



shelterwa

# Government land and Buildings

A report on the potential to develop affordable rentals and social housing on government land and buildings currently for sale or earmarked for disposal.

July 2021

## Background

The state government owns a significant amount of land and buildings. The Department of Planning, Lands and Heritage publishes a list of 'surplus' land and building assets for disposal, and its website states:

*State owned land is disposed where it is surplus to government requirements and has the potential to be utilised in private ownership at highest and best use in the interest of the State.<sup>1</sup>*

These assets are being sold off without any conditions or caveats, for example to develop a minimum amount of social housing or affordable rental properties on the sites, rather, the goal to date is to simply generate revenue.

### **Shelter WA has calculated successive governments sold off 206 land and property assets between 2015 – 2020.**

Many of these sites had obvious opportunities to be developed as social, affordable housing and emergency accommodation. This included 20 parcels of land and buildings with a total developable area of almost 40 hectares sold by the then Premier in 2014 to 'reduce State debt'.

Government-owned land and buildings provide one of the fastest and most cost-effective opportunities to quickly and affordably deliver urgently needed social and affordable rental housing. Land is one of the biggest costs of development<sup>2</sup>, and developing on well-located land can be prohibitive for non-profit housing providers and empty buildings provide ideal for rapid refurbishment/conversion into safe, secure apartments.

Using innovative fast build technologies like modular construction and building retrofits, these homes could be brought to market in significantly less time and cost than traditional housing builds.

### **Developing social and affordable rental housing on government owned land and buildings was one idea put forward to help alleviate this escalating rental crisis. at the Emergency Rental Roundtable hosted by Shelter WA and REIWA last week.**

Shelter WA are proposing instead of selling off these incredible assets, that government lease its land to the non-profit/community housing sector for a nominal fee to eliminate this cost and drive rapid investment into construction.<sup>3</sup>

Victoria's recent \$5.4 billion social housing package leans heavily on the use of state and local land to reduce the cost of the new housing. It included \$532 million to build 500 social housing homes and 540 affordable and market homes on public land, including six "fast start" sites.

---

<sup>1</sup> Department of Planning, Lands and Heritage at <https://www.dplh.wa.gov.au/information-and-services/crown-land/land-asset-sales>

<sup>2</sup> <https://static.treasury.gov.au/uploads/sites/1/2017/06/nhsc-residential-cost-analysis-urbis.pdf>

<sup>3</sup> It could also explore construction and building permit exemptions, expedited planning permits, low-rate construction loans and mortgages as well as ongoing Commonwealth Rent Assistance subsidies attached to projects can all help to reduce affordable housing costs. At <https://theconversation.com/put-unused-and-lazy-land-to-work-to-ease-the-affordable-housing-crisis-102720>

## Findings

Using publicly available data, Shelter WA has conducted a desktop study to identify government owned land and buildings listed for disposal could be used towards helping solve the affordable housing crisis. We also calculated the potential housing yield for these sites.

**We identified thirty sites listed or earmarked for sale, with a developable area of at least 62 hectares. This could translate to 2162 new homes, including 864 new social and affordable rentals.**

Sites for sale or earmarked for sale include the Swan Districts Hospital, a former primary school in Carnarvon, an apartment block in Kununurra, the old children's home in Cottesloe, the old licensing centre in Welshpool, 15 vacant homes, and multiple parcels of vacant land across the metropolitan and regional areas experiencing high rates of rental stress. (A full list is available at Table 1 & 2.)

### This included:

- **Government owned land for sale:**
  - 10 parcels of land spanning 25 hectares (est.) are currently listed for sale across Perth and the regions, including White Gum Valley, South Hedland and Geraldton. If these sites were developed at a low-medium density (r30) this would create **763 new homes**.
  - Another 37 hectares of land has been identified for sale, including regional locations in Collie and South Bunbury, as well as metropolitan locations such as Mt Claremont. If developed at medium density this would create **1134 new homes**.
  - An unidentified parcel of land is listed for sale in Albany along Princess Royal Drive, where there are currently zero rental vacancies
- **Government owned homes and buildings for sale:**
  - Approximately 15 empty homes and apartments were identified in areas including East Perth, Kununurra, Carmel and Lockridge
  - 7422sqm of buildings are listed for sale in Carnarvon that if converted to residential could create **157 one-bedroom apartments**
  - Another 4400sqm of buildings have been earmarked for sale, including the former Swan District Hospital site and former McCall Centre children's home in Cottesloe. **This amount of floorspace could be converted to 93 one-bedroom apartments.**
- **Social and Affordable housing potential:**
  - **A total of 2162 new homes** could be developed across these sites
  - The WA Housing Strategy 2020-30 has a minimum twenty percent target for social and affordable homes in government residential developments. We commend this target but recognising the urgency and scale of the housing crisis suggest it be increased.
  - **If these were developed with a 20% affordable rental and 20% social housing target, this would generate 864 new social and rental homes.**

**Table 1: Government land & buildings currently for sale – 11 Sites\***  
 (\*Horticultural and industrial land and recent asset sales have been excluded)

Property address	Property name/type	Sales listing	Size
Lot 2439 Guara Drive, Sunset Beach <b>Geraldton</b>	Undeveloped Greenfields Site	<a href="#">Listing</a>	4.58 ha
69 Olivia Terrace <b>Carnarvon</b>	Vacant land	<a href="#">Listing</a>	906m2 (0.09ha)
85 Olivia Terrace <b>Carnarvon</b>	Former Carnarvon Justice Precinct/ Multiple buildings	<a href="#">Listing</a>	7422m2
8 Ormond Road <b>Mount Barker</b>	Vacant land	<a href="#">Listing</a>	1052m2 (0.104ha)
9 Thomas Road <b>Oakford</b>	Vacant rural/farming land	<a href="#">Listing</a>	8ha
31 Ziatas Road <b>Pinjar</b>	Vacant land	<a href="#">Listing</a>	16,887m2 (1.69ha)
Lot 500 Forrest Circle Road <b>South Hedland</b>	Land and Buildings (Former North Regional TAFE Campus)	<a href="#">Listing</a>	101,486m2 (10.14ha)
Lot 3463 Kwinana Street <b>South Hedland</b>	Vacant land	<a href="#">Listing</a>	1218m2 (0.12ha)
Lot 3581 Yanderra Crescent <b>South Hedland</b>	Vacant land	<a href="#">Listing</a>	6500sqm (0.65ha)
White Gum Valley Residential Estate, <b>White Gum Valley</b>	Vacant land	<a href="#">Listing</a>	n/a
<b>(11sites)</b>			
		Total land	<b>25.45 ha</b>
		Total buildings	<b>7422m2</b>
		Potential homes at low-medium density (r30) - land	<b>763 homes</b>
		Potential homes in building conversions (47sqm/one bed apartment)	<b>157 homes</b>
		<b>TOTAL POTENTIAL HOMES</b>	<b>920</b>
		<b>Potential social and affordable rentals with 20 percent + 20 percent target:</b>	<b>368 homes</b>

**Source:** Shelter WA and Department of Planning, Lands and Heritage ‘Land being marketed for sale’, excluding properties already under contract, at <https://www.dplh.wa.gov.au/information-and-services/crown-land/land-asset-sales>

Examples:



Lot 2439 Guara Drive Sunset Beach, Geraldton, Lot 3463 Kwinana Street South Hedland, 8 Olivia Tce Carnarvon

**Table 2: Government land and buildings identified for sale & coming soon to market – 19 sites**  
 (\*Industrial land and inappropriate sites for residential excluded)

Property Address	Details	Size
420 Canning Road (Part Lot 800) <b>Carmel</b>	4 bed home	135,624 m <sup>2</sup> (13.5ha)
Princess Royal Drive <b>Albany</b>	Land assembly	n/a
1 Union Road <b>Carmel</b>	2 bed home (tbc)	2 bed home (6200sqm)
39 Egan Street <b>Carnarvon</b>	Former Primary School	Buildings & land 26,725m <sup>2</sup> (2.67ha)
130 Hamersley Road <b>Caversham</b>	Vacant land	47,645 m <sup>2</sup> (4.8ha)
288 Stirling Highway <b>Claremont</b>	Former Claremont Police Station	Building 413 m <sup>2</sup>
14 Clifton Street <b>Collie</b>	Vacant land and building	4046m <sup>2</sup> (0.4ha)
2A Curtin Avenue <b>Cottesloe</b>	Former McCall Centre (heritage listed former children's home)	Building ~4000m <sup>2</sup> (Land 0.8ha)
34 Cheriton Street <b>East Perth</b>	Vacant home	~400sqm / 3 bed home
Lot 500 Mulligans Lagoon Road <b>Kununurra</b>	Apartment block	6-12 apartments (est).
22 Langar Way <b>Landsdale</b>	Vacant land	1071m <sup>2</sup> (0.1ha)
Lots 55, 86, 500 & 14170 Kerwin Way <b>Lockridge</b>	Residential homes	3 bed home (+ other homes tbc)
73 Leighton Road <b>Mandurah</b>	Residential home	3 bed home (est)
1 Eveline Road <b>Middle Swan</b>	Former Swan District Hospital site (closed 2015)	10 hectares (193 beds 4 wings)
9 John XXIII Avenue <b>Mount Claremont</b>	Vacant land	16,639 m <sup>2</sup> (1.7ha)
23 Mitchell Avenue <b>Northam</b>	Vacant land	6,194 m <sup>2</sup> (0.6ha)
Lot 502 Federal Street <b>Narrogin</b>	n/a	n/a
554 Francis Street South <b>Bunbury</b>	Vacant land	18,477 m <sup>2</sup> (1.8ha)
1-31 Murray Road South <b>Welshpool</b>	Welshpool Licensing Centre	22,360 m <sup>2</sup> (2.236ha)
<b>(19 sites)</b>	<b>Total land</b>	<b>37.8 hectares</b>
	<b>Total buildings</b>	<b>4400m (est.)</b>
	<b>Empty homes &amp; apartments</b>	<b>15 -20 homes (est.)</b>
	Potential homes at medium density (r30) - land	1134 homes
	Potential homes – building conversions (47sqm/one bed apartment)	93 apartments
	<b>TOTAL POTENTIAL HOMES</b>	<b>1242</b>
	<b>POTENTIAL SOCIAL AND AFFORDABLE RENTALS (with 20+20% target)</b>	<b>496</b>

**Source:** Shelter WA and Dept. Planning, Lands and Heritage 'Land being prepared for sale' and 'Land identified for sale' at <https://www.dplh.wa.gov.au/information-and-services/crown-land/land-asset-sales>

Examples:



Lot 500 Mulligans Lagoon Road Kununurra, 55 Kerwin Way Lockridge, 73 Leighton Road Mandurah