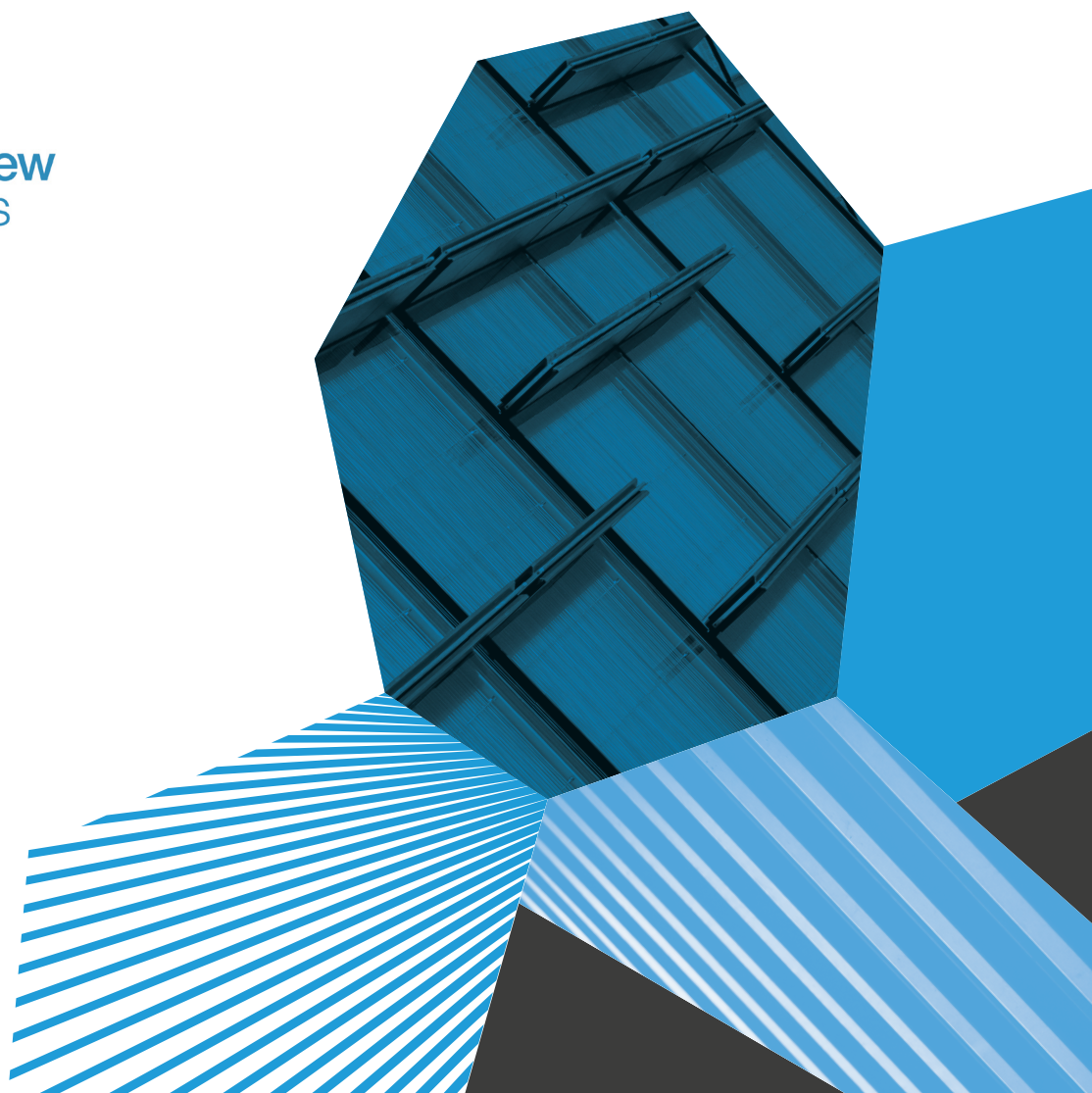




Australian
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AFFORDABLE HOUSING SEMINARS DESIGN CANBERRA 2017

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INTRODUCTION



In June 2017, the then ACT Chapter President Rob Henry launched the ACT Chapter Year of Housing providing a focus for chapter advocacy and education activities around the creation of places for people, particularly around housing. This included extensive work on advocacy for housing choice and on housing affordability. The availability of well located, good quality stable tenure housing in Canberra that can be rented or purchased by residents whose combined household income is in the lower 40% of incomes needs ongoing commitment. The range of housing types currently entering the market is very limited, focussing on apartments and detached housing. The middle range of housing such as group housing, terraces, and dual occupancy blocks and innovative ways of procuring housing are not being realised. The latter has impacts on affordability as it reduces the range of individually titled affordable housing stock where ongoing costs can be reduced. This is in an environment where densification within our landscape-defined city is one aspect of more effectively and sustainably utilising our land and infrastructure resources.

The ACT Chapter would like to extend its thanks to Sheila Hughes, LFRAIA, for her efforts in organising the seminars and compiling this document.

DESIGN CANBERRA AFFORDABLE HOUSING SEMINARS

As part of the 2017 Design Canberra Festival, the ACT Chapter of the Australian Institute of Architects held seminars on affordable housing on Wednesday nights over three consecutive weeks.

Week 1 "Design for Affordability" brought together Andrew Collins from Collins Caddaye Architects and Steven de Pasquale from City West Housing to discuss the design of affordable housing for rental.

Week 2 "Planning for Affordability" saw Professor Peter Phibbs from the University of Sydney and Dr Lindsay Taylor from Taylor Lawyers present case studies on planning systems that deliver affordable housing through either mandatory or incentive-based initiatives.

Week 3 "Delivering Affordable Housing" saw Tony Carey of Tony Carey Consulting and Hoa Luu of Riverview Projects use Ginninderry as a case study while drawing on their extensive experience through large scale commercial developments to discuss some key principles and issues in planning, design, funding and delivery of affordable housing for sale and rent.

SPONSOR – RIVERVIEW PROJECTS ACT

The seminars on this important topic could not have been held without the support of Riverview Projects ACT. It is a measure of their commitment to incorporating affordable housing into their development at Ginninderry that this project and the people implementing it were key to the third seminar on delivering affordable housing.

CONTENTS

PRESENTATIONS

SEMINAR 01 DESIGN FOR COMMUNITY MANAGED AFFORDABLE HOUSING

Common Ground	4
City West Housing: The Platform Apartments	5

SEMINAR 02 PLANNING FOR AFFORDABILITY

Bargaining for Affordable Housing in the Planning System	6
Inclusionary Planning for Affordability	7

SEMINAR 03 DELIVERING AFFORDABLE HOUSING

Ginninderry A Case Study	8
Ginninderry - Delivering Affordable Housing	9

PROPOSITIONS

LOCATION OF AFFORDABLE HOUSING	10
--------------------------------------	----

HOUSING CHOICES	10
-----------------------	----

AFFORDABLE HOUSING QUALITY	10
----------------------------------	----

PLANNING FOR AFFORDABILITY	11
----------------------------------	----

TENURE AND SECURITY	11
---------------------------	----

TARGETED AFFORDABILITY	11
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PRESENTATIONS



SEMINAR 01 DESIGN FOR COMMUNITY MANAGED AFFORDABLE HOUSING

'Common Ground'

ANDREW COLLINS, COLLINS CADDAYE ARCHITECTS

Affordable housing is typically subsidised housing.

In designing affordable housing, the practise starts from private sector housing design to deliver high quality permanent and transitional housing. Streetscapes are important and moderated mainly through landscape.

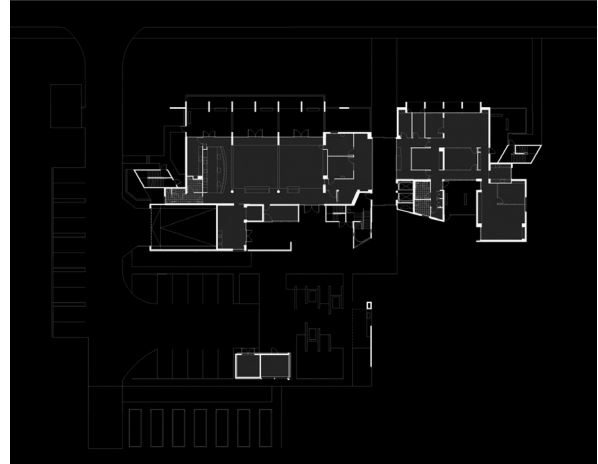
Common Ground Gungahlin is based on the principle that for homeless people, a good quality of housing is provided first and then any attendant issues around health and capacity to live independently are dealt with.

Common Ground houses a mixed community of people moving from street to home and people on lower incomes requiring affordable rental accommodation from a community housing provider.

Support services are provided on site accessed from foyer and there are communal facilities to provide relief from isolation.

The key factor in the design approach is dignity for residents. Housing design for the private sector is augmented by provision of social areas, communal facilities and responses to the specific needs of more vulnerable residents. The latter include opening of corridors to the exterior, stair use for primary circulation, landscape features structured to provide privacy at street level.

For speakers' presentations and more detailed information, go to <http://bit.ly/aiahousing>



Common Ground, Ground Floor Plan



Common Ground Street View



Common Ground

*Designed by Collins Caddaye Architects
Photographer Stefan Postles*



SEMINAR 01 DESIGN FOR COMMUNITY MANAGED AFFORDABLE HOUSING

"City West Housing: The Platform Apartments"

STEVEN DE PASQUALE, CITY WEST HOUSING (CWH)

The profile of affordable housing tenants is wide-ranging, from those dependent on welfare, to full time employed families whose income means they cannot afford to rent or buy in the City of Sydney. These people can be key workers such as police, nurses, cleaners, croupiers or people requiring welfare support.

A key benefit inner city housing for these tenants is having more time for family and non-work/commute activities and more money to live on.

The funding base for City West Housing is a levy on development in Ultimo and Pyrmont for affordable housing. This enables CWH to purchase land and develop it for affordable housing in perpetuity.

Recurrent income from rents runs the facilities.

Limited parking is provided but the location is primarily based on access to sustainable transport by location.

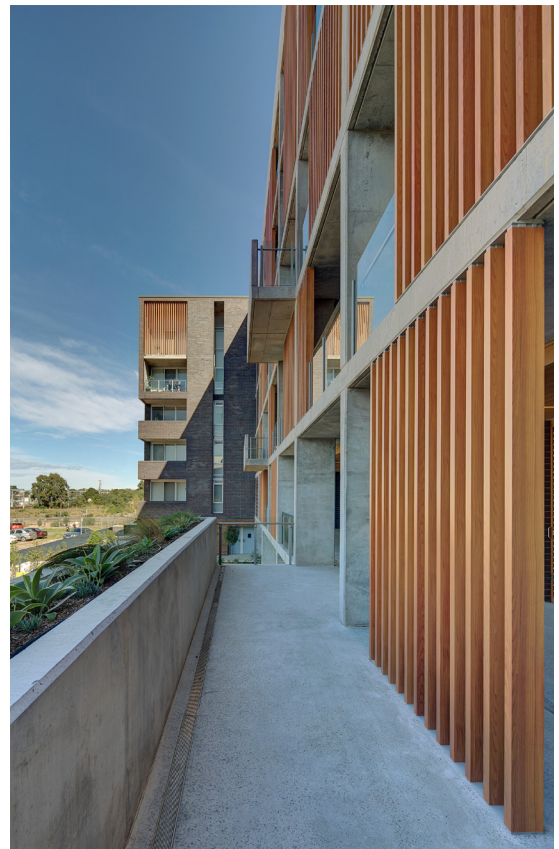
For example, Platform Housing is located close to the Newtown retail area, public transport and the Carriage Works public space, which hosts weekend markets. The design was selected through a design competition process.

Features include

- Cross ventilation for cooling to eliminate costs of running air conditioning
- Highly efficient units
- Selection of maintenance free products
- Communal spaces for residents to use
- Award winning design excellence

While predominantly 1 bedroom apartments, which reflects the user profile, 1, 2 and 3 bedroom apartments are available and all apartments are rented on a 25% income basis.

While some tenants move on as their careers progress, tenants have ongoing tenure while they meet the income criteria. CWH has an aging in place philosophy to provide stability for tenants.



Designed by Architectus

Photographer Brett Boardman



SEMINAR 02 PLANNING FOR AFFORDABILITY

"Bargaining for Affordable Housing in the Planning System"

DR LINDSAY TAYLOR, LINDSAY TAYLOR LAWYERS

Jurisdictions that allow bargaining for provision of affordable housing by developers include NSW, UK and USA.

In NSW, Voluntary Planning Agreements (VPA) can be used by planning authorities and developers to negotiate outcomes in return for specified public benefits. This enables value capture by the community.

Benefit can be separate to the development and can include recurrent costs.

Affordable Housing is a specified use for a VPA.

Affordable housing is defined in the main NSW planning policies.

Features of the VPAs are

- They cannot be appealed to the Land and Environment Court once agreed
- They have to be publicly notified once agreed and before amendment
- Breaches can be prosecuted
- Conditions can be bound to the title in perpetuity

SEPP 70 - Affordable Housing enables four inner Sydney councils to impose conditions that require contributions towards affordable housing under Section 94 of the Environment and Planning Act (EPA). However, most affordable housing is delivered through VPAs.

SEPP (Affordable Rental Housing) 2009 provides density bonuses for allocation of over 20% of the gross floor area for the purposes of affordable housing. Whether this is 'as of right' or subject to other conditions is determined by the local council.

Waverley Council is a good example of value capture using density bonuses to negotiate inclusion of affordable housing. Here, additional floor space is not as of right, but must also achieve acceptable environmental impacts.

Potential issues with VPAs include;

- an information asymmetry effecting ability to negotiate, or
- planning authorities using underdevelopment provisions in zoning to maximise value capture.

In the UK "planning obligations" can be defined by a local planning authority (LPA) involving use of the land, restrictive or positive obligations or requiring the provision of public benefits.

Achieving affordable housing is excluded from the Community Infrastructure Levy, but is a purpose that can be included under the Planning Obligations system. Planning obligations become a form of value capture or betterment in the UK system.

They can be made to run with the title to the land ensuring longevity of the arrangement subject to renegotiation.

Once the LPA has identified a need for affordable housing in its local plans inadequate contribution by a development to affordable housing can be a reason to refuse planning permission. The bias is to on-site outcomes.

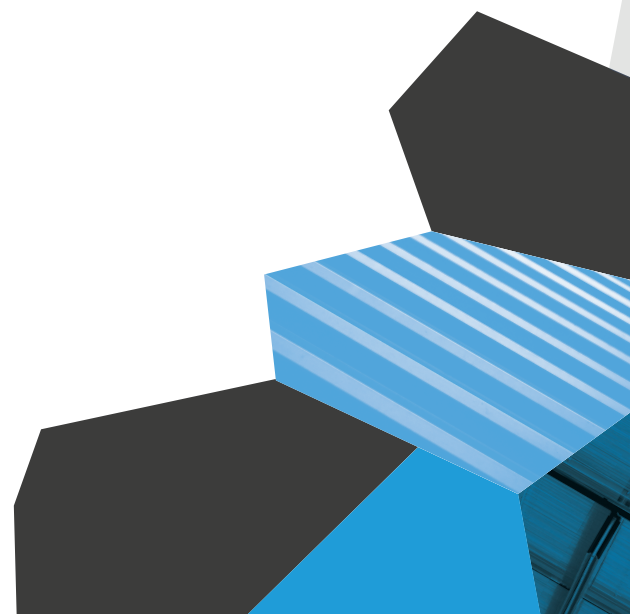
The system is effectively an inclusionary zoning system without provision for incentivisation. Where viability of development is raised, there is an open book process of viability testing.

By contrast, in the USA incentive zoning is common, allowing increases in floor space in return for public benefit and this may be coupled with inclusionary zoning. Affordable housing is a typical public benefit.

Incentive zones can be by right or subject to negotiation through site specific agreements.

For example, in Seattle, community benefit agreements may be negotiated between a developer and a community and then presented to the city planning authority for approval.

Minimum durations of these agreements are set such as 50 years in Seattle.





SEMINAR 02 PLANNING FOR AFFORDABILITY

"Inclusionary Planning for Affordability"

PROFESSOR PETER PHIBBS, UNIVERSITY OF SYDNEY

Only increasing supply will not normally generate good affordable outcomes for low and moderate income households.

The main conclusion from the AHURI Housing Supply Study was:

"Most of the growth in housing supply has been taking place in the mid – to –high price segments, rather than low price segments. There seems to be structural impediments to the trickle down of new housing supply. Targeted Government intervention might be needed in order to ensure an adequate supply of affordable housing."

Our housing supply is speculative and supply targets higher income households. Government intervention is needed to include lower priced housing.

Inclusionary zoning requiring provision of affordable housing is one strategy. In New York, the five borough 10 year plan rezoning enabled a 25 – 30% requirement for affordable housing either via a fee for off-site development or on-site contribution (at the rezoning stage). Where it is a 'fee in lieu' a higher contribution is required.

South Australia has an inclusionary system that requires 15% of housing to be sold as affordable housing on government land or land rezoned for residential or higher density residential use. Qualified households get the first option to bid on new houses, but after a period of time the property can be sold on the open market.

In the ACT, land supply control provides the government with a key opportunity to influence provision of affordable housing and other public benefits.

A key proposition of the leasehold system is that where there are substantial gains in land value the increase in land value should be returned to the community.

In conclusion, for a range of reasons the price of housing in capital cities in Australia is increasing. Providing housing for a broader group of households will increasingly require government intervention. Inclusionary planning is one tool.



SEMINAR 03 DELIVERING AFFORDABLE HOUSING

"Ginninderry - A Case Study"

TONY CAREY, TONY CAREY CONSULTING

Affordable housing should be good housing.

Things that impact affordability are

- Capital costs
- Running costs
- Costs of finance

Land and infrastructure costs need to be minimised through efficiency. Diversity and density in suburbs is important. Opportunities are provided by the "missing middle" of housing, namely townhouses, terraces, compact housing and the like.

Density needs to be supported with amenity and social capital. Creating community and building capacity through cultural planning is intrinsic to the development of Ginninderry.

Ongoing investment in streetscapes and green spaces is essential to maintain amenity.

Affordability is more than just price and initiatives such as the home energy package, including solar PV, target ongoing running costs.

The challenge in affordable housing is to enable / incentivise the innovators while achieving an acceptable base line. Good design should be rewarded by flexibility. Design review processes can support innovation.

It is critical to have subsidies to deliver affordable housing to households with incomes in quintiles 1 & 2. The subsidies need to be well targeted and the benefit from expenditure maximised.

Eligibility criteria are essential and resale conditions may be required to keep the subsidy in the housing pool in commercial developments.



Most 'Affordable' Housing has some form of subsidy... if that is the case then the trick is to make sure the subsidy is properly directed and is used several times over...

- Tony Carey





SEMINAR 03 DELIVERING AFFORDABLE HOUSING

"Ginninderry - Delivering Affordable Housing"

HOA LUU, RIVERVIEW PROJECTS

Ginninderry is using a variety of block typologies to promote housing diversity and housing choice.

The "missing middle" housing types are used to provide affordable housing for purchase. Research by Orina shows these are preferred choices where buyers cannot afford detached housing.

Density needs to be supported with urban amenity by using design controls to ensure attractive streetscapes so that the neighbourhood will retain capital value for buyers.

Planning initiatives for affordability at Ginninderry and earlier developments such as Crace include;

- Housing types enabling individual title – no body corporate fees
- Community title with minimum body corporate fees
- Reduced car parking rate utilising on-street parking by negotiation
- Extent of solar provisions and resolving of solar access at structure planning level
- Minimum setbacks – built form and courtyard walls subject to design review
- Investment in urban amenity to support smaller living spaces

The design of the Ginninderry Flexi Living Series in a range of block configurations and including 10 house designs targets affordability through:

- Minimising land take
- Structure plan consideration of block orientation and solar passive design
- Life cycle cost consideration in materials selection
- Inclusion of easy care, low maintenance gardens
- Central location close to amenities, green link open space and bus stops
- Low running costs through inclusion of PV and energy efficient appliances



Affordable Housing design by Tait Waddington Architects

Housing choices promote streetscape diversity and integrated design manages streetscape composition and the impact of elements like bins and provision of window finishing.

Financial initiatives to support affordability include:

- Settlement as a turned-key product, with no progress payments
- Application of eligibility criteria to ensure stock stays in the affordable pool
- Low deposit requirements
- Shared equity arrangements
- Rent to buy schemes



Ginninderry Stage 1 Plan
Source: Ginninderry Projects



Affordable housing designed by MDA Architects

PROPOSITIONS



LOCATION FOR AFFORDABLE HOUSING

- Affordable housing should be located throughout the city to provide access to resources to suit different personal and employment situations.
- Affordable housing for significant numbers of households should be located in close proximity to the central city and town centres near to employment and services.
- Affordable housing should be located close to frequent, cost effective public transport or active travel routes to employment, education, services and facilities.
- Affordable housing should be integrated into places and streetscapes of high local amenity.
- There should be uptake of land in non-residential zones for affordable housing particularly in mixed use developments that support community or commercial facilities at ground level in areas close to town and groups centres and key public transport routes.

HOUSING CHOICES

Currently there is a limited range of housing choice in the city, with a predominance of detached housing and apartments. Choices for households who cannot afford detached dwellings is very limited. It is proposed that:

- Diversity of housing types, including dual occupancy, compact sites, terraces and townhouses should be encouraged in RZ1 And RZ2 residential zones to support providing affordable housing in established and new areas.
- Diversity of housing types should be used to provide a sympathetic scale of development, enabling increased density and housing choice within existing residential areas, while maintaining landscape qualities and amenity.
- Housing types that support increased efficiency in land use with a range of individually titled dwelling that do not impose body corporate costs should be encouraged.
- Housing Choice demonstration projects should be subject to post completion review and consultation prior to any ongoing changes to planning requirements.

AFFORDABLE HOUSING QUALITY

Housing quality and in particular, ongoing running and maintenance costs have a significant impact on household incomes and liveability. Accordingly:

- Affordable housing should be designed to provide a high level of thermal comfort, air quality and light across all seasons with minimal need to use energy.
- Affordable housing should be designed with sufficient space, storage and spatial quality to provide a highly functional, comfortable home.
- Affordable housing should be designed to limit the need for maintenance through careful material selection and design detailing.
- Affordable housing should be designed to integrate into high quality streetscapes.
- Affordable housing design by any provider should be required to include energy efficient long-life fittings.
- Landlords should also be encouraged to make their properties energy efficient.
- Where increased densities are permitted to support affordable housing provision and housing choice a high level of amenity should be provided and maintained in terms of community facilities, streetscape design and provision of green spaces and infrastructure for recreation and microclimate moderation.





PLANNING FOR AFFORDABILITY

The ACT has a number of initiatives for supporting lower income households to enter the housing market. Provision of affordable housing could be augmented by:

- Modification of planning rules to enable a diverse range of individually titled housing types throughout RZ1 and RZ2.
- Design for community and group housing within suburban areas should be facilitated by enabling targeted block amalgamation subject to a design review process.
- Embedding affordable housing supply in redevelopment of public housing or new land release through mandated inclusionary planning provisions.
- Inclusionary planning to embed affordable housing provision where rezoning provides a significant increase in development opportunity.
- Consideration of publicly notifiable voluntary planning agreements for increased provision of affordable housing when reduced lease variation charge charges or density increases are able to be accommodated, subject to meeting key environmental requirements.
- Direction of a percentage of the lease variation charges to a fund for affordable housing to be managed by a not for profit community housing provider.

TENURE AND SECURITY

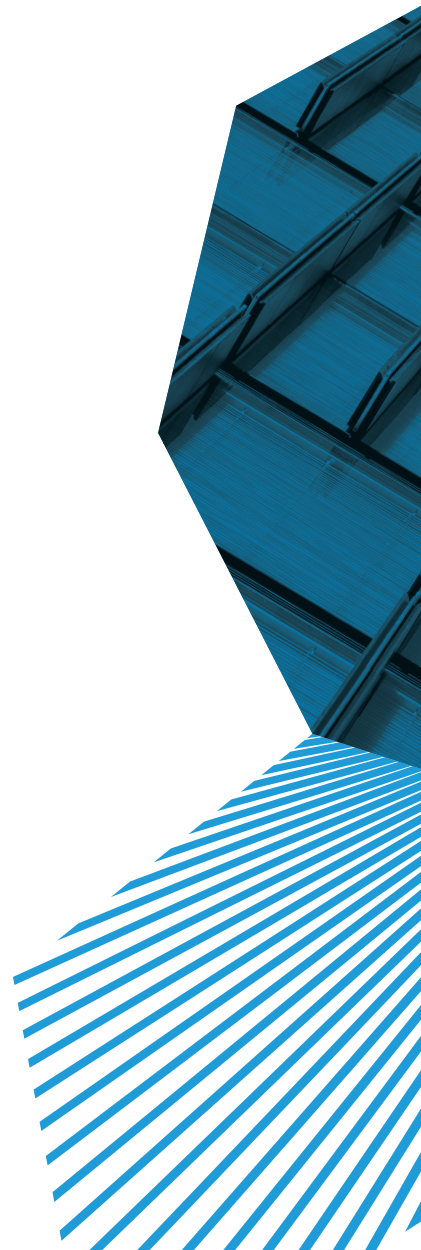
A key issue for those seeking affordable housing is security of tenure and long-term affordability of rent. Another issue is the long-term retention of sufficient housing stock for rental or purchase.

Balanced against this, the purchase of housing by lower income households can enable those households to utilise the capital value of their house to enhance their financial position.

- Purchase of affordable housing from private developers could be supported by funding programs from government tied to resale provisions.
- Affordable housing provision should create security of tenure and set rental levels for lower income households in the long term or perpetuity.
- A significant proportion of affordable housing investment should be focussed on building up the number of affordable dwellings throughout the city for rental or purchase on a limited capital gain model to remove speculation.

TARGETED AFFORDABILITY

- Affordable housing support should be targeted to the lower two quintiles of households as determined by income.
- Eligibility criteria should be met by those seeking to rent or buy affordable housing.
- A range of financing strategies to support housing purchase by households in the lower two quintiles should be implemented including:
 - o Settlement as a turned-key product with no progress payments
 - o Low deposit requirements
 - o Shared equity arrangements
 - o Rent to buy schemes
- Subsidies for affordable housing could be secured to achieve sustained benefit through resale provisions or conditions on land title.
- Large scale private developments that include housing could be required to incorporate a percentage of housing available to be sold as affordable by a government run agency within a set timeline. If not sold, they could then return to the developer for sale. This is the model used in SA Renew.



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