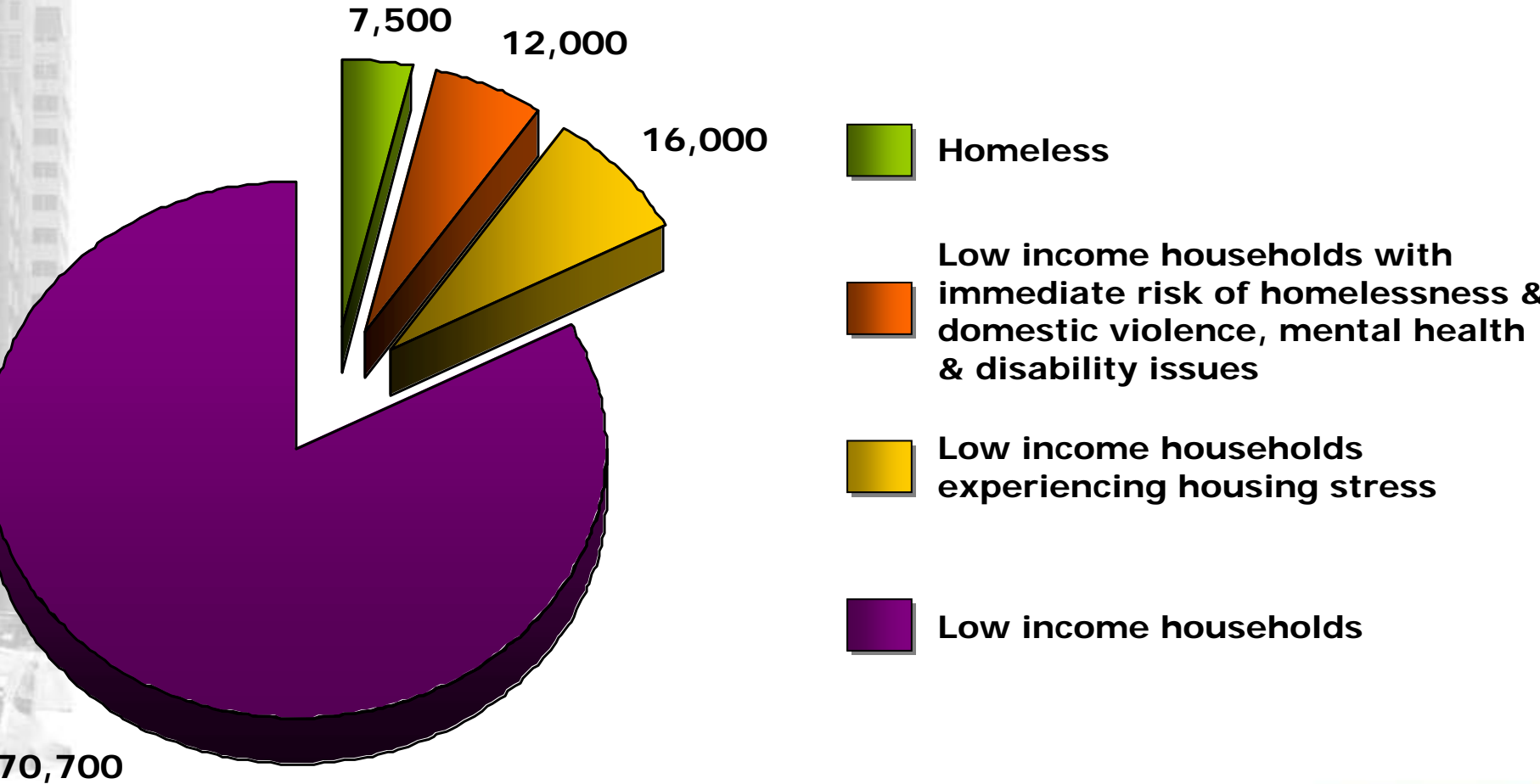


State Strategic Plan - Priority Actions

- 'Develop policy and review regulatory and market mechanisms, including financial and planning tools, to facilitate delivery of appropriately located and diverse affordable housing.'
- 'Develop innovative partnerships with industry to provide affordable housing.'



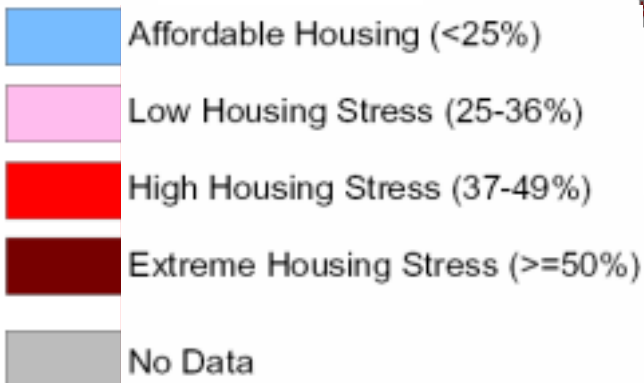
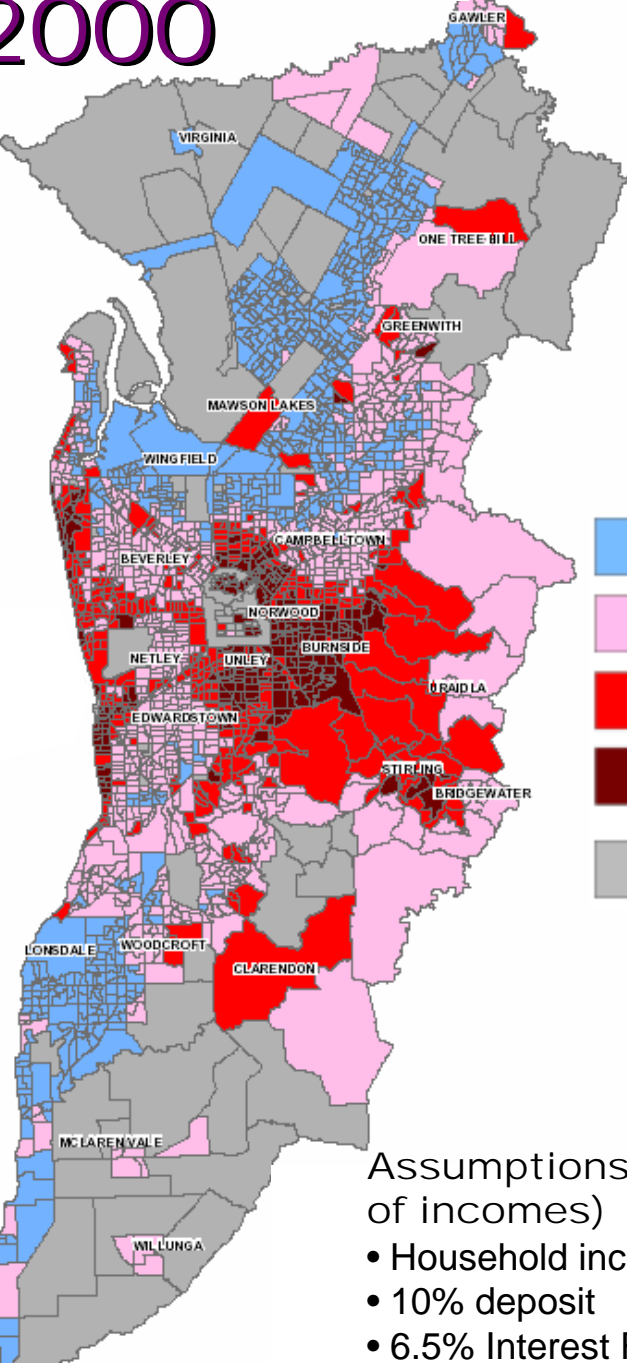
South Australian's at risk - 2001 Census



Affordability

- The lowest 40% of households could affordably rent only 26% of new rentals or purchase only 7% of homes in metropolitan Adelaide (based on sales in 2003/04).
- The lowest 60% of income units could afford just 39% of homes sales in 2003/04.

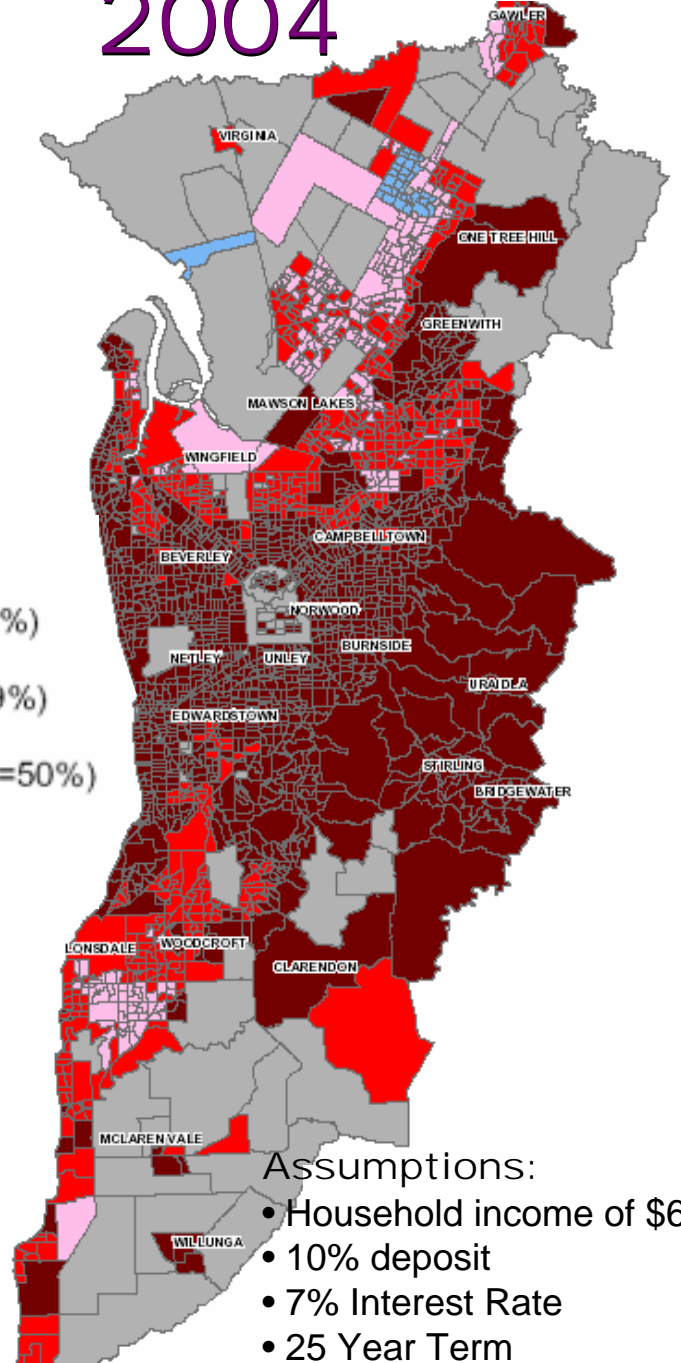
2000



Assumptions: (bottom 40% of incomes)

- Household income of \$563
- 10% deposit
- 6.5% Interest Rate

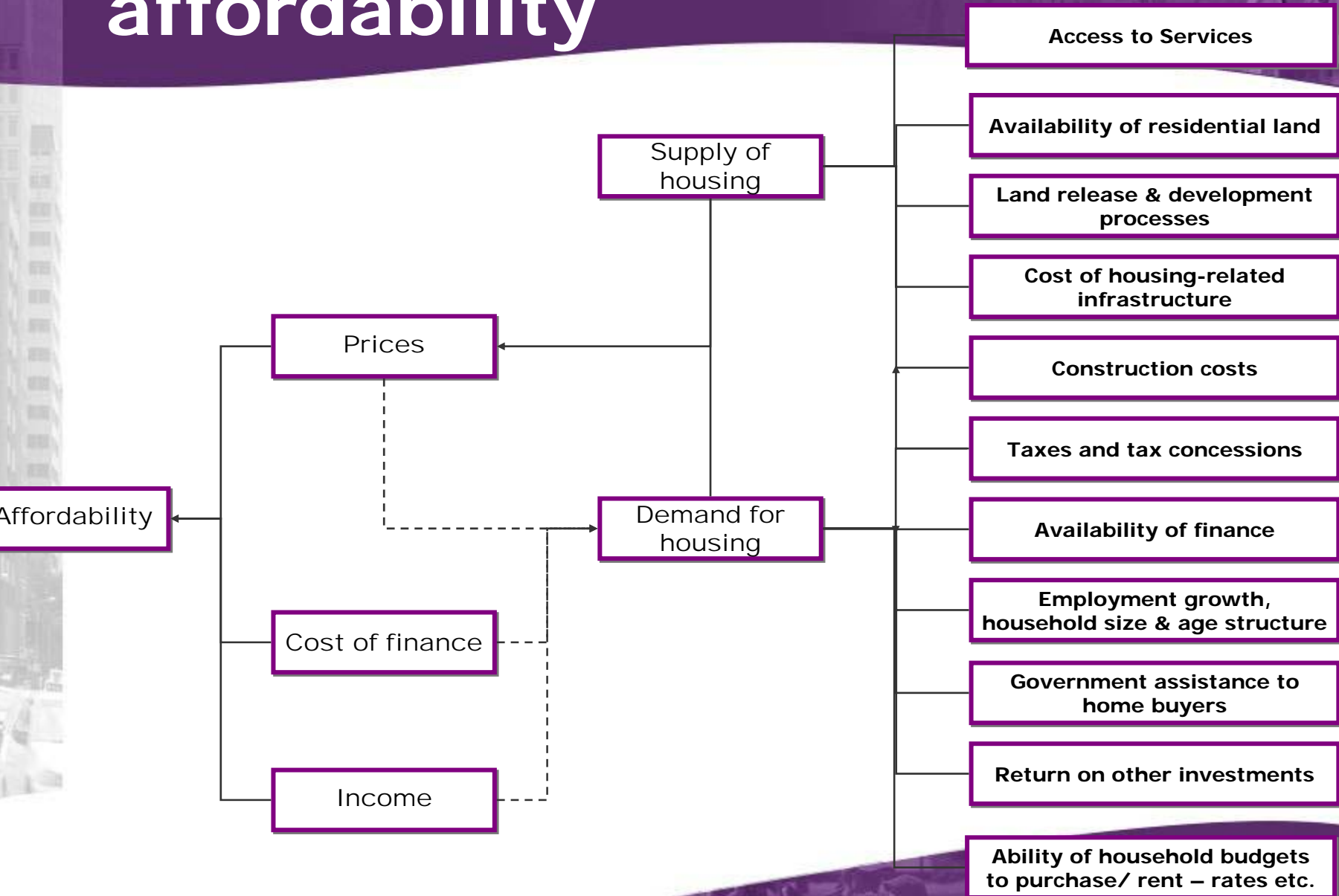
2004



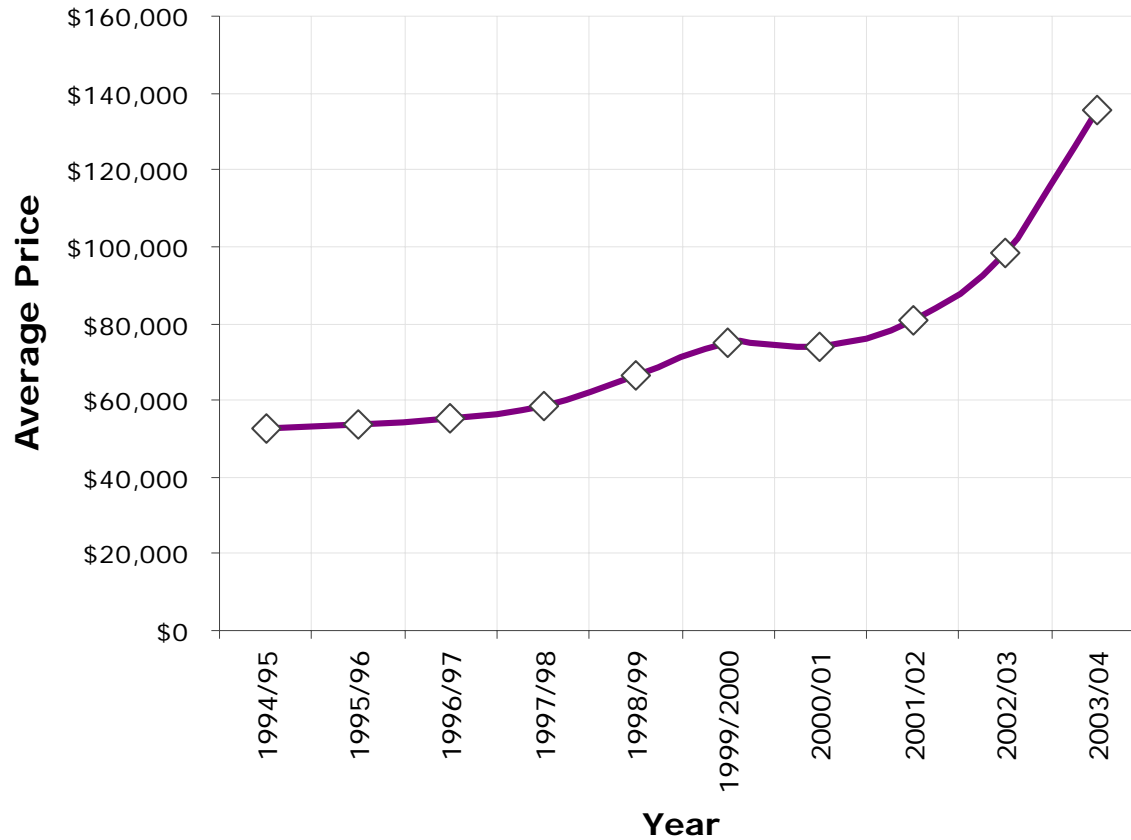
Assumptions:

- Household income of \$600
- 10% deposit
- 7% Interest Rate
- 25 Year Term

Multiple determinants of affordability



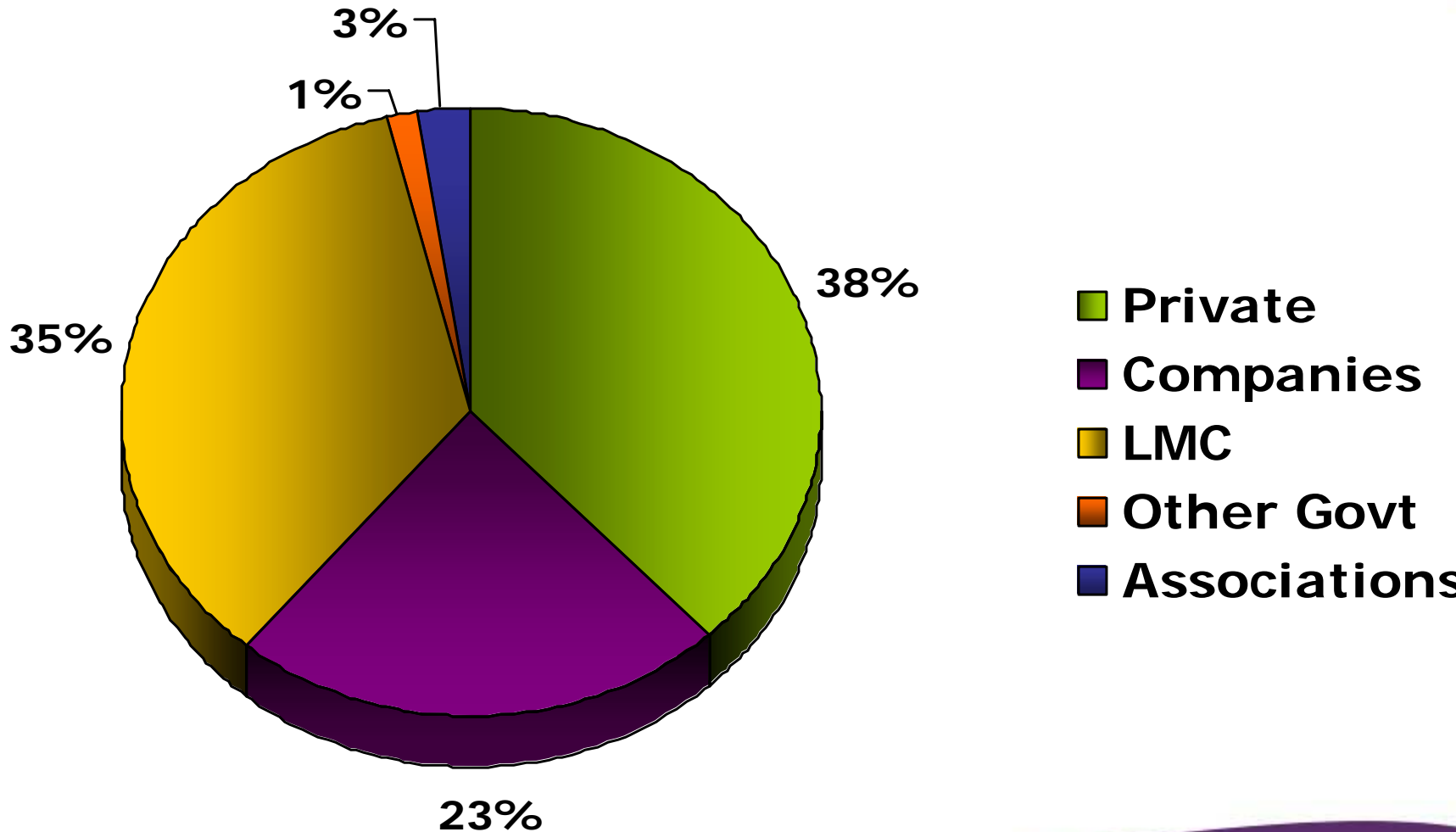
Metropolitan Adelaide annual land prices - 1993-2003



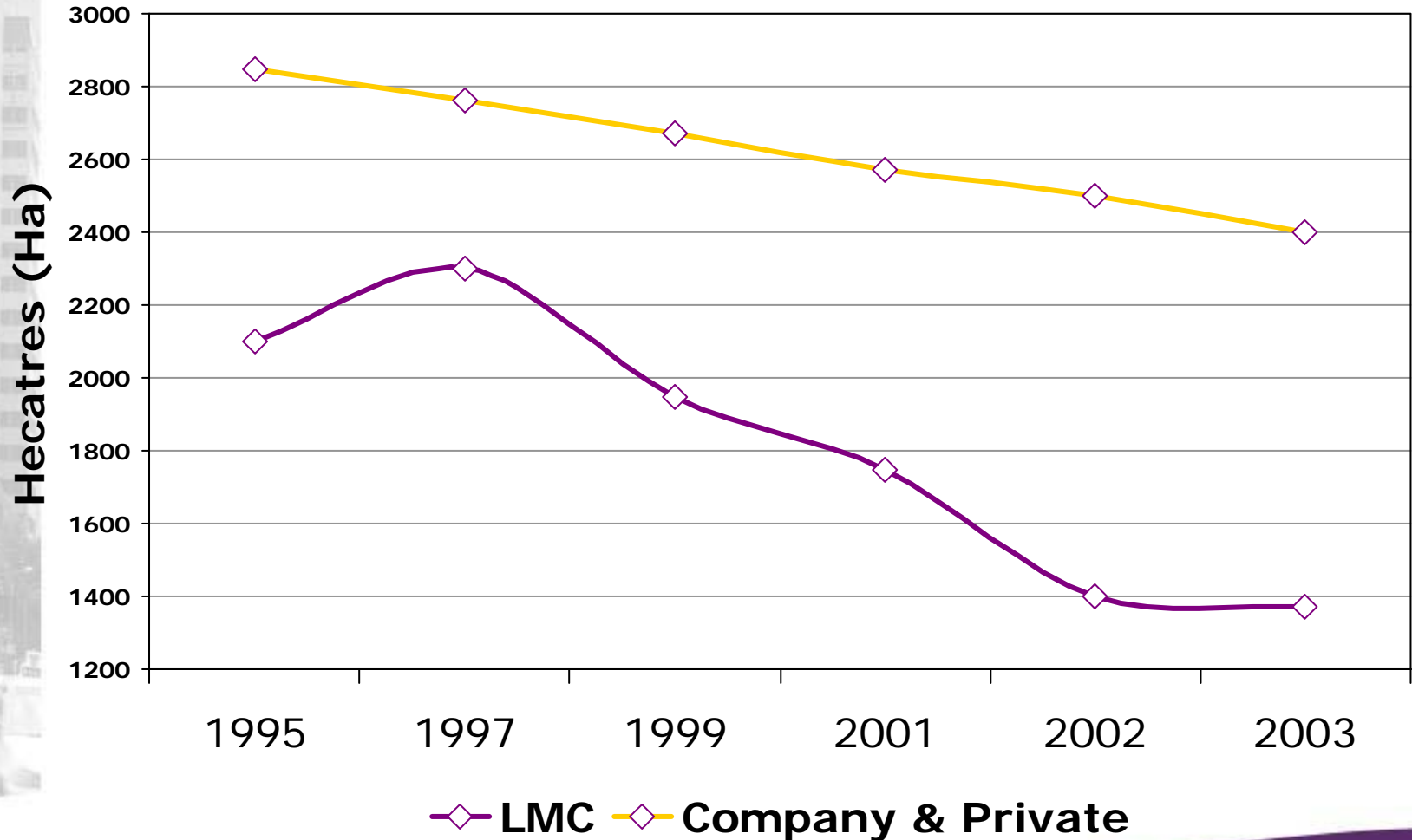
Urban Growth Boundary



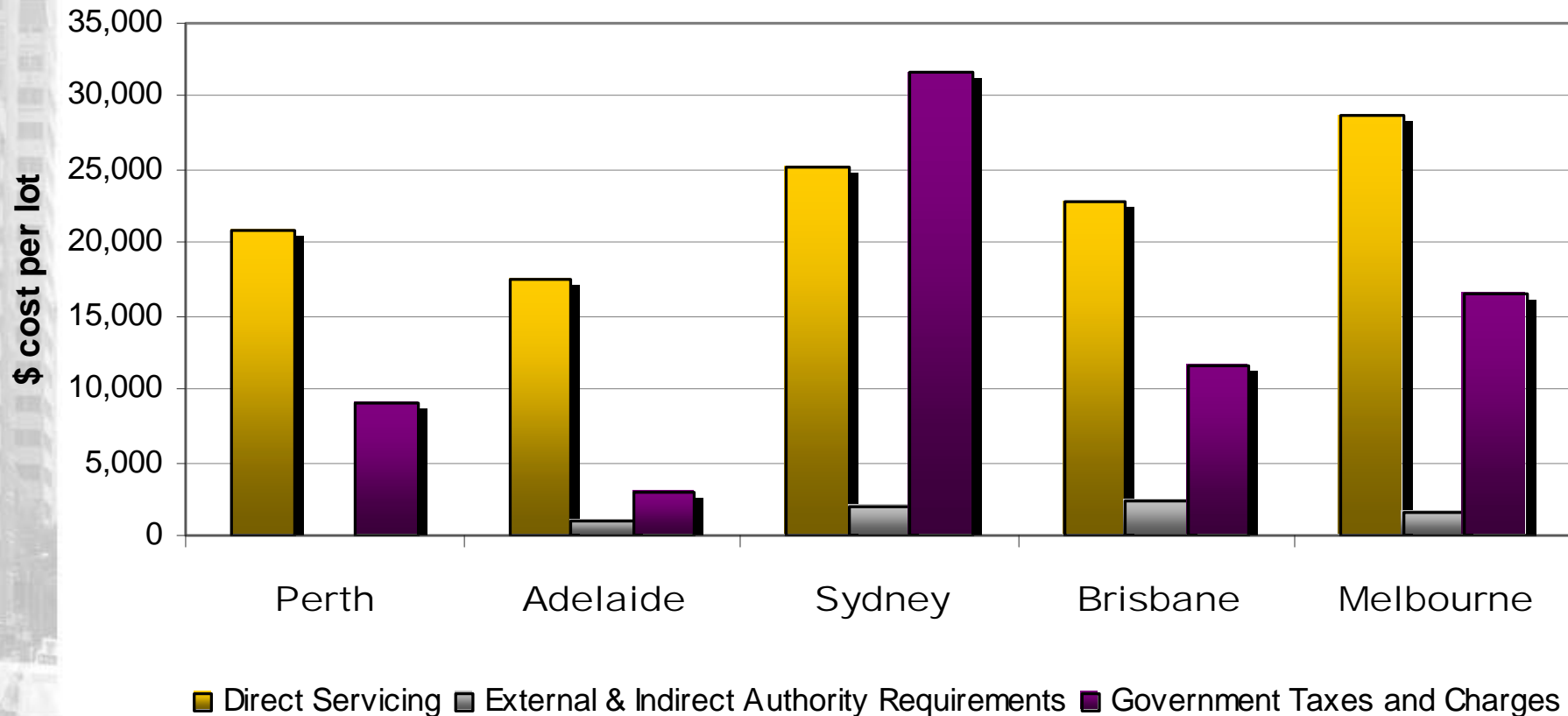
ASD residential broadacre by ownership – June 2003



ASD residential zoned broadacre land - 1995 - 2003



Land Development Costs - 2002



Source:



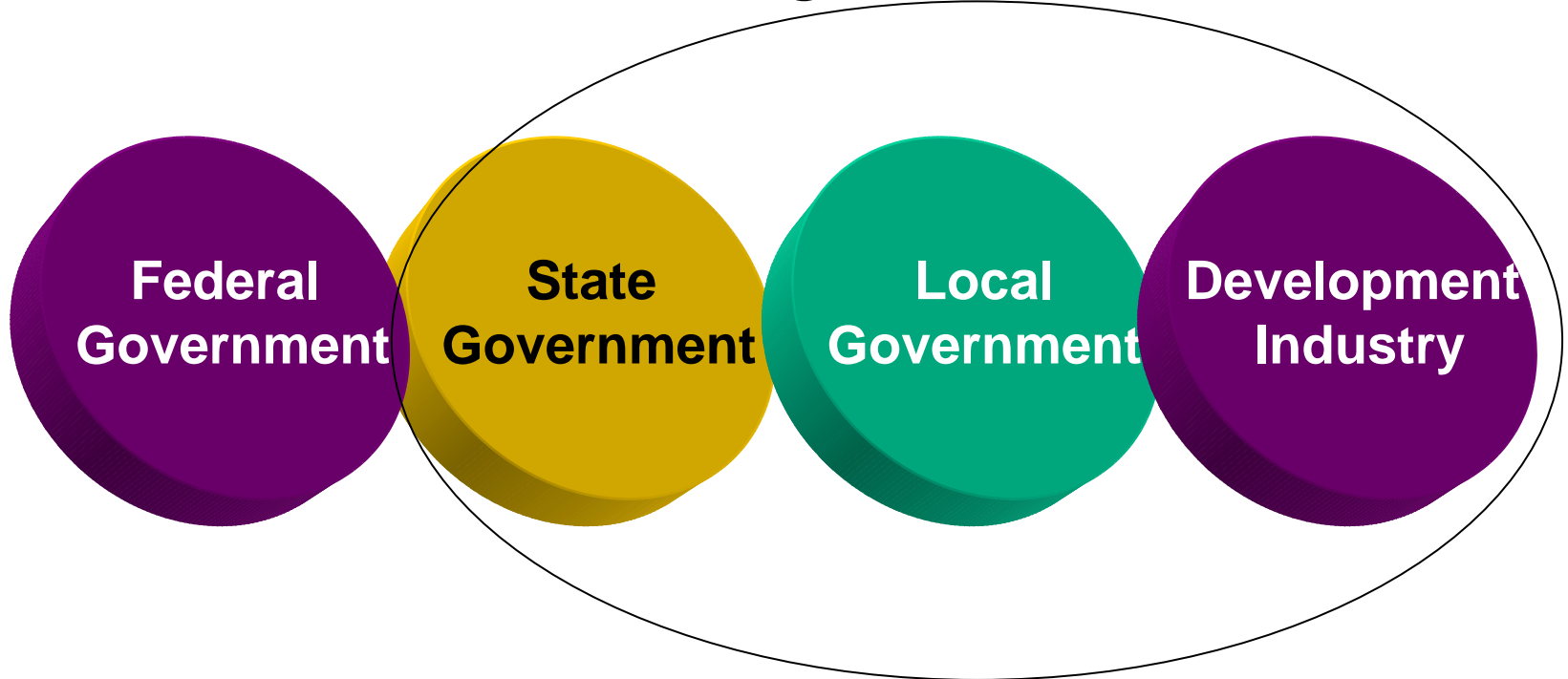
Government

Creating an efficient housing market

- Key Regulatory and Market Issues
- Infrastructure Funding Policies and Cost Recovery Instruments
- Land Release and Urban Growth
- Social Infrastructure Provision
- Planning Standards and zoning

Responsibilities

Planning mechanisms



Key aims

- The key State issue is to strengthen links between between Housing, Planning, Local Government and Industry.
- Common interests include:
 - Land supply, zoning and pricing (incl. Council Development Plans)
 - Infrastructure development
 - Urban renewal partnerships
 - Regional economic development
 - Application processes and agreements

Policy & \$'s

- Housing Plan for South Australia
 - **15% Affordable Housing**
 - **high needs housing & affordable housing**
 - **Calls on the planning system to assist**
- Affordable Housing Innovations Program
 - **\$15M + \$93M innovation for affordable and high needs housing**
 - **Partnership – state, local government, industry, community**
 - **Affordable Housing Innovations Unit**
- 2005 Draft Metro & Outer Metro Planning Strategy
 - **'Facilitate and support a variety of affordable housing development'**



Defining affordable housing

- To inform Councils, industry, other stakeholders – for example:
- affordable purchase prices: if **income set at 120% of median**
 - Max h/h income \$47,616 Metro & \$41,638 Regional
 - Max prices \$185,703 Metro & \$162,389 Regional
- Max purchase price HomeStart Advantage loan
 - \$132,820 Metro & \$132,820 Regional
- Affordable rental: if **income set at 80% of median**
 - Max h/h income \$31,744 metro & \$27,759 Regional
 - Max weekly rental \$183 Metro & \$160 Regional



Defining affordable housing

- Other attributes of affordable housing
 - water & energy efficiency
 - low ongoing maintenance costs
 - location with access to employment, public transport, health, education and community services
 - Where possible adaptable/ accessible

www.housingtrust.sa.gov.au

**Design Guidelines for Sustainable Housing &
Liveable Neighbourhoods**



2005 Planning Strategy has AH policies

- 15% target for AH including 5% High needs
- Make land available – consider AH in Govt land disposal
- New housing delivery models with the private sector
- DPs allow innovation, variety for AH and HNH, a range of styles, choices
- DPs allow for flexibility in relation to density for AH
- DPs to support a mix of densities, sizes and styles within each neighbourhood
- DPs to accommodate affordable housing



Sustainable Development Bill

- Significant changes in support of AH
- New Section 30 – Strategic Directions Reports – must set out their priorities for implementing the AH targets in Planning Strategy
- Section 101A—Councils to establish strategic planning and development policy committees
- Land Management agreements – new section 57A enables affordable housing agreements



Development Plan Policy

- Objective is to have AH policy in Council Development Plans
 - AH must meet 'desired future character' for the area
 - eg allow AH site areas to be say 20% smaller than the minimum specified in the area
 - eg dual occupancy, 'dependent units'/ studio flats, land harvesting
 - Need policy for different areas & policy zones – greenfields, redevelopment, middle ring infill, medium density areas
 - Need to consider of different housing need groups



Development Plan Policy

- Options to introduce AH policy into Development Plans?
 - Plan Amendment Reports (PARs)
 - Better Development Plan project – introduce into model format
 - Most DPs encourage a mix of housing - how far does this support AH?
 - Northfield draft PAR – flexibility for lot sizes and dwellings – supports LMC requirement 15% AH.

More work to do...

- Collaborative approach – State, Councils, LGA, community & housing agencies, developers and builders
- Challenges in balancing needs & expectations of occupants, neighbours, providers, developers, wider community
- Learning from experience – small scale, master planned, quality design, for mixed income/ households, visual & acoustic privacy, security & safety, energy efficient, ecologically sustainable, fits into neighbourhood character.

