

HOUSING FUTURES NORTHERN RIVERS



DRAFT MANIFESTO

For discussion with stakeholders interested in addressing the Northern Rivers NSW housing crisis and positioning the Region for its outstanding liveability including a diversity of housing options that are suitable for all

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**BUSINESS
NSW**

Strengthening the voice of business

Northern Rivers NSW is a much sought after region to live, work and grow a business. However, a lack of available and affordable housing is impeding our capacity to attract and retain skilled workers, meet the needs of growing families or downsizers and provide young people wanting to stay in the region or relocate from the cities to the region with options.

Projections indicate the Northern Rivers should be the future home for another 25,000 people by 2041 – to meet this target and position the region effectively we need to get cracking.

Managing the balance between population change, housing and workforce demands is a juggle and one that we are currently failing at -

- we have an aging demographic which means our future workforce is dwindling
- we border with one of the fastest growing regions in the country, a switched on and active attractor - South East Queensland/Gold Coast so the competition for people and skills is high
- thousands of homes were impacted in the 2022 weather event putting key worker and employment nodes at significant risk of closure or downturn
- we need another 22,000 homes by 2041 accounting for changing household size, living arrangements and occupancy rates

Regional Leaders in the Northern Rivers have been coming to the table with solutions and want to support the NSW Government in its partnership with the Commonwealth to deliver on the Housing Future Fund targets and deliver housing outcomes that strengthen the Northern Rivers NSW competitiveness and liveability.

The following solutions are aimed at supporting real actions and collaboration between Government and community.

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Regional Director, Business NSW
Convenor, Regional Leaders Northern Rivers



Strengthening the
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SOLUTIONS ON THE TABLE

Being Brave

Housing prices have risen so significantly in the Northern Rivers that we need housing dedicated to low and medium income people, who will otherwise be priced out. Key workers – nurses, cleaners, teachers, aged care workers, retail and hospitality workers and emergency services personnel are all priced out of many parts of the region.

The inflexibility of the supply side of the housing market over the past 20 years is related to how cities and regions deal with population growth. In the Northern Rivers, population growth has been underestimated and housing/land releases, transport and road networks have been insufficient to cope with the demand and are not future proofing the region.

We need leadership from those in political and policy making roles by doing some things which although unpopular, are right.

Key Concepts

- Local Council focus on **Strategic Plans** (City Plans)
- **Greater certainty and speed** in the approval process is paramount
- **Medium Density** focus
- **Urban outcomes** – cooling, calming, community, commerce, culture

Priority Action Points

- Review height and density restrictions for the Lismore CBD and Health Precinct and other regional town centres and employment hubs – such as Tweed Hospital ie introduce a regional equivalent of the city focussed TOD's
- Suitably support Northern Rivers Councils, with increased funding, to employ more planners and development engineers
- Key worker housing provisions to promote quick delivery of key worker housing in urban and rural areas – Incl Construction, Health, education and Ag.
- Strategic focus on planning to provide greater certainty than the current EPA Act
- Remove double-up of approval processes e.g. environmental reviews to be undertaken by one agency only, rather than at both Local and State Government levels; remove the need for TfNSW to be a referral agency if council has an in-house development engineer
- Simplify DCPs, such as Tweed Shire is embarking on
- Require local councils to review currently zoned R1 and R2 land, for rezone to R3
- Introduce an "Express DA" service for certain types of DAs, similar to the service provided by Gold Coast City Council
- Support the enabling infrastructure required eg water and sewer costs to unlock land for housing in a timely manner
- Address referral agency hold-ups eg within the DA process or external such as Essential Energy

SOLUTIONS ON THE TABLE

Clear the Backlog

We need to Identify and prioritise planning proposals that are already in the system to ensure supply more immediately.

Action:

Fast track option for flood free lots and housing in Goonellabah, and other areas of the region, completed and ready for families in 2024/25.

Housing in CBD's

Enabling, supporting and incentivising higher density housing in Northern Rivers CBD locations will open up a diversity of housing with a breadth of entry points for key workers, young professionals, young families starting out and downsizers.

Action:

Prioritise apartment housing, often only promoted in the cities. CBD living will generate vitality and vibrancy and increase a sense of safety. This will also encourage small business growth and sustainability with a 24/7 customer.

Regional Design Pattern Book

Pattern books have led the design of many of the worlds greatest cities, with successes in metropolitan areas of NSW.

Action:

Create a pattern book that is regionally appropriate and builds trust in the broader community - based on the deliver of good sustainable design.

A pattern book will boost infill developments and target the missing middle by growing supply of townhouses, terraces, dual-occupancies and small residential apartments across the R2 and R3 zones.

Accommodating a temporary workforce

The region's strong pipeline of new construction and reconstruction projects, alongside a consistently low unemployment rate means there is pressure on short-term accommodation options to service both a temporary workforce, a transitioning workforce and the region's visitor economy. This is an opportunity for the Northern Rivers if the situation is managed well and responded to quickly

Actions:

Incentivise the development of worker accommodation that can be repurposed – as an example, the investment into prefabricated housing that can be repurposed by moving to new locations for new projects or become affordable housing or assets to aged care industries.

Identify pilot projects to showcase the design and innovation of these options to support community education.

SOLUTIONS ON THE TABLE

Planning System Reform

There is a strong need for systemic reform to the planning system.

We need a system that encourages development and investment in our regions. This system also needs to provide developers with certainty and commercial viability. The costs incurred in developments that require additional time, studies and work to be submitted, all need to be recovered by developers, and does increase the risk of development not being realised.

The current NSW planning and zoning arrangements create barriers to entry, which add significantly to the cost of home building

- The NSW planning process is laborious, time-consuming and often faces a 'glass half empty' mindset at the Local Government approval level
- The process to obtain a DA can involve:
 - A review of the LEP – typically a 150 page document
 - A review of the DCP – often 500+ pages
 - A review of zoning maps, which unfortunately provide little information
 - Possibly, a rezoning application – typically a long, expensive and uncertain process
 - And if zone is denied, possibly an appeal to the Land & Environment Court.

Actions:

- Allow planning and zoning arrangements to adjust more easily and readily to housing supply issues.
- Make better use of land already zoned residential by focusing (now) on changing some already zoned R1 and R2 (and possibly RU1) to R3
- Ensure zoning maps on local council websites provide more information – show actual development capacity on already zoned land and actual current land use (both of which will help inform rezoning)
- Introduce an 'Express DA' service for certain types of DA's, similar to that available at Gold Coast City Council. This includes A dedicated Express DA team, approval potentially within 25 days for Dual occupancy, reconfiguration of a lot up to 5 lots and multiple dwellings (3-6)
- Establish a form of 'inclusionary zone' by requiring developer to set aside (say) 5 % of newly developed product (land or built form) for affordable housing (eg for first home buyers) through either a mandated DA conditions (lower development value will eventually work its way into land prices) or financial incentives to developers eg via lower council contributions.
- Ensure external referrals have maximum timeframes for consideration
- Provide pathways for developments that have exceeded a maximum number of days to be assessed/escalated.

SOLUTIONS ON THE TABLE

Invest in Affordable Housing

The NSW Government has stated that they will look to redevelop Government land with 30% social and affordable housing. This is a commendable and needs immediate action. Government will also need to look at how they use their money and planning powers to deliver this housing in all part of the region.

Actions:

Champion the Housing Australia Future Fund (HAFF) investment in the region and ensure the Northern Rivers has access and support.

Consider incentives for developers supporting affordable housing options.

Review Stamp Duty exemption for downsizers – enabling their current property to be released to the market with no disincentive.

Technology and innovation

Technology that can reduce the cost of housing at speed through the modularisation of building components should be pursued. Design for Manufacture and Assembly ((DfMA) is used widely across the world and in other states of Australia. High quality housing, at scale, with speed.

Actions:

Support increased technology in construction to reduce project costs by optimising material usage and distribution of resources.

Invest in the development of prefabricated/volumetric housing options in NSW. This could be direct investment or commitments to minimum numbers of units to be produced.

Create a Housing Fund to alleviate the barriers to accessing finance associated with prefabricated models in NSW. Housing funds can fund the construction cycle of prefabrication with interest.

Council incentives and enabling infrastructure

It is imperative Councils are supported to streamline regulative barriers, address inequity relating to enabling infrastructure costs for housing and be resourced appropriately with genuine financial support from the State Government to overdeliver on their housing targets.

Actions:

Support Councils and developers on enabling infrastructure costs for the delivery of new or upgraded services such as water and sewer for new developments to connect into.

Provide additional funds to councils to better fund local infrastructure that can be tied to the provision of amenity to support new housing developments – think parks, pools and community facilities.

Introduce an Express DA service for certain types of DA's, similar to the service provided by Gold Coast City Council - saving staff time and unnecessary red tape. Look at replicating the Special Activation Precinct model in a housing context in regional areas.

SOLUTIONS ON THE TABLE

(these items are still in development)

Medium Density/townhouse products where appropriate

In reality this is the quickest way to add capacity to the market with speed and will enable us to move people out of constrained or flood prone impacted areas of the region. With minor amendments to zoning (height) and some increased density via zoning amendments townhouses, constructed with an ESG focus could provide for innovative alternative housing models.

Master planned communities & financially sound models

Driving affordability through diversity is a key solution to the longer term housing vision for the region. Following other successful models for eco masterplanned villages there is an opportunity to create precincts, with clusters, that offer investible scenarios delivering both age group and socio-economic diversity in a sustainable way.

Modular Development – faster and cost effective

Support opportunities to design and construct to reduce embedded carbon (geo polymer concrete, recycled materials (crushed concrete, RAP) recycled plastic fibres to replace steel in concrete, EIO Pip products

Ground Lease Scheme

The way to make *build to rent* and *build to rent to own* viable and attractive to large or institutional investors revolves around long term lease positions on the land.

This could be Government land, University land, the churches, land councils and or other indigenous businesses who have land holdings. For Government organisations to get around probity they can run an EOI then a ECI process for non Government landowners who want to retain the land (churches/land councils) it could just be a case of match making.

Superannuation & Housing Partnerships

Open up opportunities to deliver investment at scale in partnership with Superannuation providers across a range of housing types including social and affordable housing in regions.

REGIONAL LEADERS, THANK YOU

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