

# SUBMISSION TO THE CITY OF BAYSWATER DRAFT BAYSWATER TOWN CENTRE

# STRUCTURE PLAN

# **SEPTEMBER 2017**

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# About Shelter WA

Shelter WA is an independent peak body promoting social and affordable housing and working towards ending homelessness in WA.

Shelter WA is a trusted leader and expert in social and affordable housing and homelessness issues, committed to enabling greater choice and stability in housing outcomes for all Western Australians.

Our focus is greater affordability for people on low to moderate incomes and vulnerable people.

Shelter WA undertakes research, policy development and strong advocacy to drive solutions through policy and programs that deliver secure, appropriate, and affordable housing and tenancy support. We recognise this is a key requirement for people to engage in work, maintain healthy relationships and participate fully in society.

Shelter WA provides an informed voice for the social and affordable housing and services sector, people on low incomes, disadvantaged housing consumers and people at risk of and experiencing homelessness.

We work in collaboration with the not-for-profit housing and community services sectors, local, State and Commonwealth governments, industry bodies, business, research institutions and the community to drive legislative, policy and practice change to meet Western Australia's diverse housing needs.

# **Definitions**

**Affordable housing:** Housing that is affordable for households on very low to moderate income and priced so that they can meet other basic living costs such as food, clothing, transport, medical expenses and education. As a general rule, affordable housing is defined by the 30/40 rule; where households in the bottom 40% of the income scale are not paying more than 30% of gross household income.

**Public housing:** Affordable housing provided to eligible tenants on low incomes, owned and managed by a government authority. In WA, the Department of Community (Housing) owns and manages public housing.

**Community housing:** Affordable housing provided to eligible tenants on low incomes, owned by, or under the legal control of, a community housing provider. These organisations are generally, but not always, not-for-profit. Local governments also provide community housing.

**Social housing:** Affordable rental housing provided to eligible tenants on low incomes by public and community housing providers.

# Introduction

Shelter WA welcomes the opportunity to comment on the City of Bayswater 'Draft Bayswater Town Centre Structure Plan' (Structure Plan). This Structure Plan is important for delivering a revitalised town centre that meets the housing needs and aspirations of current and future residents. The planning for this area also has regional significant for the Perth metropolitan area. The Structure Plan facilitates land use changes around Bayswater Train Station, which itself will be upgraded as part of the State Government's METRONET rail program.

Local government has an important role in planning for affordable housing and providing opportunities for a diverse range of housing types to be developed. Through local government planning processes, Shelter WA urges that social and affordable housing be a key consideration, as housing is not just infrastructure, but also a key requirement for health and wellbeing of communities. It is also clear that key stakeholders in the community are concerned about housing affordability. The Structure Plan document identifies that that key stakeholders are concerned about 'density', but also want to see the town centre remain 'affordable' (City of Bayswater, 2017, p. 27).

# Response & Recommendations

Overall Shelter WA supports the intention of the Structure Plan to deliver a revitalised town centre development, improving amenity for residents and visitors, while also stimulating the economy through significant development opportunities. There is a significant opportunity through increased zoning, leading to an increase from 500 to approx. 3,000 in the area.

Shelter WA believes that City of Bayswater has the opportunity to improve the vibrancy and liveability and economic potential of local areas by encouraging a range of diverse housing options across the continuum. By ensuring an adequate supply of social and affordable housing is available within the Structure Plan area, and in other areas, local communities will be more self-sustaining and resilient, and more able to respond to the City's current and future demographic needs.

### Shelter WA is supportive of:

- 1. Encouraging the consolidation of fragmented lots into larger land holdings through incentive criteria. Larger land holdings can potentially deliver a greater diversity of housing, including affordable housing;
- 2. Including incentive criteria for affordable housing. This is a key way local government planning can support the development of social and affordable housing. Through this mechanism local government can encourage development that remains affordable in perpetuity, when it is managed by community housing providers or the Department of Communities (Housing); and
- 3. Including incentive criteria for aged and dependant dwellings.

#### **Shelter WA recommends:**

1. That social and affordable housing targets are identified in the Structure Plan, to support incentives and other initiatives. Having these targets demonstrates that social and affordable housing is a key consideration for the area.

The <u>Cockburn Coast District Structure Plan</u> produced by the City of Cockburn identifies a 20% affordable housing target, and highlights "affordable housing targets… enable representation of people in lower income brackets in the area.";

2. The City of Bayswater update its Local Housing Strategy, and develop an Affordable Housing Strategy to support the development of Structure Plans and other planning instruments. Shelter WA has developed a <u>Local Government Guide to developing an Affordable Housing Strategy</u>, which is a valuable tool for local government planning for housing needs, including social and affordable housing.

The Moreland City Council in Victoria has developed an <u>Affordable Housing Strategy</u> (AHS) that provides key definitions (which are often ambiguous); a demographical profile; policy context; key future actions; defines responsibility and allocates resources. The AHS includes a commitment to:

- o Investigate land trust (and other development models) to facilitate new affordable housing opportunities.
- Review air rights development on Council-owned land e.g. car park sites and community infrastructure projects. Request for Quote process in progress for demonstration site.
- Implement structure plans for specific suburbs, including Coburg, Brunswick, and Glenroy with intent to include affordable housing.
- o Council attempting to broker partnerships with Housing associations for smaller sites.
- Property Framework commencement, that aims to identify Council owned properties for improvement, development and acquisition.
- Continued advocacy for legislative change for inclusionary zoning (and other similar planning mechanisms) at State Government level in response to the Metropolitan Planning Strategy and the Review of the State Planning Policy Framework.

The City of Cockburn <u>Housing Affordability and Diversity Strategy</u> also makes some similar commitments, and is a basis for decision making, although it does lack some implementation details.;

- 3. Incorporating "an adequate supply of social and affordable housing for a range of households and demographics" under creating a 'vibrant' city centre, pg. 28. This demonstrates the local governments intent;
- 4. Consult with community housing providers and developers to determine feasibility of development densities, and on potential use of affordable housing incentives. Ensuring that developers are engaged in the process of formulating the Structure Plan, and developing incentives early on, increases their knowledge and will ideally increase usage of them. Shelter WA can assist to facilitate discussions with community housing providers.
  - The City of Cockburn has consulted land developers when developing the affordable housing incentive, the Cockburn Coast District Structure Plan. Through early engagement with industry, the City of Cockburn has identified that Stage 1 will incorporate a developing making use of the affordable housing incentive;
- 5. Consider providing commercial plot ratio bonuses for affordable housing development. As the core of the Structure Plan includes mixed use, it may be worth considering offering a bonus for commercial component of the land if affordable housing is provided within the residential

component of the mixed-use area. This use of this incentive may be limited based on viability of commercial floorspace, but as the centre develops into a more vibrant hub, it may become better utilised.

The <u>Local Housing Strategy</u>, developed by the City of Canning, mentions "Non-residential plot ratio bonuses are considered a good form of incentives for the delivery of affordable units. Additional non-residential floorspace provides a greater scope for financial returns to the developer, either through up-front sales or ongoing rental, than additional market-rate residential dwellings. The extent of plot ratio bonuses offered needs to be investigated in more detail, and could differ between certain affordable housing locations.";

6. Consider partnerships with community housing and the Department of Housing (Communities) on City owned land within the Structure Plan area. The council owned piece of land in the core of the Structure Plan, located next to the Department of Communities (Housing) is likely to have a great potential to deliver social housing, alongside private rental, shared equity and affordable home ownership options. The City of Port Phillip, Victoria, is seen as one of the leading examples of where a local government has actively supported the development of affordable housing. The City commissioned a paper Affordable Housing Development Models which states:

"The City of Port Phillip has provided four Council owned sites under its former community housing program for community housing, community housing mixed with private housing and a partnership for mixed housing with a developer. Two of these developments involved the development of community housing in air space over a replacement public car park.

The City of Melbourne also transferred what is known as the Drill Hall in inner Melbourne to Melbourne Affordable Housing for nominal consideration on the understanding it would be developed to retain the heritage architecture of the façade and original hall as community use while the air rights would be developed for affordable housing."; and

7. Community opposition to public housing and to a lesser extent community and affordable housing can be a significant challenge for developers. Shelter WA recommends the City of Bayswater considers its role in educating the community about the need for an increase in supply and overcoming misconceptions about affordable housing. Such an educative role can lay the groundwork for more direct community engagement when there are incidents of NIMBY opposition to planning applications for projects, including affordable housing. Shelter would be pleased to work with the City, other local governments, WALGA and key stakeholders on this.

# Conclusion

There is a significant opportunity through the Draft Town Centre Structure Plan to improve the vibrancy, self-sustainability, and resilience of Bayswater town centre area. Shelter WA believes it will be a missed opportunity if land use changes at a local government level, and capital investment by the State Government through the METRONET program, are not maximised, especially in terms increasing the supply of social and affordable housing.

Through the recommendations provided, Shelter WA believes that local government planning for social and affordable housing can be improved. We would welcome the opportunity for further engagement with The City of Bayswater regarding the Draft Town Centre Structure Plan, and other plans impacting on social, affordable housing and homelessness.

Community Housing Providers are not-for profit organisations who work across the housing continuum. They are effective partners with the private sector and government in delivering and managing positive social and affordable housing. There is an opportunity for the City to maximise affordable and social outcomes by stronger, early engagement with the community housing sector. Shelter WA would welcome the opportunity to provide the City with further information to progress this.

Shelter WA would be pleased to work with the City, and other local governments to facilitate the progression of diverse, affordable housing options through local government planning mechanisms.

# References

City of Bayswater. (2017). Bayswater Town Centre Structure Plan. Perth: City of Bayswater.

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Moreland City Council. (2014). *Affordable Housing Strategy 2014-2018*. Melbourne: Moreland City Council.

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