

**INQUIRY INTO HOMELESSNESS AND LOW-COST
RENTAL ACCOMMODATION**

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EUROBODALLA SHIRE COUNCIL

Good Government, better living

2 April 2009

The Director
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Dear Sir

Reference is made to your correspondence of 6 February 2009 outlining the Inquiry into Homelessness and Low-Cost Rental Accommodation being conducted by the Standing Committee on Social Issues. Please accept the following as the submission for that Inquiry from Eurobodalla Shire Council.

1. Need for housing affordability in the Eurobodalla Shire

Housing affordability has been identified as a crucial issue in the Eurobodalla LGA over the next 25 years. Of particular relevance is the high net inward migration to Eurobodalla of older people from the Australian Capital Territory, Sydney and elsewhere in NSW and Victoria which is likely to account for much of the relatively steep increase in local housing prices over the past 5 years.

It is predicted at around 90% of net increase in demand for homes in the Eurobodalla Shire will be from one and two person households, the vast majority of which will be older households requiring smaller, more manageable and preferably well-located dwellings close to transport, shops and services.¹

As such, there is a strong imperative to encourage the development of smaller more manageable dwellings as the predominant form in new urban development in the Eurobodalla Shire Council. It is preferred that these types of dwellings be located close to transport, services and facilities in urban centres (Batemans Bay, Moruya, Tuross Head, Dalmeny and Narooma), and on sites and within localities with a flat to moderate topography, that allow for integration with the surrounding urban fabric.² This philosophy is broadly supported by many of the 400 older people consulted by Eurobodalla Shire Council in 2008-09 for the development of the draft Eurobodalla Ageing Strategy.

The need for affordable housing in the Eurobodalla Shire is also evidenced by data provided by the NSW Department of Housing in 2006, that showed that over 500 applicants were waiting to be housed in public housing in Eurobodalla. Moreover, as of June 2005 there were 2,534 Commonwealth Rent Assistance (CRA) recipients in the Eurobodalla. This equates to 72 persons per 1,000 and represents the highest LGA ratio in the Illawarra and Southern Region and significantly higher than the NSW ratio of 49 persons per 1,000.

¹ J Stubbs and Associates, 2007 draft Eurobodalla Housing Strategy

² Ibid

Eurobodalla Shire Council submission relative to Inquiry Terms of Reference (TOR)

- a. Consultant Judith Stubbs and Associates suggests that Local Government liaise with community and public sector housing providers to:
 - protect and increase the supply of housing stock that can be affordably rented or purchased by very low, low and moderate income households
 - enter into affordable housing partnerships with community housing providers

- b. There are a number of State Environmental Planning Policies (SEPPs) that apply to Eurobodalla Shire to provide housing diversity. The most recent being an amendment to State Environmental Planning Policy (Infrastructure) 2007. This amendment allows multi dwelling public or social housing to be considered within 400m of the commercial centre of Batemans Bay. Car-parking is not required to be provided in relation to development for housing provided by social housing providers or public authorities under these provisions. This prevents councils from requiring proposals to comply with the councils parking policy or requiring parking provisions beyond those proposed in development applications to avoid unnecessary costs. It also allows the Department of Housing to self approve social housing development of up to 20 dwellings and 8.5m in height in residential zones across the Eurobodalla Shire without the need of a development application.
 - We are not aware of any examples in the Eurobodalla Shire. However, consultant Judith Stubbs and Associates suggests that to attract private sector investment in low cost rental accommodation, Local Government can:
 - explore density bonuses and other developer incentives
 - use planning agreements and LEP zones to create affordable housing outcomes

- c. Councils can only promote better housing outcomes through activities that are within their domain to direct. These activities encompass strategic planning, the regulation of housing supply and form, infrastructure planning and pricing policies, rate setting and community service delivery. This is a national issue, as such all spheres of government in Australia need to work together to bring about a significant up-scaling in the provision of housing for households unable to access appropriate housing in their local area that is affordable to them. In saying this, Council is limited in its ability to take further action alone on the issue of Affordable Housing unless it is able to enter into the housing provider market which requires a significant financial commitment up front.

- d. Some councils already have specific housing policies in place, like Port Macquarie and Canada Bay. Eurobodalla Shire however has an adopted Settlement Strategy endorsed by the Department of Planning. Section 5.7 addresses the issue of Affordable Housing and provides Council with a number of directions and actions to provide for Affordable Housing. These include:
 - Prepare an affordable housing strategy and implement the findings through structure plans for major towns, the new LEP and development contributions plans.
 - Include principles in development control plan to encourage the development of modular housing and other building design options that can be adapted to various stages of life
 - Identify opportunities in structure plans for major towns to expand medium density zones in place close to transport and commercial services
 - Include financial or market incentives and bonus density programs in structure plans and/or development control plans to facilitate higher density development in designated localities

- Include considerations in the new LEP to apply to development applications for the redevelopment of caravan parks.

With regard to the above, a draft Housing Strategy for the Eurobodalla Shire has been prepared. The purpose of it being to provide background data and strategic input to the review of the Eurobodalla new Local Environmental Plan (LEP). At this time no further action has been taken to finalise or adopt the draft Housing Strategy given the need to review it in light of recent State and Federal Government announcements that programs and packages were being developed to assist Local Government address this issue.

The new Eurobodalla LEP includes zone objectives and development controls to increase the opportunities for and encourage a variety of housing type and density throughout the Shire. This has been achieved through the extensive application of the R3 medium density zone in town and local centres. In addition to dual occupancies, the R3 zone is characterised by medium density residential development such as residential flat buildings and multi-dwelling housing. In order to preserve the opportunity for the increased density of development and capitalise on this zoning change, single dwelling houses are not permitted in R3 zones.

Further Council's new Town Centre and Housing DCPs includes objectives and development controls to further the LEP including housing design and diversity controls, and the requirement for adaptable housing to be provided in multi dwelling housing and residential flat building development over four units in size.

Council also regulates the supply of land in its area. As required by the South Coast Regional Strategy and Eurobodalla Settlement Strategy (ESS), Council maintains a land and housing monitor. This information enables Council to determine if sufficient vacant lots are being produced to meet market demand and that supply is not otherwise a constraint to the orderly and economic development of an area. In response to this information Council makes zoning and development decisions to ensure both a sufficient supply and choice of vacant lots. Where sufficient zoned lands exist, the provision of water and sewerage services is used to control the rollout of development. Development Contribution Plans and Development Servicing Plans assist in this regard. Development sequencing is a key determinant to ensuring that land is in demand and kept at an affordable price for the local market.

As advised in your correspondence of 6 February 2009, I look forward to receiving the results of the inquiry and details of the public hearing dates scheduled for April and June.

Yours faithfully



PAUL J ANDERSON
GENERAL MANAGER