

Ready! Set! Go!

**One year to go.
It's time for action on housing and
homelessness for the 2000 Olympics**

A Report to the NSW State Government

Shelter NSW

15 September 1999

First published in September 1999 by
Shelter NSW Co-op Ltd, 377-383 Sussex Street, Sydney, NSW, Australia.
© 1999 Shelter NSW

Title:
Ready! Set! Go! One Year to Go. It's Time for Action on Housing and Homelessness for the 2000 Olympics.

Written by Gary Cox.

Cover cartoon by Tandberg.

*Further copies of this paper are available from Shelter NSW
Suite 2, Level 4, 377-383 Sussex Street, Sydney NSW 2000
Phone (02) 9267 5733 Fax (02) 9267 5001*

Acknowledgements

The author wishes to thank the following people for their assistance in preparing this report:
Flora Armaghanian, Keiran Booth, Isabell Boswell, Rob Bowlan, Pip Brayshaw, Allana Christie,
Mary Jane Clark, Steve Coles, Michael Darcy, Ben Eagleton, Di Evans, Allan Ewing, Pamela
Foster, Dennis Garland, Bruce Grant, Lesley Hall, Harry Herbert, Nick Hespe, Beth Jewell, Kylie
Kilgour, Michael Laing, Rob Lake, Kate Lee, Virginia Mackay, Gordon Maher, Garry Moore, Peter
Mott, Amelia Gavagnin Newman; Julian Nayland, Peter Phibbs, Rod Plant, David Pocklington,
David Ramsay, Colin Robinson, Will Roden, Janet Ryan, Mark Shanahan, Stephanie Smith, John
South, Rachelle Swiney, Tony Vinson, Harvey Volke, Nick Warren, Craig Wyse.

A message from the Premier of New South Wales

'Unfortunates' would not be removed from Sydney streets just to provide a good impression during the 2000 Olympic Games, New South Wales Premier Bob Carr said today.

"And, any idea that we behave like Hitler in 1936 by getting unfortunate people off the streets to present a false image of the world should not be embraced."

AAP
2 June 1998

Universal Declaration of Human Rights

Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services...

Article 25 (1)

The Olympic Charter

The goal of Olympism is to place everywhere sport at the service of the harmonious development of man, with a view to encouraging the establishment of a peaceful society concerned with the preservation of human dignity...

Article 3 - Fundamental Principles

Share the Spirit

*Share your hopes
Share your dreams
Share the spirit of the Games*

From the Sydney 2000 Olympic Games Bid song

From the Chair of the Social Impacts Advisory Committee

Every aspect of the 2000 Olympics is being planned. Good transport timetables, suitable accommodation for officials, appropriate meals for athletes, venues that work successfully, all require planning. The amount of planning is quite immense. It is all designed to ensure that the Olympic experience is a good one for athletes, officials, visitors, and residents.

The establishment of the Social Impacts Advisory Committee is an acknowledgment by the Government that social impacts must also be subject to planning. Good impacts need to be organised, and bad impacts need to be avoided.

The Social Impacts Advisory Committee recognised early on that impacts on housing were critical. Homelessness should not be exacerbated by the Olympics in the way that it was in Atlanta. Rising rents, inadequate protection for tenants, insufficient provision of extra emergency accommodation, depletion of existing accommodation for low income people could all contribute to making the Olympics a bad experience for some of the people of Sydney.

The Government has put some things in place but they may not be enough. I welcome this report from Shelter NSW as a stimulus for further action.

One year out from the Games is a good time to assess the situation, and Shelter should be congratulated for this initiative.

Rev Harry Herbert

Contents

EXECUTIVE SUMMARY - ACTION NOW	i
INTRODUCTION	1
Shelter NSW	1
Purpose of the report	1
How the study was conducted	2
The structure of the report	3
PART 1 - ASSESSING AND MANAGING THE IMPACTS - THE STORY SO FAR	4
Sydney's Olympic Bid and social impact assessment	4
Shelter NSW's Olympics and Housing report	5
The Olympic Housing Reference Group	7
The Preliminary Social Impact Assessment	8
The Housing Policy Green Paper	9
The Social Impacts Advisory Committee	10
NSW Department of Fair Trading's 2000 Olympics and the Residential Tenancy Market report	12
Summary of State government response – <i>lost opportunities</i>	14
Conclusion on the impact management story to date – <i>the score card</i>	17
PART 2 - IMPACTS ON HOUSING AND THE HOMELESS – TIME FOR ACTION	21
From assessing the impacts to managing the impacts	21
Dealing with uncertainty - <i>the precautionary principle</i>	22
Comparative method – <i>tales of other cities</i>	23
Identification of the major issues for Sydney - <i>scoping</i>	24

Contents (cont.)

Major issue 1 – The homeless	27
Major issue 2 – Tenants	45
Major issue 3 – Boarders and lodgers	66
Major issue 4 – Caravan park residents	78
Major issue 5 - Collaboration and integration of response across Government	83
PART 3 - SOCIAL GUIDELINES FOR THE INTERNATIONAL OLYMPIC COMMITTEE	85
REFERENCES	93

Executive summary - *Action now*

The beginnings of concerns

On 23 September 1993 Sydney won its bid for the 2000 Olympics.

Just prior to that historic IOC meeting in Monte Carlo, a State government agency the Social Policy Directorate produced an in-house report.

That report was the first social impact assessment of the 2000 Olympics. It predicted a number of negative effects would occur on tenants and residents of boarding houses and caravan parks.

This report was followed by a full-scale social impact study commissioned by the State government in 1994. That report too predicted negative impacts on the homeless, tenants, boarders and lodgers, and long term caravan park residents.

It recommended actions for the government to take. Following this, a Social Impact Advisory Committee was set up to advise the Olympic Co-ordination Authority.

In 1998, a report commissioned by the Department of Fair Trading told the same story of potential negative effects on tenants and boarding house residents.

The experiences of other cities

Also in 1994, Shelter NSW and the University of Western Sydney co-produced a report on housing and major events in Sydney and other cities.

The study looked at six so-called 'hallmark events' both in Australia and overseas. Though each city had its unique aspects, a clear pattern emerged.

Hosting events was, in most cases, good for business and tourism. But these events often had serious negative consequences for low to moderate income households and the homeless.

Prior to the Fremantle America's Cup in 1987 many low cost flats and boarding houses were converted for racing syndicate accommodation.

In the lead up to the Barcelona Olympics in 1992, many residents experienced large rent increases caused by an Olympics driven real estate boom.

Australia's own Bicentennial in 1988 saw many conversions of boarding houses to tourist accommodation.

The Atlanta Olympics are remembered in part for the concerted campaign of arrests and harassment of the city's homeless population.

As if this wasn't enough, Atlanta witnessed attempts to replace sitting tenants with Olympic tourists – the speculators even requested that the tenants return to their homes after the Games were over!

The Brisbane Expo in 1988 witnessed excessive rent increases and evictions in suburbs adjacent to the exhibition site.

Some of these stories are retold in this report in the *city snapshots*. The postcard from Atlanta has been updated from the first Shelter report.

Action by government? – a long time coming

Ready! Set! Go! presents a score-card of State government action up till now.

Ready! Set! Go! takes a look at all the previous reports commissioned by government. It focuses on what impacts the experts predicted may occur in Sydney. It revisits their recommendations for action by government.

Part 1 of this report presents the results of these investigations.

Two simple conclusions can be drawn. Firstly, government commissioned reports draw broadly the same conclusions as to the likely housing impacts of the Olympics as studies by non-government organisations. Secondly, though action has been recommended, very little has been done to date. Especially wanting has been legislative action.

Hence the need for *Ready! Set! Go!*

This report presents Shelter's view on the last chance to address the impacts of the Olympics on housing and homelessness.

What Shelter thinks will happen in 2000

Part 2 of *Ready! Set! Go!* presents detailed and well-researched findings on the impacts in 2000. Previous events, both in Sydney and elsewhere, have been scrutinised. The unique aspects of our city have been analysed too. The best available data has been used. People working closely on housing and homelessness issues have been consulted.

We have four main areas of concern.

Impacts on the homeless

We predict that there will be an increase in homeless persons requiring assistance in 2000. This will be particularly acute between May and October next year. Itinerant workers, visitors finding their accommodation falling through, and mentally ill people are some of the persons likely to need help.

Services, such as brokerage providers, currently using low cost tourist accommodation to temporarily accommodate homeless clients will not have this avenue open to them. It is no secret that all accommodation will be booked out. Much of it has already been allocated.

Harassment of homeless people on the street may also occur. The urge to spruce up the city and present a place without social problems may be too great for government authorities or agencies within it to avoid.

Impacts on tenants

Increases in rents in the Olympic Corridor (from Parramatta to the City of Sydney) have been felt in the years leading up to the Olympics. Though analysts may debate about how much of this is Olympic related or not, the construction of new facilities and improved amenity around Homebush has undoubtedly been partly responsible. Developers marketing new apartments in Strathfield, Concord and beyond think so.

Tenancy advice services report excessive rent increases in some areas. There is uncertainty amongst tenants as to whether rent gouging will occur in 2000 or whether speculative accommodation ventures will force them out of their homes.

Impacts on boarders and lodgers

Redevelopment of boarding houses may occur to enable owners to operate them as tourist accommodation.

Boarding house operators may simply replace long term residents with higher paying short-term tourists. This is an effect that is seen in peak holiday periods already. There are no legislative provisions to prevent evictions with little or no notice.

Impacts on caravan park residents

Caravan park residents are highly vulnerable to impacts from tourists as well. Many long-term residents are in precarious situations, such as with 'trial tenancies'. The impact from the more lucrative tourist market always occurs at peak times. Recently, tourist operators have been offering packages including caravan park accommodation for the Olympics.

What Shelter thinks the government should do now

Ready! Set! Go! recommends 46 actions the government should undertake to address these impacts. Many of these have been recommended by the official government reports. Our eight cornerstone recommendations are:

1. A Homelessness Ombudsman should be appointed to ensure that homeless people are not subject to harassment by police, local authorities, or private security personnel.
2. An Olympics and Homelessness Task Force should be set up to implement a full strategy to address likely impacts in 2000.
3. Homelessness mitigation strategies, such as provision of temporary emergency accommodation, should be trialed during designated 'test events', like New Year's Eve and the Sydney Gay and Lesbian Mardi Gras.

-
4. The Residential Tenancy Act 1987 should be amended to limit rent increases to one per year, replace for the present 'without grounds' termination of leases with 'just cause' provisions, and more effectively control excessive rent increases.
 5. A temporary rent cap should apply for a limited period in 2000. This would limit rent rises to the consumer price index.
 6. Boarders and lodgers should be give protection under legislation so that they would enjoy similar rights to tenants.
 7. Trial tenancies under the caravan park legislation should no longer be permitted.
 8. An Issues Manager should be nominated by the NSW Premier's Department to make sure all government agencies collaborate together and non-government agencies are involved in a real partnership.

The time for action is now

We are exactly one year out from the opening ceremony of the Sydney 2000 Olympic Games.

Everyone is in a state of readiness. Olympic test events are being held every month. Transport and traffic arrangements are being finalised. Finishing touches are being put on venues. Tickets have been sold. Visitors are preparing their travel plans.

By contrast, not many practical measures have been put in place to address the housing and homelessness impacts of the Games.

The 46 recommendations in this report need action at once. The legislative measures must be speedily acted upon. If some of these actions are not taken now, they may be ineffective if attempted next year – too late.

Share the spirit

'Share the spirit' inspired Australia and the world to grant Sydney the privilege of hosting the 2000 Olympics. 'Share the spirit' was founded on a nation's deep sense of justice and giving everyone a fair go. It echoed the Olympic Movement's principles of promoting peace and unity worldwide.

'Sharing the spirit' also demands shouldering the costs. Government needs to recognise that there are likely to be real costs – those identified in *Ready! Set! Go!* and the many reports preceding it.

The State of NSW will benefit from the increased tourism, business and exposure generated by the Olympics. It's time that the State government took concerted action to shoulder the costs and take the steps outlined herein.

It's time.

Introduction

Shelter NSW

Shelter NSW is the State's peak housing organisation. Its core business is policy development, liaison with other non-government organisations, and developing campaigns. Shelter advocates on behalf of housing consumers in NSW, particularly those from disadvantaged groups or with special needs.

Shelter NSW has pursued issues relating to the potential housing impacts of the Olympics since Sydney commenced its bid for the 2000 Games in late 1990. Shelter was concerned at the range of negative housing impacts witnessed in other Olympic cities and, closer to home, before and during the America's Cup in Fremantle in 1987 and the Brisbane Expo in 1988.

Early in 1994, Shelter commissioned a study on the housing impacts of hallmark events. This was entitled *The Olympics and Housing: A Study of Six International Events and Analysis of Potential Impacts of the Sydney 2000 Olympics* (Cox, Darcy, & Bounds 1994). This was a joint project between Shelter NSW and the Housing and Urban Studies Research Group at the University of Western Sydney, Macarthur.

Purpose of the report

Ready! Set! Go! One Year to Go. It's Time for Action on Housing and Homelessness for the 2000 Olympics builds on the previous study. This report is focussed on practical actions the State government, local government, the Commonwealth, and non-government organisations should take to mitigate the potential negative impacts of the Olympics.

The Commonwealth has a major funding responsibility for homelessness and housing programs in Australia. The estimates from the economic impact assessment of the Olympic Games are that the Commonwealth will get a \$1.934 billion increase in tax revenue from the Games (KPMG Peat Marwick 1993). It too should be assisting in ameliorating the impacts of the Games.

The report will provide a mitigation plan to address potential housing impacts attributable, directly or indirectly, to the hosting of the Olympics in Sydney. The report is not intended as an agenda for action on the entire housing problem facing Sydney and New South Wales. These wider issues have been canvassed in other Shelter reports and the work of other organisations, such as the Tenants' Union of NSW and the Council of Social Service of NSW.

We are now one year out from the opening ceremony for the Olympic Games. The message of *Ready! Set! Go!* is clear. Immediate action is needed to address the housing impacts of the Sydney 2000 Olympics. Too little has been done so far by government.

The time for action is now.

How the study was conducted

The study was conducted as a social impact assessment (SIA). Put simply, a social impact assessment examines the potential impacts of a project or proposal on *people* - their day-to-day way of life, their culture, and their communities.

The purpose of a social impact assessment is to anticipate both positive and negative impacts on individuals, groups and communities and to formulate impact management strategies to address these. Generally, more attention is given to mitigating the negative aspects of a project but equally important is to ensure benefits are maximised and shared equitably.

There are many dimensions of social impact embracing such issues as employment, community cohesion, health, public safety, and human rights. This study is focussed on issues relating to housing and homelessness.

Social impact assessment is a participatory process. It emphasises the role of affected groups and key stakeholders in contributing to the research process. Due to the constraints of time and budget, the participatory aspect of the research was limited to stakeholder workshops, focus groups, and interviews with agencies and individuals (key informant interviews). However, it should be recognised that these techniques provided many useful insights and sources of data that would otherwise not have been available to the study.

The project commenced at the end of June 1999 with a stakeholder scoping workshop. This is an important initial step in social impact assessment. It is designed to capture as many of the major impact issues as possible and to make some preliminary assessment of their likelihood of occurrence and severity of effect. After this a number of focus groups were conducted during July 1999.

The role of focus groups is to generate ideas and mitigation strategies. The focus group is not a consultation exercise in the usual sense, but rather a research tool. Consensus and agreement are not necessary. The aim is to test ideas and gain understandings about the range of views and experiences presented. Four focus groups were conducted for this study. The topics were:

- Homelessness,
- Brokerage services,
- Tenancy and rental issues, and
- Urban development effects.

The groups were comprised of persons working in the field rather than being composed of clients or directly affected parties.

The focus groups indicated additional data and research that was necessary to investigate. This involved collecting hard data relevant to a number of the issues, such as numbers of persons reporting homeless. Also, case study material was collected from some of the agencies directly working with clients, such as brokerage services and tenancy advice services.

The structure of the report


This report is the final outcome of the process of assessment of the potential housing impacts of the Sydney 2000 Olympics, outlined above. It has implications for Commonwealth, State and local governments, as well as the non-government and community sectors.

The report is in three parts. Part 1 - *Assessing and managing the impacts - the story so far* maps out the social impact assessment process undertaken to date. It commences with the work of the former NSW Government Social Policy Directorate in advocating a framework for the social impact assessment of the Olympics. It reviews the various reports that followed and the committees that were established.

Part 2 - *Impacts on housing and the homeless – time for action* is the core of the report. It details the main issues identified in the social impact assessment process. It evaluates the likelihood of impacts occurring in 2000 as a result of staging the Olympics. It presents evidence and develops recommendations for impact management.

The previous Shelter Olympics report *The Olympics and Housing: A Study of Six International Events* studied six previous hallmark events indepth.¹ In Part 2 of this report, 'city snapshots' are used to highlight the experiences of other cities. These will be short insights into some of the problems experienced by other cities and where applicable how they attempted to address them. The city snapshots are based on documented sources and interviews with government and non-government agencies in these cities.

Part 3 - *Social guidelines for the International Olympic Committee* addresses the need for guidelines on developing socially responsible event planning and management. The IOC has already adopted the *Environmental Guidelines for the Summer Olympic Games* (Environment Committee 1993), which were prepared as part of Sydney's bid for the 2000 Games. This final part of the report outlines Shelter's view of what should be required of future host cities in ensuring that the Olympics do not impose unacceptable social burdens on host communities, especially disadvantaged groups.



¹ The most quoted definition of hallmark event is Ritchie (1984, p. 2): *Major one-time or recurring events of limited duration, developed primarily to enhance the awareness, appeal and profitability of a tourism destination in the short and/or long term.*

Part 1 - Assessing and managing the impacts - *the story so far*

Sydney's Olympic Bid and social impact assessment

On 20 April 1993, Bruce Baird the minister responsible for the Olympic bid made a formal request to Jim Longley, Minister for Community Services, to undertake a social impact assessment for the Olympic Games. The initiative essentially came from the bid company, Sydney Olympics 2000 Bid Limited, which was aware of social impact assessments prepared for other bids, namely both Melbourne's and Toronto's bids for the 1996 Olympics.

Table 1: Trigger questions for housing and accommodation

Hotel / Motel

- What effects will the availability of hotel rooms have on the property market?
- Will expected forecasts for hotel accommodation meet or exceed demand?

Rental Housing

- What protection will there be for tenants to ensure they are not subject to arbitrary eviction or price rises as a consequence of the Games?

Private Housing

- What costs and benefits are associated with possible increases in real estate values in the vicinity of the two main Olympic zones?
- What protection, if any, will be necessary to prevent unproductive land speculation in the period leading up to and during the Games?

Public Housing

- What impacts will the Games have on the availability of public housing before, during and after the Games?

Olympic Village

- What is the most beneficial use for the Olympic Village following the Games?

Low Income

- How will the accommodation needs of homeless and low income people be affected by the Games?

Caravan Parks

- What protection, if any, will be necessary for permanent caravan park residents to ensure they are not adversely affected in the period leading up to and during the Games?

Source: Johnston & Deakin 1993, pp. B-10 & B-11.

The job of preparing the SIA was given to a State government policy agency, the NSW Government Social Policy Directorate. Due to the 3 month time framework for the study, a full SIA could not be adequately conducted. So, a background paper was prepared instead, entitled *Sydney Olympics 2000: Approaches and Issues for Management of Social Impacts* (Johnston & Deakin 1993).

The report did not make recommendations for action. It canvassed a range of impact issues and proposed a framework for the future assessment and management of impacts should Sydney be successful in the bid. The trigger questions on housing from the report are reproduced in Table 1. They reveal the range of concerns that this government agency had at that time. Most of these issues are still relevant now.

Shelter NSW's Olympics and Housing report

Prior to the commencement of the State government initiated social impact assessment of the Games, Shelter NSW commissioned an indepth study of the housing impacts of other major events. The study was a joint project between the Housing and Urban Studies Research Group at the University of Western Sydney, Macarthur, and Shelter NSW.

The study examined six other events:

- The America's Cup in Fremantle 1987,
- The Brisbane Expo 1988,
- The Sydney Bicentennial 1988,
- The Barcelona Olympic Games 1992,
- The Atlanta Olympic Games 1996, and
- The Melbourne Olympic Bid for the 1996 Games.

Each case study evaluated the process of impact assessment undertaken, if any. It examined predicted impacts and actual impacts that occurred. It also assessed the responses of government, non-government organisations, and event organisers. A property market analysis was conducted for the Sydney situation. Taken together, the research enabled predictions of possible housing impacts that might be experienced during and in the lead-up to the 2000 Olympics. These impacts are summarised in Table 2.

Table 2: Possible housing impacts associated with the 2000 Games

<i>Impact</i>	<i>Identified by/during</i>	<i>Location</i>	<i>Timing</i>
Upgrading of pub rooms causing displacement of long term residents.	Submission by Sydney City Council 1993.	Sydney Central Business District & Inner City.	1994-2000
Conversion of boarding houses to tourist accommodation.	Observed during Sydney Bicentennial, Brisbane Expo and Fremantle America's Cup.	Inner City, Glebe, Bondi. LGAs of South Sydney, North Sydney, Randwick.	1997-2000
Increase in private rents.	Flow-on effect from increases in property prices anticipated by Sydney real estate commentators, and observed prior to Barcelona Olympics.	LGAs of Sydney, South Sydney, Randwick, Waverley, North Sydney, Auburn, Ashfield, Burwood, Concord, Drummoyne, Leichhardt and Strathfield.	1994-2000
Conversion of flat buildings to serviced apartments.	Observed during Sydney Bicentennial, especially in North Sydney.	North Sydney, Sydney Central Business District, Inner City.	1998-2000
Increases in house prices, affecting first home buyers and Department of Housing spot purchase programs.	Anticipated by Sydney real estate commentators, flow-on effects anticipated for Melbourne Olympics and observed in Fremantle during America's Cup and prior to Barcelona Olympics.	LGAs of Auburn, Ashfield, Burwood, Concord, Drummoyne, Leichhardt and Strathfield. Also, City of Sydney and South Sydney.	1994-2000
Conversion of long term caravan park places to short term.	Anticipated for Melbourne Olympics.	Western Sydney.	2000
Harassment of homeless persons.	Observed in Barcelona and Atlanta and anticipated for Melbourne Olympics.	Darlinghurst, Kings Cross, Sydney City.	2000
Increased construction costs, affecting both private and public housing.	Observed in Fremantle during America's Cup and in Barcelona and anticipated for Melbourne Olympics.	Sydney Metropolitan area.	1996-2000

Source: Cox, Darcy & Bounds 1994, pp. 66-7.

The study concluded by summarising three consistent themes regarding the impact of international hallmark events on host cities. These were:

- Pressure on and loss of low-income housing opportunities, particularly private rental housing and boarding house stock;
- Acceleration of urban redevelopment pressures and gentrification processes;
- The need for governments to act early and decisively to avoid a situation where impacts have been managed badly or too late.

Recommended mitigation measures were specified. These ranged from amendments to the Residential Tenancy Act 1987, amendments to State Environmental Planning Policy No. 10, to the extension of housing advice services and housing impact monitoring. Some form of rent fixing was also advocated for vulnerable locations. This was seen as a parallel measure to the much publicised Deeds of Agreement signed by the Bid company with the two major accommodation associations, the Australian Hotels Association NSW and the Motor Inns and Motel Accommodation Association. This agreement fixed room rates at 'the average published 1998 charges, indexed to September/October, in 2000' (Sydney Olympics 2000 Bid Limited 1993b, p. 48).

The message of the first Shelter report was clear. The theme of the Sydney Olympic bid was *Share the Spirit*. The implication of Share the Spirit was that the people of Australia and the residents of Sydney, in particular, were to share the benefits of hosting this international event. The Shelter report took this a logical step forward to suggest that unavoidable costs be shouldered equitably and fairly as well.

The Olympic Housing Reference Group

An Olympic Housing Reference Group was established within the Office of Housing Policy (then part of the Ministry of Housing) in 1994. This was the first official policy response to the issue of housing impacts and the Olympic Games.

The Reference Group was comprised of representatives from the Office of Housing Policy and the Department of Housing's Technical Policy Branch and relevant Regional Offices. The Reference Group identified monitoring as the first priority. Consequently, a monitoring project was commenced in the first half of 1994. This aimed to track the nature and extent of a range of factors on housing conditions, including 'the potential compounding effect of the forthcoming Olympic Games' (Office of Housing Policy 1996a, p. 2). Special attention was given to areas with high accessibility to Olympic venues and also Local Government Areas (LGAs) in Inner Sydney with a high proportion of low income renters.

In 1995, the Olympic Housing Reference Group funded a project by the Australian Bureau of Statistics to improve data on homelessness in NSW. From July 1995, this system was implemented by the Homeless Persons Information Centre at Sydney City Council.

The Reference Group also suggested the development of a forecasting model to predict future trends in the Sydney housing market. As well, it outlined a framework for developing policy responses to potential Games' impacts. This included identification of the most suitable governmental instruments (such as legislation, regulations, persuasion, and information), the establishment of working groups, and the involvement of stakeholders.

As reported in the *Social Impacts Management Review of Progress* (Brian Elton & Associates 1997a), the Olympic Housing Reference Group ceased to operate around 1997. It is unclear whether the group was formally wound-up or simply ceased to meet regularly.

The Preliminary Social Impact Assessment

In mid-1994, Keys Young Consultants were commissioned to prepare a social impact assessment for the Sydney Olympic and Paralympic Games. One of the major issues in the then Office of Olympic Co-ordination's project brief was the sharing of benefits and costs, especially negative impacts on disadvantaged groups. In the immediate period after the Olympic bid was won in September 1993, there was considerable debate in the media around the impacts of the Games. Economic costs and benefits were questioned as well as estimates of visitor numbers. The cost of financing the Games was also a hotly debated issue.

Keys Young issued a discussion document in mid-1994 to assist in developing responses to a range of issues as varied as disability access, cultural impacts, and consumer protection. However, in the focus groups, regional workshops, and written submissions, it was housing and accommodation effects that received most attention. Transport and traffic was the next major issue mentioned. In all, fourteen major impact areas were identified. Housing concerns predominated.

The *Preliminary Social Impact Assessment of the Sydney 2000 Olympic and Paralympic Games* was released in February 1995. A summary of housing issues identified in the Keys Young report is shown in Table 3.

The Keys Young report viewed overall rental increases as likely to be minimal. Localised effects were identified as being more pronounced such as in Auburn LGA. Patterns of urban renewal were highlighted but these were only partially linked to the Olympics. The direct impact of the increase in the tourist market was a clear area of concern, especially as this impacted on boarding houses, low cost hotels, and caravan parks.

Table 3: Main impacts identified in the Preliminary SIA final report

Accommodation and housing

- acceleration of existing trends of conversion of some types of rental housing to tourist accommodation, particularly in Sydney City, Manly and Bondi;
- demand for tourist accommodation causing pressure on boarding houses, low-cost hotels, and caravan parks;
- minimal negative impact on private rental market overall;
- possible redevelopment or sale of rental stock in Auburn LGA;
- some displacement in Auburn LGA during the Games in favour of short-term high-value rentals;
- urban renewal in Homebush Bay and Pyrmont/Ultimo increasing land, property and rental prices, but only partially linked to the Games;
- patterns of price changes also influenced by increasing residential development in the Olympic Corridor and the release of new dwellings in the Olympic Village, though this would have a downward effect on the market.

Source: Keys Young 1995a, pp. 25-112.

The major recommendations of the Keys Young report included:

- The establishment of committees dealing with each key social area relating to the 2000 Games, including housing and visitor accommodation;
- The drafting of a Sydney Olympic and Paralympic Games charter which would summarise the human and social values that should inform Games related planning and be part of how Sydney projects itself to the world in 2000.

As far as housing was concerned, Keys Young recommended the establishment of a working group chaired by the then Ministry of Housing, Planning and Urban Affairs. This would have wide representation and be charged with monitoring and responding to any negative housing impacts that might emerge. Keys Young also urged an urgent review of the Olympics Accommodation Strategy.

The Housing Policy Green Paper

In December 1995, the newly elected State government released its Housing Policy Green Paper for discussion (Knowles 1995). The government set out for comment a number of strategies, including reforming housing assistance, improvements to service delivery, and influencing market outcomes. Under the last heading, the government proposed options to increase low cost housing in the private sector.

In the context of low cost private sector housing, the Green Paper raised the issue of the potential impacts on this sector caused by 'the influx of tourists during the period of the Olympic and Paralympic Games' (p. 35). Emphasis was placed on working with local government to minimise these effects and also to capture opportunities to increase the stock of housing in well-located parts of Sydney. The paper signaled impending discussions with the real estate industry regarding a protocol in relation to tenancy issues in the lead up to the Games. Finally, it stated that plans would be developed in conjunction with housing service providers to ensure that adequate emergency accommodation was available during the Olympic period.

Consultations on the Green Paper conducted separately by the Office of Housing Policy and Shelter NSW questioned some of the measures proposed to address Olympic impacts (Office of Housing Policy 1996b, E3 Group 1996). In particular, the voluntary industry protocol was viewed as insufficient to redress the problem of potential evictions and rising rents. Legislative change was suggested instead. The Olympic effect was also seen as wider than the 'tourist influx' effect described in the Green Paper. More structural changes in housing markets were predicted, notably boarding house conversions and 'crowding-out' effects of lower income tenants being forced out of the metropolitan area.

The Social Impacts Advisory Committee

Following a change of State government in March 1995, there was a period of lull in the social impact assessment and management process. It was not until January 1996 that the process for impact management and monitoring was resolved after a lengthy lobbying process by the Council of Social Service of NSW (NCOSS), the Public Interest Advocacy Centre, Shelter NSW and the NSW Ecumenical Council. A single advisory committee was set up to provide advice to the Olympic Co-ordination Authority on a broad range of issues relating to the social impacts of the Games.

The Social Impacts Advisory Committee (SIAC) comprised government agency and non-government organisation representatives. SIAC is still in operation and is chaired by the Rev. Harry Herbert of the Board for Social Responsibility, Uniting Church of Australia. Representatives include the Council of Social Service of NSW (NCOSS), Shelter NSW, the Public Interest Advocacy Centre, as well as the Departments of Fair Trading, Community Services, and Urban Affairs and Planning. SIAC reports to the Director-General of the Olympic Co-ordination Authority. Auburn Council also has representation on SIAC as well as being a member of a number of liaison bodies associated with Homebush Bay/Olympic Park.

SIAC has established working committees to address specific issues, such as employment, physical access, social equity, and housing. In June 1996, SIAC convened the Housing Subcommittee, which has met at two monthly intervals since. The subcommittee has on it representatives of NCOSS, Shelter NSW, the NSW Ecumenical Council, the Uniting Church, Department of Housing, Department of Urban Affairs and Planning, Department of Fair Trading, and Department of Community Services. The Olympic Co-ordination Authority services all committees involved with SIAC. The Housing Subcommittee has initiated a number of projects, which will be outlined below.

SIAC engaged Brian Elton and Associates to produce on-going progress reviews of the Keys Young report and social impact management issues as they developed over time (Brian Elton & Associates 1997a & b). These reviews highlight the measures taken by the State government to date to address potential impacts. Amongst these were the Olympic Housing Monitor developed by the then Office of Housing Policy. This focussed on the 43 LGAs in the Sydney Statistical Division. Special attention was given to a 'primary monitoring area' which were those LGAs most likely to experience pressure on their housing markets from the Olympics. However, the monitor was not available to other government agencies or the public.

Other action that commenced at this time was a project to develop a forecasting model of the Greater Metropolitan housing market. CSIRO-Building Construction and Engineering Division was contracted to develop the model. The project has not yet been completed and has been repeatedly delayed. The initial emphasis of the project was to be the impact of the Olympics.

Projects relating to boarding houses, such as the Boarding House Financial Assistance Program and the Boarding House Interdepartmental Committee were initiated. A review of *State Environmental Planning Policy No. 10 - Retention of Low Cost Rental Accommodation* was also commenced. As at August 1999, the new SEPP No. 10 has been finalised and is awaiting gazettal. Also reported in the review was that the Department of Community Services had established a database to monitor the use of crisis and emergency accommodation.

The 1997 Elton Report also expressed a number of priorities for action. These included the benchmarking of thresholds that would trigger government intervention in housing markets and would develop a better understanding of the inter-connections between tourist accommodation demand and housing impacts. Also, a demand and strategies options study was viewed as necessary in terms of emergency and crisis accommodation in the Games period. These recommendations have not been carried out – a significant omission.

The Elton Review (1997b) recommended that 'lead agencies' be selected for each of the major impact areas. These lead agencies would be required to report their progress in impact management on a six monthly basis. It was recommended that the Olympic Co-ordination Authority compile summaries of these status reports and that they be provided to SIAC and the public.

The lead agency monitoring reports have been compiled approximately every six months since February 1998. These reports have not been publicly available and not all members of SIAC have had access to them. They track the progress of each agency in addressing potential social impact issues. Many of the measures detailed are not directly Olympic related programs but are regarded as having some role to play in mitigating any negative impacts resulting from the Games. Consequently, more action appears to have been initiated by government than is actually the case. Finely tuned and targeted measures, such as recommended in the Elton Report, have been generally absent (Brian Elton & Associates 1997b).

A summary status report on the lead agencies will be presented at the end of this section.

NSW Department of Fair Trading's 2000 Olympics and the Residential Tenancy Market report

The Department of Fair Trading's *2000 Olympics and the Residential Tenancy Market* report (Cox, Kennedy, Phibbs, Sutherland 1998) is the most recent government initiative to consider the housing impacts of the Olympics, although largely confined to residential tenancy issues. This was developed as part of *A Fair Trading and Consumer Protection Strategy for Sydney 2000 Olympics and Paralympic Games* (Department of Fair Trading 1997).

The terms of reference for the study were:

- To identify the impact of major events on residential tenancy markets in other cities, both within Australia and overseas;
- To catalogue the accommodation strategies being developed/adopted in relation to the Sydney Olympics by other agencies;
- To estimate the extent to which any negative impacts identified will apply in the Sydney residential tenancy market;
- To determine the extent to which existing law and practice could address any negative impacts identified; and
- To develop a range of options for addressing any negative impacts considered relevant to the Sydney residential tenancy market.

The study comprised a comprehensive literature review of previous hallmark events, both in Australia and overseas. It evaluated the demand and supply estimates for visitor accommodation during the Games in Sydney. Trends in the Sydney private rental market were analysed, especially changes in rent levels in the so-called 'Olympic Corridor' in the period 1994-97. Trends in boarding house redevelopment were examined also.

The legislative provisions applying to tenancies in NSW were reviewed, primarily the *Residential Tenancies Act 1987* together with the Residential Tribunal. The legislative frameworks in place during other hallmark events were examined with a particular focus on how these were able to minimise any negative impacts of the event.

One of the main conclusions drawn from this analysis was that evictions for tourist accommodation are assisted by the absence of legislative provisions regulating notice periods and also by the circumstances under which tenancies can be terminated. Furthermore, lack of regulation of excessive rent increases can also force tenants out in favour of visitor accommodation.

A small survey of landlord intentions was conducted for the research. A sample was drawn from the LGAs of Auburn, Burwood, Drummoyne, Leichhardt, North Sydney, South Sydney, and Penrith. The key findings were:

- No landlords contacted were considering removing a long term tenant and replacing them with an Olympic visitor, primarily for financial reasons and the risk of losing good tenants.

- About two thirds of the landlords said they would consider renting their property to an Olympic visitor if the property became vacant before the Olympics.
- About 10 percent of landlords indicated that they were looking to invest in the Olympic Corridor because they considered the Olympic infrastructure would help increase capital gains in the area.

Table 4 presents a summary of the findings of the Fair Trading report in relation to potential negative housing impacts arising from the 2000 Olympics. However, the rental market data analysis revealed that current rent increases in the Olympic Corridor were not dissimilar to those occurring in other inner and middle ring LGAs in Sydney. The report stated that the available data did not show any trends that could distinguish Olympic impacts from the general trends in the rental property market.

Table 4: Key findings of the Department of Fair Trading report

1. Only a minority of landlords are likely to attempt to replace tenants with short term Olympic visitors.
2. Other types of speculative accommodation ventures such as home rental brokerage schemes are likely.
3. Rent increases of the scale experienced in cities like Barcelona are unlikely to occur in Sydney.
4. There could however, be some exacerbation of existing upward pressures on rent levels and house prices particularly if speculative behaviour in relation to Olympic accommodation ventures is widespread.
5. There is likely to be an acceleration of the existing trend towards loss of boarding houses and low cost hotels to other uses such as tourist accommodation.
6. Loss of boarding houses and low cost hotels could lead to an increase in homelessness and a shortage of emergency accommodation.
7. Exacerbation of existing land price and rent escalation, if it occurs, may result in restrictions on the ability of the Department of Housing and community housing organisations to provide housing in high priced areas, particularly inner ring locations.
8. There is a possibility of an escalation in costs across the construction sector and some labour shortages.

Source: Cox, Kennedy, Phibbs, & Sutherland 1998, p. 88.

A number of legislative responses were recommended to mitigate potential impacts arising from the 2000 Olympics. The authors of the report also considered that these options would improve the overall operation of the rental market and also the consistency of the Residential Tenancies Act.

The main legislative recommendations were:

- That the notice period be increased from 60 days to 90 days for a 'without grounds' notice of termination.
- That there be a minimum interval of 6 months between rent increases in residential tenancies.
- That the 'general market level of rents for comparable premises' become an important matter for consideration by the Residential Tribunal rather than the overriding consideration that a rent increase is 'excessive'.
- That holiday premises be brought under the operation of the Act where such accommodation is used as a person's permanent or primary place of residence.

The report also suggested the introduction of temporary rent capping be used as an emergency measure. This should be considered if market monitoring indicated that Olympic related rent increases were occurring significantly above previous market trends.

A number of non-legislative options were also proposed. Amongst these was the monitoring of the rental market to identify any atypical rent movements or increases in the frequency of rent increases. A high profile education campaign was suggested aimed at dampening speculative accommodation ventures. Along with this there would be complementary education campaigns directed at tenants on their rights and responsibilities under the Residential Tenancies Act 1987.

Increased resources for the Tenancy Advice and Advocacy Program were suggested. A less specific recommendation was to develop strategies to address any increase in homelessness that could arise from boarding house closures. Also, the development of strategies was recommended to redress any shortage of emergency accommodation arising from the loss of low cost hotel accommodation. An industry Code of Practice was proposed for Olympic related home rental brokerage schemes.

The issue of how the recommendations of the Department of Fair Trading report have been implemented will be revisited in Part 2 (see p. 63).

Summary of State government response – *lost opportunities*

The message from the review of State government action must be one of lost opportunities. The official social impact assessment process was commenced early on and clearly defined the major areas of concern. Progress following the release of the Keys Young report in 1995 was slow. Various monitoring programs were instituted but had little real connection to an impact management strategy. Many measures may now be too late to have any real effect.

Table 5: Government agency status review

Department of Urban Affairs and Planning

- CSIRO comprehensive Sydney Housing Market forecasting model (key focus area: the Olympic Corridor) - *still not finished so unlikely to be of any benefit regarding Olympic issues*
- Amendments to SEPP No. 10 Retention of Low Cost Rental Accommodation - *awaiting gazettal after long delay that may have led to avoidable stock loss*
- Partnership Against Homelessness Committee - *roles and responsibilities of DUAP allocated; Partnership Terms of Reference finalised; little direct applicability to Games impacts*

Department of Fair Trading

- Amendments to the Residential Tenancies Act 1987 recommended in the report '2000 Olympics and the Residential Tenancy Market' - *all legislative recommendations have been rejected by the State government*
- Rental Monitoring Stakeholder Consultative Group (inc. NCOSS, Property Owners Assoc., Real Estate Institute of NSW, Tenants' Union of NSW, Rentwatchers) - *established in 1998 to initiate the monitoring project but has not met in 1999*
- Olympic rental market monitoring project - *methodology developed; consultants engaged; two monitoring reports completed but not publicly released (Feb 1999; Jul 1999)*
- Issues paper on boarders and lodgers – *paper released for comment in August 1999; implementation of any legislative changes likely to be too late to address Games impacts*
- Tenancy awareness campaign - landlords (focus on lack of homestay demand in Atlanta, reality of Sydney Olympic average length of stay, and potential losses from the activity) - *direct mail campaign still has not started (information brochure to be sent to property owners via real estate agents who lodge a bond)*
- Tenancy awareness campaign - tenants and landlords (focus on tenancy rights and enforcement) - *outdoor and press advertising campaign still has not started (railway billboards, bus posters, rental classified sections of Sydney and suburban press)*
- Homestay industry code of practice - *discussions with main stakeholders completed; no other action is likely*
- Rapid Response Team for consumer protection - *operational specifications and comprehensive compliance plan finalised*

Department of Housing

- Partnership Against Homelessness Committee - *roles and responsibilities of DoH allocated; Partnership Terms of Reference finalised; Director-General of DoH to chair committee*
- Homelessness Action Team (HAT) to facilitate Supported Accommodation Assistance Program (SAAP) agencies to access public and social housing - *recruitment underway; has no role proposed for the Games despite some initial speculation*
- Temporary accommodation strategies (temporary last resort solutions: low cost hotels, caravan parks, backpackers) - *intending to examine opportunities for advance bulk purchase options during major events*

Department of Community Services

- Olympics Reference Group - *established but no action instituted to date; little or no liaison with NGOs*
- Olympic Project Coordinator - *appointed in October 1998; position has been hampered by staff changes; few agencies are aware of the position's existence; limited role with homelessness issues*
- Partnership Against Homelessness Committee - *roles and responsibilities of DoCS allocated with overall lead agency status moved; Partnership Terms of Reference finalised*

Source: Olympic Co-ordination Authority 1998a, 1998b, 1998c & 1999a

Table 5 is a summary status review of the programs that various Government agencies are currently implementing in order to address potential Olympic Games related housing impacts. The information has been gleaned from the lead agency reports prepared on an approximately six monthly basis by the Olympic Co-ordination Authority (1998a, 1998b, 1998c, 1999). Information in these monitors has been augmented and verified by discussions with government officers.

The status review may not be a complete picture of the preparations being made to mitigate negative impacts. However, given the barriers to obtaining information and certain sensitivities in some government Departments, this summary is the best available snapshot.

More details on some of these programs will be given in Part 2 where relevant. However, some background on the Partnership Against Homelessness is warranted at this stage. In 1995 and 1996, the Department of Urban Affairs and Planning instituted a committee to examine responses to homelessness. One of the concerns was the barriers to clients moving from SAPP agencies to more independent living in public and community housing. The Department engaged a consultant to try to resolve differences between government departments. This developed into meetings of senior officials, then of heads of departments, and eventually formed the Partnership against Homelessness.

The Department of Community Services was initially designated as the lead agency of the Partnership. Subsequently, in November 1998, the Department of Urban Affairs and Planning was charged with developing the initial terms of reference for the Partnership committee. In the view of key non-government organisations, this change was because the Department of Community Services consistently refused to accept the implications of being made the lead agency for homelessness. The Department of Housing now chairs the committee meetings. In all nine government agencies will be represented on the committee. In addition, the Olympic Co-ordination Authority will attend as necessary.

A range of long-term and short-term strategies have been identified already by the Partnership, but most of these are not Olympics related. Some Departments will have 'lead agency status' for particular programs. For instance, the Office of Community Housing will have lead agency responsibility for the Boarding House Relocation Initiative and the Department of Housing will have lead agency responsibility for the Homelessness Action Team. Though the latter has no specific Olympics remit, it will be operating at full capacity by the time of the Olympics. If it is successful in creating more exit points for persons in SAAP hostels, it may have some effect in easing the supply of crisis accommodation.

The Partnership intends to develop common understandings of problems surrounding homelessness and service delivery in this area. The main aim of the Partnership is to improve access and outcomes from services required by homeless people. The intention is to reduce unmet demand, increase responsiveness to need, and also to provide conditions and opportunities for more clients to achieve long term independence. The documentation relating to the Partnership makes mention of risk management strategies for major events, though no action has been taken on this matter.

A major complaint about the Partnership that echoes throughout the non-government housing and homelessness sector is the lack of consultation and involvement of agencies outside government. Groups seeking dialogue with the Partnership include the Interim Homelessness Council and the Non-Government Task Force on Homelessness. This lack of collaboration is a major failing of the initiative.

Conclusion on the impact management story to date – *the score card*

More research has been conducted on the housing impacts of the Sydney 2000 Olympics than for any previous hallmark event.

The definite message from the impact assessment story to date is a clear recognition that there are likely to be major impacts on housing and homelessness before and during the Olympic period. This has been recognised by consultants engaged by the State government, professional impact assessment consultants, and the non-government sector.

Table 6 summarises the impacts that have been identified from officially commissioned State government reports. The table highlights the fact that the government has received expert advice on the potential effects of the Games.

The findings of these reports are broadly consistent with other reports such as the first Shelter report (see summary in Table 2, page 6).

Table 6: Assessment of impacts from State government reports

Impacts on homeless persons

Increase in homelessness and shortage of crisis and emergency accommodation (PSIA & DFT)

Impacts on tenants

Conversion of rental housing to tourist accommodation (PSIA , SPD & HGP)

Tenants subject to arbitrary eviction (SPD)

Pressure on rent levels and house prices due to speculative behaviour (DFT & SPD)

Only a minority of landlords are likely to replace tenants with Olympic visitors, but other types of speculative accommodation ventures and home brokerages are likely (DFT)

Impact on rental stock in Auburn (PSIA)

Displacement of tenants in Auburn in favour of high-value rentals (PSIA)

Urban renewal around Homebush and Ultimo Pymont leading to increases in rents (PSIA)

Land price escalation and rent escalation having a negative impact on Department of Housing and community housing operations (DFT & SPD)

Impacts on boarders and lodgers

Pressure on boarding houses and low-cost hotels from tourists (PSIA & DFT)

Impacts on caravan park residents

Pressure on caravan parks from tourists (PSIA, SPD & DFT)

Key:

DFT – 2000 Olympics and the Residential Tenancy Market (Cox, Kennedy, Phibbs, & Sutherland 1998)

HGP – Housing Policy Green Paper (Knowles 1995)

PSIA – Preliminary Social Impact Assessment (Keys Young 1995)

SPD – Social Policy Directorate Issues Paper (Johnston & Deakin 1993)

Despite this wealth of information, the government response to these identified impacts has been minimal. The major focus of the social impact

process to date, as it relates to housing, has been on assessment and monitoring. It is questionable how much of this will directly assist in mitigating the scenario of homelessness around the Olympics though. There have been no direct legislative responses, though such action has been recommended by the NSW Government's Department of Fair Trading study. Legislative response would now need to be immediate in order to have an effective role in mitigating impacts.

The amended SEPP No. 10 is about to be gazetted. Some belated action around homelessness issues appears to be occurring around the Partnership Against Homelessness. However, there is a deep concern in the non-government sector about the apparent unwillingness of the Department of Community Services to productively cooperate with them. Added to this there are problems with changes in staff in key areas, such as the Olympic Project Coordinator position. Information about the Department's existing strategies is exceedingly hard to obtain. A Shelter freedom of information request granted in June 1999 appears to indicate that no strategies had been prepared by that time.

Table 7: Summary of government agency responses

Department of Urban Affairs and Planning

SEPP 10 improvements about to be gazetted. Implementation strategy is the key to its effectiveness. Strategies to prevent developers circumventing the policy are essential.

Monitoring programs not attached to mitigation measures - no route for responses to be triggered.

Department of Housing

Staff for the Homelessness Action Team are being recruited. Need concerted action for Olympic impacts to be avoided.

Temporary accommodation strategies are not yet in place.

Department of Fair Trading

Legislative change to protect both residential tenants and boarders and lodgers has not been enacted.

Other strategies will have limited impact without legislative backing.

Tenancy awareness campaigns are still in preparatory stages and not 'live'.

Department of Community Services

No clear leadership has been taken to address Olympic homelessness issues.

Collaboration open communication with the non-government sector is lacking.

Table 7 summarises the responses of key government agencies to date. This is a critical evaluation of the effectiveness of the minimal measures taken to date. A more concerted effort is warranted to avoid negative effects. More cross-agency collaboration is essential. A closer liaison with non-government organisations must also occur. A spirit of partnership must ensue.

An integrated mitigation strategy is warranted and has not been put in place to date. The theme of *Ready! Set! Go!* is 'the time for action is now'. The experience of previous events in other cities indicates the necessity of early intervention and adequate preparations to manage potential impacts as and when they occur.

Time is running out.

Action required from government is the subject of Part 2.



Part 2 - Impacts on housing and the homeless – *time for action*

From assessing the impacts to managing the impacts

Social impact assessment is not conducted for its own sake. It is done to identify and manage impacts. This part of the report will document the major impact areas and identify the most significant impacts that are likely to occur, or are observable already, regarding housing and homelessness. These impacts are those that are directly or indirectly the result of Sydney staging the Olympic Games in 2000.

In the discourse surrounding the potential social impacts associated with the Olympics, there have been many statements such that it is impossible to prove causality with the housing impacts of the Games. This was an issue raised in the *Preliminary Social Impact Assessment of the Sydney 2000 Olympic and Paralympic Games* (Keys Young 1995) and in the Office of Housing Policy's paper on the Olympic Games (1996a). The latter stated that it was difficult to differentiate Olympic effects from a broad range of economic and other factors affecting housing markets.

These statements stem from a misunderstanding of the nature of development impacts and also avoid the imperative to manage uncertainty throughout the process. The following is a summary of a discussion in the Department of Fair Trading's report (Cox, Kennedy, Phibbs, Sutherland 1998, pp. 9-11). The literature on impact assessment distinguishes three broad categories of impact. These are direct, indirect and cumulative.

Direct impacts are simple to understand. An example of a direct impact would be demolition of dwellings to make way for an Olympic venue. This category of impact is the most obvious and hence it is often the only category that is regarded as relevant by those unfamiliar with SIA. However, the other categories are nonetheless equally real and just as much part of the impact management task.

Indirect impacts are closely connected to the development or event but are not a central part of it. For instance, indirect impacts of the Olympics may be new hotel developments to cater for the anticipated increased tourist demand.

Cumulative impacts refer to the accumulation of environmental and social impacts that result from either a number of developments over time or a number of developments in a given location (Cox & Miers 1995). It is with indirect and cumulative impacts that causality is sometimes difficult to establish. Some examples may assist to understand this concept.

- A hallmark event may induce a residential development boom that leads to house price and rental increases, such impacts may be 'space-crowded' in locations adjacent to new sporting venues.
- 'Growth induced impacts' may occur where a major development significantly alters the rate of development of other activities in an area, such as transport infrastructure being brought forward in time.

-
- 'Additive impacts' may result from a number of small scale developments that occur in anticipation of the event, for example, a change of use from boarding house accommodation to backpacker accommodation.

The consideration of cumulative impacts has become a much more significant component of environmental assessments and SIAs in the past five years. There is recognition that these impacts may be more significant in the long term than direct impacts. The fact that causality of a given impact may be multiple – possibly emanating from a number of different sources – does not diminish the responsibility to manage or mitigate that impact. The fact that some of the impact is attributable to the project in question, in this case the Olympics, necessarily means that there is an obligation to manage the impact.

Dealing with uncertainty - *the precautionary principle*

Another common misconception regarding impact assessment is the use of monitoring as a means of dealing with uncertainty. As outlined in Part 1 (p. 14), a number of government agencies have instituted monitoring programs to indicate when to intervene in the housing market or when to initiate a policy response.

Monitoring is a key part of impact assessment and it is a good tool for impact management in many cases. However, it may not adequately deal with uncertainty. Policy responses may take time to implement. With even the best monitoring programs, the moment a critical threshold level is reached (indicating the need for intervention) the required policy measures may be too late to have an effect on the problem, especially if it requires new legislative measures such as power to control rents.

This was an issue identified early on in the history of environmental assessment. Consequently, the *precautionary principle* was developed. This principle is now the cornerstone of most policies on ecologically sustainable development (ESD). It is equally applicable to social impact assessment. The principle is stated in *Ecologically Sustainable Development: A Commonwealth Discussion Paper* (see Table 8).

Table 8: The precautionary principle

Where there are threats of serious, especially irreversible, damage (environmental, social, or economic), lack of full or complete knowledge should not be used as a reason for postponing mitigative measures.

Source: Commonwealth of Australia 1990

In a number of issue areas associated with the Olympics uncertainty is an important consideration. By definition, Olympic Games do not occur frequently. Each host city has unique aspects. Few cities have had the experience of hosting an Olympic Games more than once. There are also significant uncertainties surrounding key variables of the event, such as visitor numbers (see the Tourism Forecasting Council's report, *The Olympic Effect*, 1998).

The precautionary principle leads impact assessors to recommend an *anticipatory* approach rather than a *reactive* one. For instance, advance booking of brokerage rooms needs to be considered in anticipation of both increased demand and decreased supply during the event. A simple reactive approach would indicate the increased need, but at a time when supplies of rooms simply cannot be obtained.

It is important for government and non-government agencies alike to adopt a precautionary and anticipatory approach to impact management. A reactive approach in the context of the major uncertainties surrounding the Olympics must be avoided. Monitoring programs however well conceived may result in opportunities for effective mitigation being lost. A precautionary approach widens options. A reactive approach limits what may be done.

As a consequence of adopting this precautionary stance, many of the recommendations in this report will take the form of *contingency planning*. Planning impact management strategies for a range of potential scenarios is good policy. The Department of Housing is intending to adopt this approach in securing advance bulk purchase bookings for its Temporary Accommodation Program.

A final point on impact management principles needs to be made. A *sequencing approach* should be taken to addressing negative impacts. This approach is based on a simple three-step evaluation. First seek to *avoid* the impact. If the impact is unavoidable, attempt to devise strategies to *minimise* the impact. If mitigation measures are not available or impractical, then seek to *compensate* the affected individuals or parties.

A good impact management plan should follow this sequence – avoid, minimise, compensate. The former avenues should be fully explored before the next element of the sequence is considered. Above all, impact management should aim to avoid negative consequences.

Comparative method – *tales of other cities*

Snapshots of the experiences other cities have had with hallmark events have been included. More background detail can be found in the first Shelter report *The Olympics and Housing* (Cox, Darcy & Bounds 1994) and also in the Department of Fair Trading study (Cox, Kennedy, Phibbs & Sutherland 1998). The current study has been augmented by new material from Atlanta.

The comparative method is the basis for assessing social impacts (Burdge & Vanclay 1995). It follows from an examination of what has occurred in a similar community where a similar project, policy change or event has already occurred. So by evaluating what social impacts have occurred in other hallmark event cities, some generalised predictions may be possible for potential impacts in Sydney in 2000.

The challenge of this approach for hallmark events is that, though the events themselves may have similarities, the host cities have been very different. The comparative studies can therefore only provide broad pointers to what could be anticipated in Sydney. Therefore, it is important to investigate what occurs during other major events in Sydney, such as the Bicentennial, New Year's Eve and Grand Finals. Although an event like the Brisbane Expo is a better indicator of what could happen in Sydney. It involved sustained urban redevelopment, dramatic change in property prices, and displacement of low-income communities.

A combination of both types of comparison – other cities' experiences and other major events in Sydney – is necessary to gain useful insights into managing impacts and uncertainties.

Identification of the major issues for Sydney - *scoping*

Scoping is a critical first step in SIA. For this study, a scoping workshop of key stakeholders was conducted. A review of previous literature was carried out. This incorporated the local studies outlined in Part 1 and also international literature. The international material will be drawn upon in the city snapshots later in this part of the report.

The outcome of the stakeholder scoping workshop is shown in Table 9. These issues have been categorised under four main headings relating to the main groups of affected persons. Other issues raised were mainly connected with the diversion of budget funds from housing and social services areas to Olympic projects. This is a political issue that requires advocacy on a broader level by the relevant non-government organisations. However, it underlines the need for the State government and Olympic organisers to demonstrate that the principles of 'share the spirit' have been upheld.

The four major issue areas will now be considered separately. The issues raised in the scoping workshop will be examined in more detail. The experience of other cities will be called upon. Recommendations will be developed for each area in turn.

Table 9: Issues raised in the stakeholder scoping workshop

Major issue 1 – The homeless

- Increased demand and pressure on hostels and crisis accommodation
- Increased demand from new arrivals, itinerant workforce, mentally ill and developmentally delayed, and domestic visitors whose 'family and friends' arrangements fail (domestic violence & family breakdown; or simply disagreements with friends) – leading to increase in 'accommodationless'
- Increased homelessness as a result of flow-on effects from urban development (esp. boarding house and cheap long stay hotel conversions)
- Pressure on brokerage services due both to increased demand from homeless people who cannot be accommodated in the refuge system and also lack of supply of suitable accommodation
- Effects likely to be upwards of 3 months – August 2000 to October 2000
- Pressure on homeless persons who regularly sleep out, due to public space being used on a 24 hour basis for Olympic events (eg The Domain)
- Increased visibility of homeless persons
- Criminalisation and 'street sweeps', including harassment of homeless persons by police, security officers, and members of the public

Major issue 2 - Tenants

- Increases in rents caused by general market buoyancy from the Olympics
- Increases in house prices as a result of both the Olympics and the GST
- Permanent change in the Sydney housing market post-Olympics
- Tenants experiencing increasing insecurity in lead-up to the Games
- Tightening of the private rental market reflected in decreased vacancy rate
- 'Voluntary displacement' of tenants due to unaffordable rent increases, possibly built on Olympics expectations
- Accelerated trend of evictions as a result of rent increases and tenants' inability to pay, with a possible peak before the Olympics
- Displacement to fringes of Sydney from less affordable inner areas
- Possible direct displacement of residential tenants through non-renewal of leases that coincide with Olympic period
- Pressure on Residential Tribunal due to increased case load flowing-on from these effects

Major issue 3 – Boarders and lodgers

- Increases in tariffs caused by general market buoyancy from the Olympics
- Continued loss of boarding house stock and cheap pub/hotel accommodation where conversion in anticipation of the Olympics is a new factor accelerating an existing trend
- Permanent change in the Sydney housing market post-Olympics
- Boarders and lodgers experiencing increasing insecurity
- Displacement of long term boarding house tenants / long stay occupants of cheap hotels by Olympic visitors

Major issue 4 – Caravan park residents

- Increases in rents caused by general market buoyancy from the Olympics
- Anticipatory price rises; evictions to vacate accommodation for tourists; and upgrading of sites leading to higher prices
- Displacement of permanent caravan park residents by both domestic and overseas Olympic visitors
- Permanent caravan park residents experiencing increasing insecurity in lead-up to the Games

Other issues raised

- Government focus on a successful Olympics at the expense of achievement of social justice objectives
- Diversion of government funds from housing and social services to Olympic projects
- Increases in building costs in lead-up to the Olympics having flow-on effects on affordability of new private and public sector housing, as well as increasing costs of repairs and maintenance

Source: Project stakeholder scoping workshop, 30 June 1999.

Major issue 1 – The homeless

Introduction

This section presents the research on the impact of the 2000 Olympics on homelessness. It commences with a city snapshot on the treatment of homeless residents of Atlanta before and during the 1996 Olympics. Data is then examined on the homeless in Sydney and particular problems currently faced by service agencies. A summary of field research for this social impact assessment is given, particularly the outcomes of the focus groups. This research enables an assessment of likely impacts in 2000 to be developed. A summary of this is shown in Table 13. Following this key actions are given that are Shelter NSW's recommendations for action.

City snapshot – Atlanta in 1996

The 1996 Olympic Games took place at the end of July in Atlanta, Georgia. The City of Atlanta has a population of 394,000 and is at the centre of a metropolitan region of 3 million residents. Estimates of the city's homeless vary widely, with advocacy groups citing around 20,000.

Atlanta is one of the finance and communications hubs of the United States sunbelt. It is a major convention and conference centre and has more hotel accommodation than any city of its size in the US and more than any Australian city.

The Atlanta Olympics will be remembered in the world press for two incidents. Firstly, the dramatic bombing case, where the security guard who discovered the bomb in Centennial Park in downtown Atlanta was quickly turned into the chief suspect. Richard Jewell was hounded for months both by the media and FBI agents. No evidence was found against him and the US Justice Department publicly cleared him in October 1996.

The second received less publicity but nonetheless showed flaws in the operation of civil rights in the city that bid for the Games on its record of the Black civil rights movement in the 1960s. In mid 1996, before the Games commenced, seven homeless men took a civil action against the City of Atlanta and the Chief of the Atlanta Police Department. The legal judgement delivered in July 1996 determined that police had 'exceeded their authority in a manner with constitutional implications while dealing with the homeless' (Atlanta Task Force For The Homeless 1996). The judgement highlighted the fact that the city was aware of a vast increase in the arrest statistics of homeless persons since 1995.

A number of passages from the judge's decision are worth quoting (Task Force for the Homeless 1996):

'...the mayor and police chief were on general notice that the homeless feared police misconduct and sweeps, and have been largely indifferent to managing the law enforcement response.

'...the evidence further reveals that police officers responsible for patrolling the streets have not received sufficient training in order to prepare them for regular encounters with the homeless.

'The record developed before the court thus far reveals a disconcerting pattern in which Atlanta police officers have arrested and detained individuals engaged in lawful activity...'

This dramatic case was the culmination of five years of accelerating officially sanctioned harassment of homeless people in the city. 'Street sweeps' – the clearing of city streets of homeless people – were conducted on a regular basis in Atlanta prior to major conventions, including 100 people arrested prior to an IOC meeting in the city (Levinson 1993). The impetus for these street sweeps could be traced to the image conscious business elite in downtown Atlanta who were eager to portray a city without social problems. Indeed, the homeless were regularly targeted by the city's press as being the cause of the decline of downtown (Rutheiser 1996).

However, after Atlanta was successful in its bid to host the 1996 Games, the City enacted three ordinances that progressively were designed to criminalise homelessness. These were the Aggressive Panhandling Ordinance, the Vacant Buildings Ordinance, and the Parked Vehicle Ordinance. Thus, the new laws prohibited soliciting alms, entering vacant buildings, and entering a parking lot without owning a vehicle parked there.

These ordinances joined other arcane laws. Together they were enforced to create a vagrancy-free zone. Significantly too, the 1991 ordinance amendments increased the maximum sentence for all these violations from two to six months. The Atlanta Task Force for the Homeless kept a watching brief on the use of the ordinances since the early 1990s. The figures for arrests of homeless persons under these provisions rose from 1,700 in a 4 month period in 1993 to 9,000 for the 12 months prior to the Olympics. In the 4 month period in the summer of 1993, they tracked arrests on a daily basis and plotted them against the major conventions in the city. This revealed that arrests peaked just before these events (Task Force For The Homeless 1993).

The redevelopment of part of downtown Atlanta for the Centennial Park compounded the plight of the city's homeless. The area targeted for redevelopment for the major Olympic public domain showpiece was the location of more than 10% of the city's shelter beds and one large single room occupancy hotel. These facilities were not replaced by the time of the Olympics (Rutheiser 1996).

As with the previous two Olympics, Atlanta witnessed infringements of the civil liberties of homeless people. It should be borne in mind that the criminalisation process was a concerted effort on the part of political and business elites to mask the social ills of the city. Ordinances were enacted many years before the Games. From the outset, the police enforced these ordinances with rigour. Moreover, the street sweeps reflected the pattern of major events in the city. The intention was clear and the implementation was thorough. Only on the eve of the Games did housing advocates see signs of some relief in this treatment of the homeless residents of Atlanta.

Anita Beaty from the Atlanta Task Force for the Homeless commented that (Beaty 1998, p. 50):

In Atlanta, I think we did the Olympics as badly as they may be able to be done except in Seoul Korea, in terms of the displacement and incarceration of poor, helpless and minority populations.

Lessons for Sydney. Sydney has not witnessed the institutionalised harassment of homeless persons as seen in Atlanta. Institutionalised harassment refers to the consistent application of laws and ordinances by government authorities to harass homeless persons or deny them the rights accorded to other citizens. However, as the experience with Operation Gateway in Sydney in 1998 shows, harassment of homeless persons is not unknown here (see p. 33). It stems from the same motivation – to dispel any negative image that outsiders may have due to the presence of homeless persons on the street. There appear to be mixed responses to the treatment of homeless persons by the authorities in Sydney. There is a concern from those working directly with the homeless that in an ‘image conscious’ period of time, such as the Olympics, official responses may become more punitive and institutional.

Homelessness in Sydney

The dimensions of the homelessness problem in Sydney are difficult to measure. Jennifer Westacott, Deputy Director-General of the NSW Department of Housing, provided some useful indicators of the problem at a recent homelessness conference (Westacott 1998). These were:

- 60,000 families and individuals seek assistance under the Supported Accommodation Assistance Program (SAAP) annually in New South Wales (this figure presumably includes accompanying children).
- The Homeless Persons Information Centre receives around 29,000 inquiries per year.
- There are currently 96,000 households on the public housing waiting list.
- Around 2,000 households are approved for priority housing each year, with 38% of applications in the Central Sydney Region from persons with a mental health problem.
- Over 4,500 persons were assisted with temporary emergency accommodation as part of the rental assistance scheme in 1997-98.

Table 10 shows the data from a recent survey by the National Data Collection Agency. For the second year in a row, the best available data on homelessness shows that for every person supported by the refuge system, another was turned away – 50% of requests cannot be met. The system is only meeting the needs of half of the homeless. The NSW figures are significantly worse, and show an increase of about 15% in the numbers being turned away compared to previous years. Comparable figures were first issued in 1996/97, and for NSW showed 29,000 assisted and 29,000 turned away (see also, Department of Urban Affairs and Planning 1998).

Table 10: Supported Accommodation Assistance Program – turn away data 1997/98

	<i>National</i>	<i>NSW</i>	<i>NSW as % of total</i>
Number of homeless people assisted by SAAP. (Best estimate of number of clients accommodated or otherwise supported by SAAP but excluding accompanying children).	110,260	31,470	29%
Number of homeless people turned away. (NDCA survey 13-26 Nov. 97 extrapolated to full year.)	107,060	33,370	31%

Analysis based on the 97/98 report of the National Data Collection Agency (NDCA) for the SAAP Program nationally and in NSW. Full year data extrapolated from 2 week survey data.

Consistent with the above data, the Homeless Persons Information Centre (HPIC) at Sydney City Council has documented a dramatic rise in homeless persons seeking assistance from their agency over the past few years. Figure 1 shows the inquiries to the service over 1992-99.

Figure 1: Homeless Persons Information Centre inquiries 1992-99

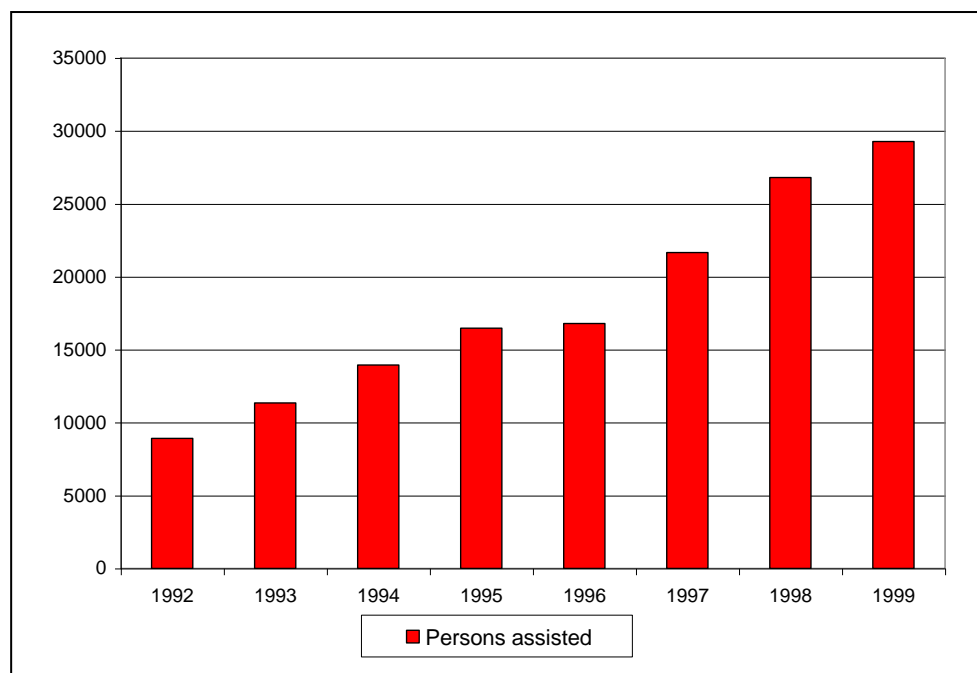


Table 11 shows the breakdown of calls by the outcome of the assistance provided. The data reveals a steady rise in inquiries for assistance over the

seven year period. There was a significant step from the 1992 level to the 1995-96 level and another significant step to the 1998-99 levels.

Table 11: Outcomes of HPIC assistance

	1992	1993	1994	1995	1996	1997	1998	1999
Inquiries - persons:	8,907	11,348	13,945	16,470	16,802	21,657	26,805	29,272
Referrals - accommn:	2,113	2,645	3,225	5,166	7,902	9,454	14,190	16,147
Brokered clients:						1,285	2,410	1,917
Needs unmet:	736	713	238	188	572	1,061	298	281

Source: Homeless Persons Information Centre, City of Sydney 1999.

Brokerage services

In 1997, Sydney City Council initiated the Community Strategic Partnerships Program to address the problem of the shortfall in crisis accommodation for the city's homeless. This involved joint funding with the Department of Housing of four agencies to act as brokers of budget short stay accommodation for homeless people. Clients who meet basic requirements, mainly relating to not requiring supervision, are directed to the brokerage services. These agencies then place the client with a local hotel for a few days during which time a more lasting solution to their situation is explored.

The four agencies in the Community Strategic Partnerships Program are the Sydney City Mission, the YWCA, Anglicare, and Wesley Mission. The brokerage scheme came at a time when traditional crisis accommodation, such as provided by charity run hostels, was at crisis point. There had also been a structural change in the nature of crisis accommodation, from dormitory style to one and two bedroom rooms. In 1997, the unmet demand for emergency accommodation came to a peak at 1,061 calls. This figure may have doubled without the brokerage services. The following year brokerage services were fully operating. They cushioned a large level of unmet demand. That is, they absorbed a large proportion of the overflow from the refuge system, people who may otherwise have been on the streets. In this sense, brokerage is hiding the extent to which the refuge system otherwise would have been overtaken by growth in demand in the past three years.

Homeless Persons Information Centre

The Homeless Persons Information Centre accepts calls from across the metropolitan area and from elsewhere in NSW. In the 1998-99 financial year, around 36% of call were from the inner Sydney area, 24% from middle ring

suburbs, and 33% from outer suburbs.² Approximately 7% of callers were located in country NSW (representing 1,131 calls). These proportions were almost identical to the previous year.

Table 12: Destination of HPIC successful referrals		
	<i>Persons</i>	<i>% of successful outcomes</i>
SAAP service:	9427	59.2%
<i>Non-SAAP services -</i>		
Dept of Housing temporary accomm.	2457	15.4%
Private hotel or caravan park	129	0.8%
Boarding house	349	2.2%
DV 008, DoCS	788	4.9%
Child Protection Unit	717	4.5%
Other non-SAAP	119	0.7%
Total Non-SAAP:	4559	28.6%
<i>Referrals to brokers -</i>	1947	12.2%
Total successful outcomes:	15933	100.0%

Source: Homeless Persons Information Centre, City of Sydney 1 July 1998 – 30 June 1999.

Table 12 shows the destination of HPIC referrals. Nearly 60% of successful client referrals were to a SAAP service, such as a charity run hostel. Nearly 30% were to non-SAAP services, with about half being accommodated by the Department of Housing under their Temporary Accommodation Program. This program uses a range of accommodation, including budget hotels and caravan parks. The Community Strategic Partnerships brokerage services handled around 12% of the successful referrals. In absolute terms, this figure is approaching the number assisted by the Department of Housing under their temporary accommodation program. It should be noted that both the Department and the brokerage agencies accept clients from other referral agencies and also from persons who self-refer (people coming in off the street). The conclusion from the analysis is that the non-SAAP positive outcomes are heavily reliant on low cost tourist accommodation. This makes the situation with brokerage services during the Olympics even more acute.

The HPIC data does not indicate absolute levels of homelessness in the metropolitan area. The data records requests for assistance. Some individuals and families may appear a number of times in any one year's statistics. However, the figures do track an upward trend in the problem of homelessness. Clients appearing in the statistics more than once points to the fact that lasting solutions have not been found. These figures are consistent with the long term decrease in housing affordability in the Sydney metropolitan area, particularly the dwindling stock of low cost rental accommodation. The HPIC data for 1998-99 records that a third of callers cited financial difficulty as their primary reason for being homeless.

The HPIC reports an increasing trend in homeless persons arriving from country areas of NSW and also from other States. The HPIC data records the location of the caller's last permanent accommodation. In 1997-98, 4,986 persons stated NSW country or interstate as their last permanent residence.

² The inner area comprises the LGAs of Ashfield, Drummoyne, Leichhardt, Marrickville, North Sydney, South Sydney, Sydney City, Waverley, & Woollahra.

This represented 28.2% of total persons assisted. In 1998-99, this number had increased to 5,752 (28.4%). The current financial year is likely to see a further increase since itinerant workers have moved south from Queensland (against the usual winter trend), possibly in search of building work associated with the hail storm damage. This trend is likely to be duplicated in 2000 as itinerant workers search for jobs in the construction industry and Olympic related areas. A proportion of these report as homeless to the HPIC.

Street homelessness

Street homelessness is another dimension of the issue. A number of homeless people sleep out in the streets and parks of Sydney on a regular basis. This may be because they are not permitted hostel accommodation due to previous circumstances or incidents. It may also be a preferred choice. This group of homeless persons is particularly hard to contact and quantify.

Professor Tony Vinson from the Department of Social Work at the University of New South Wales is currently researching this group of homeless (pers. comm. 10 Aug. 1999). A number of interviews have been conducted with people who sleep on the streets on a long term basis. Estimates vary about the number of persons who sleep out on any one night in Central Sydney. The police estimate around 70 to 100 persons sleep out in the Domain. Informal surveys reveal around 20 persons in the Hospital Road area and 30 in the CBD. Vinson's estimate is around 150 in Central Sydney (Domain, Botanic Gardens, and Prince Alfred Park). Safety is one of the most important considerations, especially so after the recent murders of Keith Kettley in the entrance to the Domain carpark in June 1999 and Reginald Mavin in Jubilee Park in Glebe in August 1999. These deaths bring to four the number of homeless people murdered in the past nine months in inner Sydney. Vinson states that homeless people he interviewed regard the proximity of the police and the presence of council rangers to be an advantage in terms of providing some sense of security. Council officers attending the focus groups confirmed this view.

In contrast to this picture of helpful police responses to homeless persons was the report in September 1998 of an official police operation in Surry Hills and Darlinghurst (Brad & Morgan 1998). This became known as 'Operation Gateway'. Aspects of this were documented in a paper published by the Uniya Jesuit Social Justice Centre (Piedade & Vinson 1998). The operation was characterised by moving homeless people on from main thoroughfares, such as Oxford Street. There were no reports of arrests.

Piedade and Vinson describe the reaction of the police superintendent who initiated the operation. He denied a link with the Olympics and stated that the operation began from his 'own observations about the number of homeless on the streets and repeated complaints from residents and business operators'. Opinions differ amongst homeless persons agencies working in the inner city regarding the duration of Operation Gateway and the motivations behind it. Some report a week and others up to six weeks. Their main concern is that there may be pressure from a range of sources for the police to engage in such an operation prior to and during the Olympics.

There is also a concern that police and security personnel from other districts may be used in the City of Sydney to handle additional crowds. They may not have experience with the homeless that the inner city police service have and

may adopt a heavy-handed approach. In the civil proceedings in the Atlanta homelessness case, the police were reprimanded by the judge for having insufficient training or experience with homeless people.

Local government regulation is also a concern. In early June 1998 there were calls by the Olympic Mayors' Group for increased powers to deal with street vendors and hawkers during the Olympics. These measures were interpreted by some non-government organisations as being able to be used to harass homeless persons as well. In the press coverage that ensued, the mayors stated that the issue of homeless persons had not been raised in these discussions (AAP 1998). However, there remains a potential for a range of local government ordinances, such as alcohol free zones, to be used to control homeless people on the street.

Similar institutional structures as existed in Atlanta are available in Sydney to both police and local authorities. Though Sydney has not had the same experience with concerted harassment of the homeless, as happened in Atlanta, it is important that proactive measures be taken to ensure it never happens here.

Issues from the focus groups and interviews

Two focus groups, one on homelessness in general and the other on brokerage services, were conducted for this study. In addition, interviews were carried out with service providers from inner city agencies, including Sydney City Mission and Missionbeat. The intention of these was to gain practical understanding of the operation of homelessness services and brokerage agencies, particularly under conditions of increased demand. Participants were asked about conditions during major events in Sydney and what could be anticipated during the Olympic period.

It should be noted that direct consultation with homeless persons was not possible. Therefore, direct experiences of changes in policing practices have not been obtained. Reliance has been had on feedback from homeless persons' agencies. There may be a difference in perception between these two groups.

The following issues emerged from the focus groups and key informant interviews regarding homelessness in general:

- There is an extremely high demand for homeless services and brokerage during school holidays and major events. This high demand occurs before and during regular Sydney events, such as Grand Finals, the Royal Easter Show, Christmas and New Year, and the Sydney Gay and Lesbian Mardi Gras.
- At times when many domestic visitors are staying with family and friends in Sydney (eg Christmas and New Year), a proportion become temporarily homeless due to family conflict and breakdown or domestic violence. This situation is likely to be more severe during the Olympic period when the numbers of domestic visitors will be much higher.
- Demand for crisis accommodation has increased ten-fold since 1992. There has been a 70% decrease in single men's crisis beds in inner

Sydney in the past three years from around 1000 beds to 360 beds currently.

- All SAAP funded hostels with crisis beds are already operating at full capacity and have to turn people away every day. Most services are full by noon and some report turning away as many as 50 persons daily. There is no capacity to handle increased demand.
- Volunteer resources are likely to be stretched during the Olympics. This will limit the options of non-government agencies serving the homeless to extend their services.
- There has been an increasing trend for people from inter-State accessing HPIC services over the past three years. This may be exacerbated during the Olympic year. The 1999 figures show that 2,450 people phoned HPIC from other states out of the total of 20,184 phone calls.
- In 2000, itinerant workers are likely to come to Sydney in search of Olympic related employment. This trend commenced in 1998 and is likely to be exacerbated in the next 12 months. Many of these people do not have any arrangements made in advance either for income or accommodation. They are likely to make demands on homeless persons services.
- Sydney City Council regulatory staff and Royal Botanic Gardens/Domain staff generally take a protective approach to homeless people. There are no operational directives to move the homeless on. Staff on the whole assist people to access services.
- Local inner city police services (Surry Hills, Kings Cross, and The Rocks) generally have a sensitive approach to the homeless. There was a concern about use of police from outside the area during the Olympic period who may adopt a more hostile attitude.
- There is some confusion between local government and police about who is responsible for homeless persons on the street.

The following issues emerged from the focus groups and key informant interviews regarding brokerage services specifically:

- During major events in Sydney (Grand Finals, New Year's Eve, Chinese New Year, Sydney Gay and Lesbian Mardi Gras, Royal Easter Show), the supply of low cost hotel rooms diminishes or is completely unavailable. There has been some success with brokerage agencies pre-booking rooms in advance of major events such as Mardi Gras.
- During school holidays all sources of temporary accommodation are unavailable. This includes low cost hotels and caravan parks in Western Sydney. The situation is much tighter than during major events.
- Private low cost hotels are indicating they will be fully booked during the Olympic period. However, they have not indicated any major price rises.
- The Department of Housing intends to block purchase temporary accommodation for the Olympic period. There is no indication as yet

whether this has been successful. The Department does not expect a marked increase in homelessness in the long term. The primary concern is to continue services uninterrupted during this time.

- The YWCA has made limited arrangements for temporary accommodation during the Olympic period, but this may not solve the problem.
- Other brokerage services cannot make block bookings due to lack of forward funding.
- An essential aspect of brokerage services is transport. Individuals and families are often persuaded to return to their place of origin, particularly if they are from country NSW or interstate.
- Brokerage services anticipate an increase of children at risk issues in the Olympic period.
- There is a need for a coordinated service response from all agencies, government and non-government. This would incorporate a common intake procedure.

Impact of the Sydney Olympics on the homeless

A number of major issues emerge from the analysis of previous hallmark events and the research conducted locally. The Atlanta and Barcelona experiences regarding harassment of homeless persons should not be discounted as 'it could never happen here'. The research clearly indicates the motivation of 'sprucing up the city' as being a driving force behind these actions by city authorities. Vigilance is needed to ensure this motivation does not take hold in Sydney.

These impacts are likely to be significant for around three to six months in the lead-up to and during the Olympics and Paralympics. Each impact needs varying degrees of intervention in order to minimise or mitigate it. These measures are discussed in the next section.

The impact categories are summarised in Table 13.

Table 13: Impact summary – The homeless and the 2000 Olympics

- There is likely to be an overall increase in homeless persons from a variety of sources (itinerant workers, new arrivals, mentally ill & developmentally delayed persons, family breakdown, displacement from boarding houses/cheap hotels, displacement from caravan parks). This situation may be augmented by possible evictions from private tenancies.
- Many tourists will become 'accommodationless' due to arrangements made in good faith falling through (eg. hotels and hostels over-booking) or through incidents such as robbery.
- Crisis and hostel services are already at full capacity. There will be no scope to absorb the increased demand.
- Brokerage services rely on cheap tourist accommodation. This supply will be unavailable during the period of the Games due to take-up by visitors.
- Homeless persons who regularly sleep out in city parks and other public places will be displaced due to 24 hour Olympic events and 'live sites'.
- Homeless persons may be increasingly visible over the Games period. This may lead to 'criminalisation' effects, in the form of harassment by authorities or members of the public.

In 1997, the Ministerial Advisory Committee on the Supported Accommodation Assistance Program highlighted three sources of potential increased demand in the lead-up to and during the Olympics:

- People displaced from the bottom end of the housing market, particularly from boarding houses,
- Domestic visitors, and
- Incoming workers.

This pattern of demand is consistent with the views of most service provider agencies. With any large event, problems will also occur with tourists becoming 'accommodationless', for instance, through over-booking by hotels or because of robbery. There will be a range of other people attracted to the excitement and general opportunities offered by the event. These may be new arrivals seeking work, the mentally ill, or the developmentally delayed.

There are differing opinions as to what might be the extent of the problem. Some agencies regard the Olympics as having only a minor impact on demand. Others are of the opinion that many domestic visitors will arrive with no accommodation. Others calculate that only a minor level of family breakdown in hosting arrangements would result in a crisis situation. Increases in demand have been estimated at anything between 20% and over 100%. Due to the high level of uncertainty about the quantum of the impact, a precautionary approach is warranted.

Research on previous hallmark events, particularly Olympic Games, has not uncovered major increases in homeless persons during the event itself. This may be due to under-reporting, absence of monitoring, or lack of official concern by government authorities. However, *The Washington Post* reported a major increase in both legal and illegal itinerant workers coming to Atlanta in the year before the Games for a range of construction projects, sparking a series of arrests by Federal authorities (Branigin 1996).

During the America's Cup in Fremantle, the Community Liaison Officer employed by the Commonwealth America's Cup Support Group established an emergency accommodation service. Vacant nurses' quarters were used for this purpose. The operation was administered by the Youth Hostels Association. The project remained fully booked for a 3 month period and was used by visitors in need of accommodation. There was also another project, which was administered by the Uniting Church. This appeared to be targeted at local emergency accommodation needs rather than tourists (Bonnick 1987).

In the past year, budget hotel operators have confirmed that rooms will not be available for brokerage services during the Games. A survey conducted by the Sydney Morning Herald in August 1998 found most hoteliers were not interested in accommodating homeless persons but were keen to make the most of the Olympics opportunity (Horin 1998). Another matter of concern was the reports that a number of councils wanted wider powers to deal with 'hawkers, beggars, and loiterers' during the Olympics. During the outcry from welfare groups that ensued, the councils emphasised that these powers would not be used against the homeless (Brown 1998; Totaro 1998). There has also been concern about the 1998 amendments to the Summary Offences Act which give police broader move-on powers and definitions of obstruction (Lyons 1999).

Impact management strategy – The homeless

The first step in developing an impact management strategy is the evaluation of the likelihood of occurrence of identified impacts. This assessment is shown in Table 14. All the impacts should have an impact mitigation strategy associated with them. Where aspects of impacts are uncertain, as with the quantum of the increase in homelessness, a precautionary approach should be adopted – that is a contingency plan needs to be devised. Lack of certainty should not be an excuse for inaction. The worst case scenario must be planned for.

Table 14: Likelihood of occurrence of impacts on the homeless

<i>Impact issue</i>	<i>Likelihood of occurrence</i>
1. Increase in homeless persons requiring assistance.	➤ <i>Highly probable.</i> An increase in homelessness is highly probable, particularly in the 6 months prior to and during the Olympics (May – October 2000). The quantum or extent of increased demand is highly uncertain. The worst case must be planned for.
2. Visitors becoming 'accommodationless'.	➤ <i>Certain.</i> For any major event, a proportion of visitors will experience problems. This may be from a variety of causes. The result will be that they will be temporarily homeless and in need of assistance.
3. Lack of capacity in crisis accommodation.	➤ <i>Certain.</i> All services are at full capacity currently. There are no plans to increase funding or service capacity during the Olympics.
4. Unavailability of supply of temporary accommodation for brokerage.	➤ <i>Certain.</i> All commercial accommodation will be used for visiting tourists.
5. Displacement of the homeless from city centre parks.	➤ <i>Certain.</i> Most locations will be used for Olympic events. Impact likely to be for month of September only.
6. Harassment of homeless persons.	➤ <i>Possible.</i> Dependent on police/security services operational directives. Also possible from crowds and intoxicated members of the public.

Key actions – The homeless

Addressing the impacts of the Olympics on the homeless is a complex task. The homeless cannot be viewed as a homogenous group with similar needs. Homelessness is a multi-faceted problem, involving a web of agencies. The Partnership Against Homelessness and the Department of Housing's Homelessness Action Teams have roles in assisting in this process. However, both have wider briefs than the Olympics and have as yet taken no lead regarding Olympic impacts.

The Department of Community Services had lead agency status on the issue of homelessness for several years before it requested it be relieved of it. However, it had prepared no plans with regard to the impacts of the Olympics on homelessness. Proactive and urgent action is now essential.

In order to kick-start precautionary action to address impacts on homeless people an Olympics and Homelessness Task Force and a Seconded Officers Group are proposed. These will be charged with initiating the major impact management strategies. Many of the initiatives will require funding from the Department of Community Services and/or the Department of Housing.

Harassment of the homeless cannot be ruled out in the lead-up to and during the Olympics. A Code of Conduct is recommended together with the establishment of a Homelessness Ombudsman.

Emergency accommodation responses for the worst case scenario must be tested in practice before the Olympics. There are a number of major events in the 12 months prior to the Games where real life tests of a variety of measures can occur.

All these strategies must work in tandem. They must also be put in place without delay. The precautionary approach is central to planning in this area. Strategies that are literally available today may not be available in a month or three months' time. This is obvious in relation to securing accommodation for brokerage services.

The recommendations in this section follow the impact categories listed in Table 14.

To address the increase in homeless persons requiring assistance

H1.1 Establish an *Olympics and Homelessness Task Force* comprising representatives from the NSW Department of Housing, NSW Department of Community Services, the Commonwealth Department of Family and Community Services, the Olympic Co-ordination Authority, the Social Impacts Advisory Committee, Shelter NSW, the Homeless Persons Information Centre, brokerage services, major crisis accommodation SAAP providers, and relevant consumer groups or community reference groups.

The Task Force should be given broad terms of reference and a high level of delegation to access services. The Task Force should report to the Social Impacts Advisory Committee on a monthly basis and should have a complete set of Olympic impact management strategies in place by 1 December 1999.

The Olympics and Homelessness Task Force should be serviced by the seconded officers group recommended in H1.2.

H1.2 Establish a *Seconded Officers Group* from the Department of Housing and the Department of Community Services to initiate action in this area. These officers should have a high degree of delegation. The operation should be flexible enough to permit additional recruitment should the high range of expectations on increased homelessness eventuate.

The Group should monitor on a weekly basis change in demand for Homeless Persons Information Centre services, with particular emphasis on country NSW and inter-State clients. The Group should also report to the Olympics and Homelessness Task Force on a monthly basis regarding preparations for Olympic Games related impacts.

H1.3 Increase funding to the Homeless Persons Information Centre to for a 7 month period in the lead-up to and including the Olympics and the Centenary of Federation (June 2000 to January 2001). The best estimates at this stage are for an increase in day shift staff by 6 full-time equivalent persons.

To address visitors becoming 'accommodationless'

H2.1 The NSW Police Service is expanding its Tourist Liaison Unit for visitors who may become victims of crime during the Games or who may have double booked accommodation or have no money. Fifty volunteers will provide assistance with accommodation, meals, liaison with consulates and airlines. Counselling will also be available. The Tourist Liaison Unit should:

- Ensure volunteers are fully trained and informed in all aspects of community services and emergency accommodation;
- Consider operating from central Sydney as well as the current office in Parramatta;
- Establish a protocol with the Homeless Persons Information Centre and the Department of Housing regarding providing accommodation for visitors who become 'accommodationless' during the Olympic period; and,
- Provide a budget to enable the accommodation needs of tourists to be directly addressed by the Tourist Liaison Unit without reliance on homeless persons agencies.

To address lack of capacity in current crisis accommodation

H3.1 Establish new short to medium-term accommodation facilities where the Homeless Persons Information Centre indicate the demand is coming from - the Central Coast, Illawarra, Western Sydney, and South Western Sydney. These services should continue to be used to meet this demand in the post Olympic period. Unless the unmet demand is addressed, the increasing number of homeless persons will have no choice but to sleep on the streets

as the peak period of the Olympics approaches. Brokerage services should be developed in tandem with these new services (see H4.5).

H3.2 Investigate surplus government property that may be able to be converted into supervised temporary accommodation for the Games period (similar to the accommodation provided during the America's Cup in Fremantle).

H3.3 Preparation of an emergency temporary accommodation program in conjunction with the City of Sydney, South Sydney and other relevant councils utilising community halls in various locations around the metropolitan area. This should act as a contingency plan should high levels of homelessness eventuate. The contingency plan should anticipate clients with high support needs. The plan should provide for sufficient support staff, a quality living environment, fire safety standards, and adequate personal safety and security. There also will be a need to plan for exit points to alternative secure post-emergency accommodation.

To address unavailability of supply of temporary accommodation for brokerage

H4.1 The Seconded Officers Group should coordinate plans to secure temporary accommodation for all brokerage services and for temporary emergency accommodation. This should be especially focussed on the three month critical period before and during the Olympics (August - October 2000).

H4.2 Investigate a range of alternative sources of temporary accommodation to be accessed by brokerage services (e.g. church conference centres, private boarding schools, and university halls of residence).

H4.3 Establish liaison with the Program Manager Accommodation at SOCOG to enable unmet bookings in low cost accommodation to be transferred to brokerage services. The Seconded Officers Group should liaise between SOCOG and brokerage agencies to ensure that these services are made aware at the earliest possible time of available accommodation to assist homeless and accommodationless persons.

H4.4 Increase funding to existing brokerage services to enable them to meet increased demand in 2000. There should be an enhanced transport component of brokerage funding to enable services to transport clients to locations where they may have had permanent accommodation in the past. This should include a prioritised ticketing facility with State Rail.

H4.5 Establish new brokerage services in locations where there is an existing high level of demand for HPIC services. New brokerages should be established in the Central Coast, Illawarra, Western Sydney (Parramatta), and South Western Sydney (Campbelltown). They should be planned in conjunction with the new short to medium-term accommodation facilities proposed under H3.1, preferably located in the same agencies. These services should have infrastructure support from regional agencies in order to permit appropriate placement of clients in more lasting accommodation once they exit from brokerage.

To address displacement of the homeless from city centre parks

H5.1 That the Sydney City Council's Homelessness Strategic Reference Group in conjunction with Missionbeat and other relevant agencies be available to assist people who regularly sleep in city parks to find other options during the Games. Planning for this should be part of the task of the Seconded Officers Group.

To address harassment of homeless persons

H6.1 Establish a *Homelessness Code of Conduct* with the NSW Police Service, the City of Sydney, South Sydney Council, Parramatta Council, the Local Government and Shires Associations, and SOCOG.

The Code should address the conduct of police, council regulatory staff, and private security personnel in dealing with homeless persons during the Olympic period. This should include a protocol relating to how problem issues are resolved. Missionbeat and other relevant services should be consulted and involved in the process. It should also establish how anti-hawking or loitering regulations would not be abused. Guidelines for the enforcement of anti-hawking and similar regulations should be prepared to ensure that they are not used to harass homeless people.

This Code of Conduct should also address how council, the police, and homeless persons agencies can best assist people who regularly sleep in city parks who will be displaced by the City's 24 hour 'live sites' for cultural events (eg The Domain and Belmore Park) during the Olympics.

H6.2 A *Homelessness Ombudsman* should be established to operate for a 10 month period from May 2000 to February 2001, to encompass the Olympic Games, Paralympic Games and the Centenary of Federation.

The Ombudsman should have oversight of the Homelessness Code of Conduct. The position should be established in the Office of the NSW Ombudsman and have wide ranging powers to act on complaints from individuals and third parties (where the third party is representing a homeless person).

The Homelessness Ombudsman should be proactive and be able to act within a 12 hour period to resolve breaches of the Homelessness Code of Conduct, liaise directly with Patrol Commanders and be able to access the Police Integrity Commission. Part of the role should be to educate all parties, including individuals, agencies, police, councils, and private security firms as to their rights and responsibilities.

Strategies should be developed to inform the client group of their rights. The overall aim of the Homelessness Ombudsman should be to protect the civil rights of homeless persons during this time.

To use other major events as ‘test events’ to trial homelessness strategies

H7.1 New Year’s Eve and the holiday period is traditionally a time when homelessness increases in Sydney. Other events such as the Sydney Gay and Lesbian Mardi Gras and the Royal Easter Show present problems for agencies assisting homeless persons due to the high occupancy rate of tourist accommodation. In the lead-up to the Olympics, these events should be used as ‘test events’ to trial a number of the strategies proposed here.

The Homeless Persons Information Centre should be fully operational during public holidays. It should both assist homeless persons and gather data. The HPIC should also monitor demand on the brokerage services during this period.

The Olympics and Homelessness Task Force should test a number of strategies during the Millennium holiday period and provide an evaluation report no later than one month after the event to the Social Impacts Advisory Committee, brokerage services, and SAAP funded agencies. Emergency temporary accommodation strategies should be tested during the holiday period. The lessons from this event should have wider applicability to all major events in Sydney as well as the Olympics. A similar exercise should be conducted for the 2000 Sydney Gay and Lesbian Mardi Gras and the 2000 Royal Easter Show, with a possible focus on brokerage services.

Major issue 2 – Tenants

Introduction

This section examines the second major impact area identified in the scoping workshop – rent increases, tenant displacements and evictions. Some of the impacts on tenants result from urban development effects, which have been occurring since Sydney won the bid. Other issues relate more to direct displacement to accommodate tourists. The actions recommended in this section relate to both areas.

City snapshot – Atlanta in 1996

There were two main aspects of the impacts affecting tenants in Atlanta. These were a generalised increase in rents and property market speculation.

The Olympics clearly caused a short-term surge in both the local economy generally and in the property market specifically. The economic impact was short-lived and limited to the two years prior to the Games. Similarly there was a dramatic spike in the property market (both rental and sales). But after a brief post-Olympic downturn the rental market appears buoyant once more.

The data on housing markets comes from three sources. Firstly, the U.S. Department of Housing and Urban Development (HUD) publishes a quarterly report called *U.S. Housing Market Conditions*. These detail sales price data, mortgages, rental vacancy rates and median rents on a broad regional basis. The second source comes from the National Low Income Housing Coalition in Washington DC. This provides city and county rental market data for the whole USA. Finally, Merrill Lynch produces a periodical publication called *Apartment Markets*. This is published on a regional basis.

These sources have been analysed to build-up a picture of how the rental property market, in particular, responded to the Olympics. First of all, it is important to position Atlanta in the national property market. Georgia is in the US Sunbelt, which stretches from North Carolina in the east to Southern California in the west. The Sunbelt was the site of much suburbanisation and population migration from the 1950s onwards, as traditional industries in the north (the Rustbelt) declined. Outside Florida and California, Georgia has the highest rent levels in the Sunbelt (National Low Income Housing Coalition 1997).

In the period 1994-95, apartment construction in Atlanta reached the highest levels since the construction boom that immediately preceded the rental market crash of the late 1980s. There were 8,100 apartment units approved in 1994 and 12,700 units in 1995. The overall rental vacancy rate also had declined to about 7 to 9 percent, after remaining around 12 percent from 1989 through 1992. The *US Housing Market Conditions Report* (1996a) states that due to both the overall market improvement and the inflationary impact of the Olympics, recent rent increases have been substantially above the national average. According to the residential rent survey component of the consumer price index, Atlanta area rents rose 5.6 percent in 1995, more than twice the national average rate for urban areas.

Rental movements for the apartment market have been plotted for Atlanta from data supplied by Dale Henson Associates, a leading firm of Atlanta

property consultants who specialise in the rental apartment market. They compile their own data for the Atlanta Metro area. In addition, data from Merrill Lynch's periodic Real Estate Investment Trust surveys has also been used. The results of this analysis are shown in Table 15. The main issues relate to vacancy rates and annual rent increases.

Vacancy rates started tightening at the end of 1993. The vacancy rate was extremely tight from then until the Olympics. This was at a time when vacancy rates for both central cities in the US and also for the south as a whole were steady at around 8.0% to 8.5% (US Department of Housing and Urban Development 1996b). Vacancy rates are generally much higher for US cities than for Australian cities. This is partly the result of a more diverse stock and significant proportions of housing in poor condition. Landlords often give concessions (for instance, one month's free rent or overall reductions in rent) to entice potential tenants to lease their properties.

Table 15: Rental market analysis – Atlanta apartments				
<i>Year</i>	<i>Vacancy Rate</i>	<i>Average Monthly Rental</i>	<i>Annual Rental Increase</i>	<i>Annual Rental Increase D Class</i>
Dec-90	12.0%	\$521	-	-
Dec-91	13.0%	\$523	0.4%	n/a
Dec-92	9.0%	\$533	1.9%	n/a
Dec-93	6.0%	\$555	4.1%	n/a
Jun-94	5.0%	\$571	5.8%	n/a
Dec-94	4.0%	\$601	8.3%	n/a
Jun-95	4.0%	\$623	9.1%	n/a
Dec-95	4.0%	\$646	7.5%	7.6%
Jun-96	4.0%	\$672	7.9%	6.2%
Dec-96	6.4%	\$678	5.0%	7.5%
Jun-97	6.0%	\$683	1.6%	5.4%
Dec-97	7.1%	\$692	2.1%	n/a

Notes:
Data quoted is for average of all apartments in Metro Atlanta. Apartments are classed A through D; A being the most expensive and D the cheapest.
Source: Merrill Lynch 1997; Dale Henson Associates Inc. 1995-1997.

Average annual rent increases for all apartment types peaked one year before the Games in June 1995 (at around 9.1%). Increases for 'class D' (the cheapest) apartments were lower than the average at around the time of the

Olympics in 1996 but higher in the two years after the Olympics. Renters of the cheapest properties did not benefit from the post-Games downturn in the rental market. The oversupply that was predicted from the pre-Olympics boom mostly affected the higher categories of units. Movements in the Fair Market Rent (FMR) confirm that the lower end of the market remained buoyant post the Olympics. This indicator is the 40 percentile rent (as opposed to the median) and is used to calculate rental assistance under various federal programs. This increased by 6% for Atlanta between 1997 and 1998. Other cities like Houston Texas (3%), Miami Florida (-7%) and Washington DC (2%) recorded lower figures. Only Dallas Texas out of the main south-eastern cities recorded a major rise (15%).

The special Olympics report in the *U.S Housing Market Conditions* report (1996a) regards the trends in rentals as being fuelled by market speculation. It seems that most developers were bringing forward production of units to coincide with the Olympics. The media reports of '2 million visitors' arriving for the Games instigated this fever. There were estimates that as many as 2,500 rental units would be completed just prior to the Games and that a significant share of these units were to be rented to Olympic visitors. The US Department of Housing and Urban Development estimated that between 10 and 20 percent of 1995 apartment production in the Atlanta area was directly associated with the Olympics.

The *U.S. Housing Market Conditions* report also suggested that planned apartment construction had been timed to become available for use as daily or weekly rentals for the Olympics. The report also quoted local market analysts who identified around 1,000 rental units in projects that had contractual arrangements to be used as temporary rental housing during the Olympics. There were purportedly contractual arrangements in place to obligate current tenants to vacate their units for the duration of the Olympics so that property owners could rent them to visitors.

The HUD special report was compiled before the Games. It is clear from interviews with officials and non-government organisations in Atlanta, that the expected windfall did not eventuate. Typically, the accommodation offered was not up to standard. Particularly, recent completions were without basic fixtures, such as floor coverings. There were difficulties furnishing premises to the standard required.

The main report of involuntary evictions in the 'Olympic Ring' encircling the venues and downtown Atlanta occurred fully one year out from the Games. The *Atlanta Journal-Constitution* gave prominence to the Intown Properties case in August 1995 (Turner 1995a, 1995b). The investment company gave notice to tenants of more than a dozen midtown apartment buildings. The message was accept rents of \$3000 per month or leave and sublease their apartment for the four months surrounding the Games. At the time, rents for the apartments were around \$400 to \$500 per month. Intown proposed to rent the units out at \$400 a day, with 30% or about \$2,000 being shared with the tenant.

Tenants of the units formed an action group called ROARR – Residents Outraged About Rental Rape. ROARR organised demonstrations outside the State Capitol building. The Atlanta Committee for the Olympic Games acted quickly and officially condemned Intown Properties, who were forced to rescind their plans and made the scheme voluntary. There appears to have

been no further such incidents. Possibly as the event drew closer, it was evident that Atlanta would have no accommodation shortage. This was demonstrated by the homestay experience.

A survey conducted by Georgia State University's Economic Forecasting Center identified 300,000 home-owners interested in renting their homes to visitors. The dream of speculative gains was not borne out by the reality. There was a laissez-faire approach to the homestay program. Anyone who was a registered realtor could set up a scheme. Schemes proliferated. A typical experience was that of Crown Management. This is one of the largest real estate agents in Georgia and specialises in the rental market. They obtained 10,000 listings but only managed to lease 400 properties.

Lessons for Sydney. Atlanta witnessed a speculative boom in real estate in the lead-up to the Games. Inflated projections of visitor numbers (2 million) and a tradition of a free market unfettered by government intervention served to exacerbate this. The major lesson for Sydney is the need for event organisers, tourist bodies and government to take steps to avert the 'panic syndrome' first witnessed in Fremantle during the America's Cup in 1986-87. Recent articles in the Sydney press have inflated expectations. Such as McDougall's headline in the *Daily Telegraph* – '8 million to join party of a lifetime' (20 July). The State government and SOCOG should be especially alert to sharp practice and unscrupulous dealings in the next 12 months, fanned by over-blown expectations of windfall profits. The lesson from Atlanta is that these practices can be dealt a severe blow by quick and highly publicised action by authorities and Olympic organisers.

Trends in the Sydney rental market – the Olympic effect

There has been much debate about the effect of the 2000 Olympics on the Sydney rental market. The term 'Olympic Corridor' is used freely by real estate agents and financial commentators to denote a corridor of land stretching from the central business district of Sydney through the inner west out to Homebush Bay and Parramatta. It is necessary to go back to the origins of this repositioning of inner western Sydney to gain perspective on the Olympic Corridor issue.

Hooker Research released a report entitled *Sydney: Olympics 2000 – Impact on Property* in the month before the bid was won (August 1993). The report stated that the impact of a successful Olympics on the property market had received very little media coverage. Hooker Research identified the key issue as being the concentration of new facilities and venues in two locations – Homebush Bay and Darling Harbour. The report concluded (Ujdur & Bulloch 1993a, p. 1):

The large majority of Olympic venues and related amenities are based at Homebush Bay and the Darling Harbour area. This fact alone provides a unique and very specific benefit to the local economy and intensifies the impact on the inner Sydney property market.

The authors compared the impact of other events, including the Barcelona Olympics. They stated that the impacts were difficult to precisely quantify, especially for events with venues that were dispersed around the city.

However, the effect in Sydney was likely to be more pronounced due to this concentration in two primary zones – ‘just as the America’s Cup in 1986/7 had a major and lasting impact on the Fremantle property market’ (p. 9).

The main points of this analysis were:

- Property effects are likely to be more intense (compared with other events) due to the concentration of venues, accommodation and facilities in two locations. This will result in an intensifying impact in the Inner West of Sydney.
- The Olympics is unlikely to encourage a dramatic increase in Sydney house prices across the board. However, growth in house prices can be anticipated in areas closer to Homebush Bay and Darling Harbour due to the increased amenity of these areas.
- Improved business sentiment due to the Olympics will lead to increased demand for office space in the CBD, but not to speculative levels.
- There will be benefits to retail markets due to increased tourism induced by the Olympics.
- Increased activity in the industrial property market will occur, particularly in the Homebush Bay area due to the higher profile generated by the Games and improved transport infrastructure.

In Hooker’s next report, following the success in Monte Carlo in September 1993, the term Olympic Corridor was coined. Indeed, the full title of the report is: *The Olympic Corridor – Residential Development at the Starting Block* (Ujdur & Bulloch 1993b). The report mapped a number of sites in this Inner West corridor, with a focus on waterfront areas. The sites were existing or former commercial and industrial uses that had recently been developed or had the potential to become medium density residential. Excluding Ultimo Pyrmont and the CBD, the authors identified 13 sites that were in the planning or construction phase, totaling 1292 units. A further 18 sites were located, totaling 168 hectares, that had potential for redevelopment due to redundant current use or prime waterfront location. Ujdur and Bulloch observed that the area had been ‘rediscovered’ by developers in the preceding 12 months as one of the last remaining waterfront corridors along the upper harbour suitable for medium density residential development.

Ujdur and Bulloch concluded their research by presenting the case for the ‘Olympic factor’ in benefiting house prices in the Olympic Corridor. The key factors were (1993b, p. 4):

- Improved transport and other facilities leading to greater accessibility and reduced travel time;
- Refurbishment of existing public buildings and other amenities;
- Increased public profile of these areas of Sydney and enhanced public perception; and,
- Increased expenditure over a long period of time leading up to the Games.

One Sydney real estate agent commented in an article on the benefits of the Olympic Corridor in the *Australian Financial Review* (Reid 1996, p.68):

These facilities will be of major benefit to the suburbs in the Olympic corridor, as home buyers always consider available services and lifestyle issues when making a decision to buy.

Cox in *Going for Gold in Social Impact Assessment* (1996) analyses the role of hallmark events as urban catalysts. The role of an urban catalyst is to initiate a chain reaction of urban regeneration. The clearest case of this was the Barcelona Olympics. As one urban planner observing the city noted (Wells 1991, p. 10):

The coming of the 1992 Olympic Games has spurred projects in Barcelona that otherwise would have taken 10 or more years to accomplish, if they had been tried at all.

Barcelona's ambitious urban redevelopment schemes resulted in severe land price escalation. The urban transformations in Barcelona have been described as 'the biggest in any major European city after the reconstruction in the aftermath of the Second World War' (Sierra 1992, p. 2). The post-event social impact assessment (Barreiro, Costa & Vilanova 1993) observed a 250% increase in the price of new and existing homes over the period 1986-92; this was regarded as spectacular compared with even Madrid or San Sebastián. A similar situation was recorded in the rental market.

The Hooker research is significant in focussing on the drivers behind this urban catalyst effect of the Sydney Olympics. These urban catalyst drivers can be characterised as:

- An *amenity effect* (new facilities and rehabilitation of degraded sites);
- An *accessibility effect* (additional and improved transportation infrastructure);
- An *expenditure effect* (concentration of expenditure in two locations and associated employment multiplier effects); and,
- A *reimaging effect* (repositioning the property market in the minds of buyers and investors).

Without sophisticated modeling it is difficult to provide estimates of the dimensions of these effects. Ujdur and Bulloch (1993a; 1993b) attest to the empirical challenges presented by such a task. However, these researchers are clear on the existence of the Olympic factor and of its potential to move the housing markets in the Olympic Corridor in an upward direction. Hooker Research were predicting gentrification in LGAs such as Concord well before these effects were evident in the data.

The Olympic effect is a prime example of a cumulative impact process, described at the start of Part 2 (see p.21). The effect is no less real because it cannot be precisely quantified. The coincidence of the four effects highlighted

above has enabled the Inner West to achieve increases in property prices and associated increases in rentals.

Trends in the Sydney rental market – rental increases

Part 1 has documented the monitoring projects that first the Office of Housing Policy initiated and then the Department of Urban Affairs and Planning continued. The Department of Fair Trading is also conducting a separate monitor of the rental market. As mentioned already, monitoring is an important tool in impact management. A tool that needs to be used in conjunction with other strategies, particularly contingency planning (see p.22).

It is now being recognised that there are major methodological problems with the Department of Urban Affairs and Planning's *Rent and Sales Report NSW*. This relates to situations where a rental market is undergoing major structural changes. The *Rent and Sales Report* tracks rents applicable to new bonds. Rent increases that occur in an existing tenancy, which do not require the lodgment of a bond, will not appear in the data record. This aspect of change in an area may reflect gentrification and therefore will be a significant factor that needs monitoring.

Therefore, two dimensions of changes in rent levels need to be differentiated. The first is changes in rent levels of properties already in the private rental market. The second is changes in rents arising from new additions to the private rental market. In a gentrifying suburb there may be additions to the rental stock from new construction. This may be of a higher quality compared to surrounding housing. Also, significant upgrades may be occurring too. The empirical challenge is to disaggregate new rental stock from general price inflation in the private rental market as a whole. It is the general price inflation that may be reflective of improved amenity, access, or reimagining effects.

The Department of Fair Trading's rental monitoring project is attempting to provide such a disaggregation for key LGAs in proximity to Homebush Bay. Until this data is available, it is only possible to analyse the *Rent and Sales Report* data. Trend line graphs have been produced for the Upper and Lower Olympic Corridors for the period March 1992 to June 1999.

Figures 2 and 3 show the median rents for two bedroom dwelling over the seven year period. This median includes both separate houses and flats/units. It has been selected as a general indicator of rental movements in the LGAs under examination. With the possible exception of Sydney City, these LGAs have a mixed housing stock, with no one housing form predominating.

Figure 2: Median weekly rent for two bedroom dwellings – Upper Olympic Corridor (1992-1999)

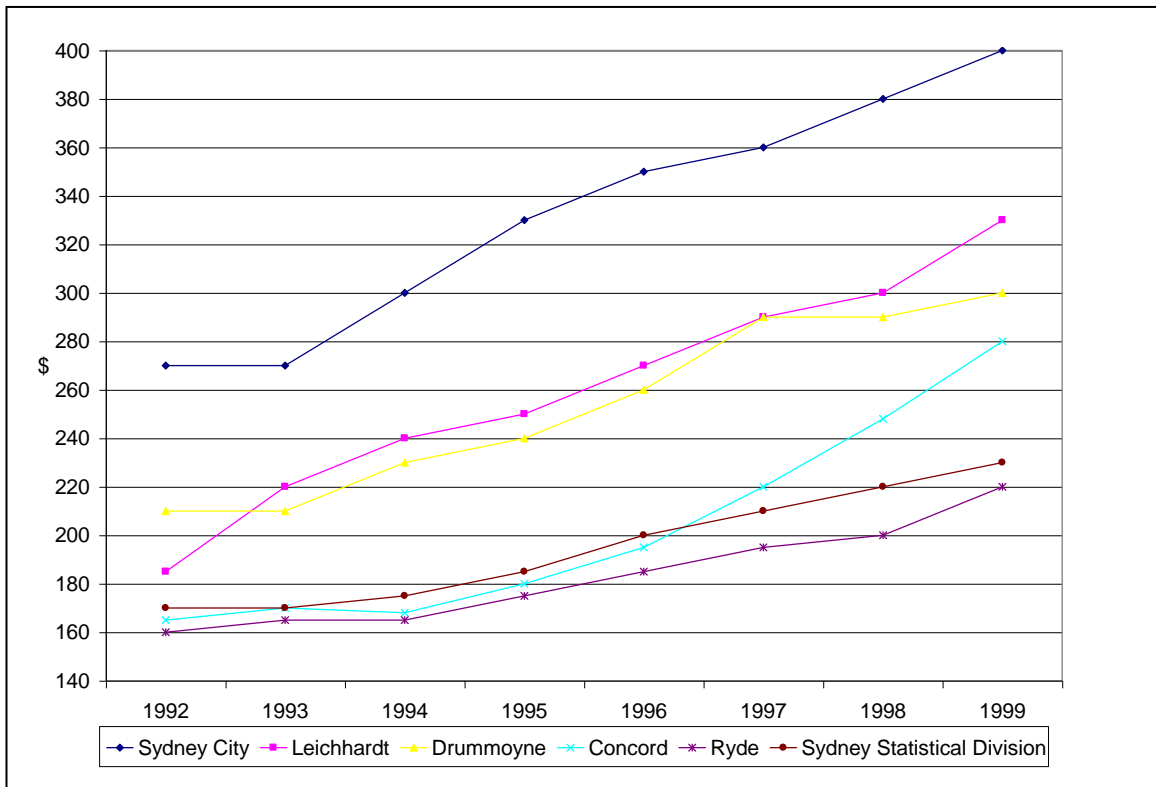
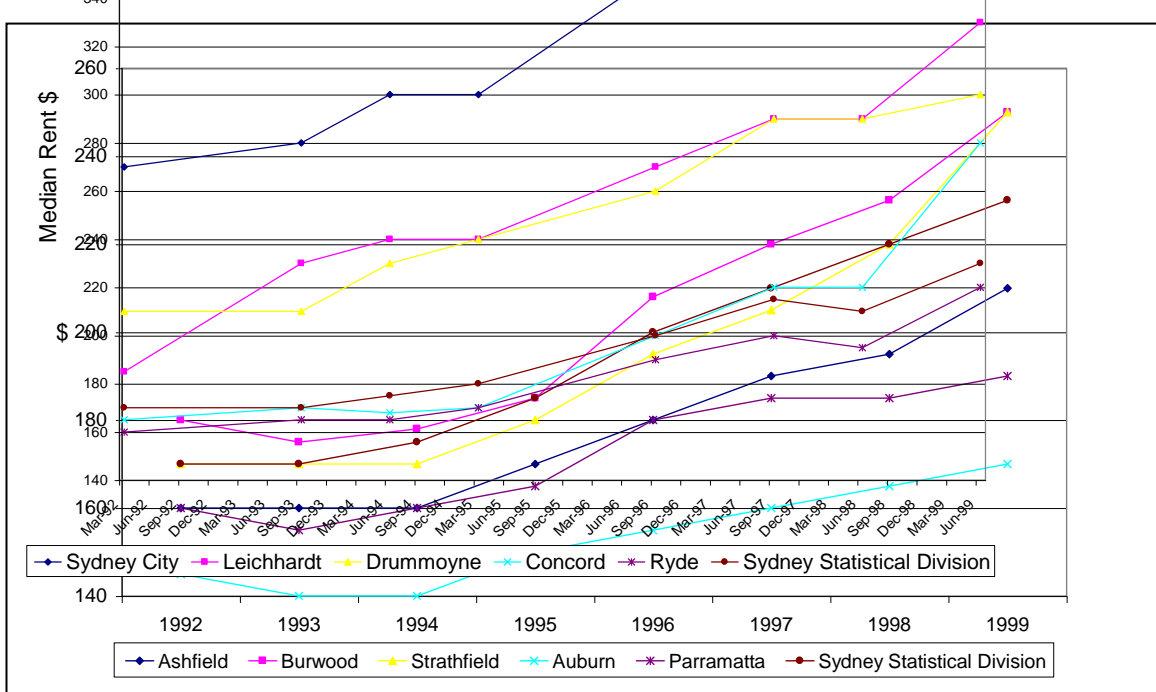


Figure 3: Median weekly rent for two bedroom dwellings – Lower Olympic Corridor (1992-1999)



The analysis has been separated into Upper and Lower Olympic Corridors. The Upper Olympic Corridor comprises the waterfront LGAs from the City to Concord. These were the locations nominated by Hooker Research as having prime waterfront sites with high development potential. Ryde has been included as a waterfront site with high accessibility by road, rail, bus and ferry to the Olympic site at Homebush. By contrast, the Lower Olympic Corridor comprises the land locked LGAs on the main western railway line from Ashfield to Auburn. Parramatta is considered to mark the western reach of the Corridor.

In Figure 2, all the LGAs had median rents above the Sydney Statistical Division (SD) average with the exception of Ryde. All LGAs followed the general upward trend of Sydney SD. Leichhardt commenced the time series at approximately the same base as Sydney SD but surged ahead at the end of 1992, thereafter following a similar pattern to Drummoyne. Concord has had significant rental movement in the last 12 months. This is in part due to large medium density developments, such as the new mini-suburb of Liberty Grove on the Rhodes peninsula, coming on stream. But this may also be due to gentrification – driven by amenity and reimagining effects. Sydney City’s residential market is clearly strong. However, all LGAs have recorded marked rental increases in the past year and the general trend has been higher increases than Sydney SD in most of these areas.

Figure 4: Percentage change in median two bedroom rents (1992-1999)

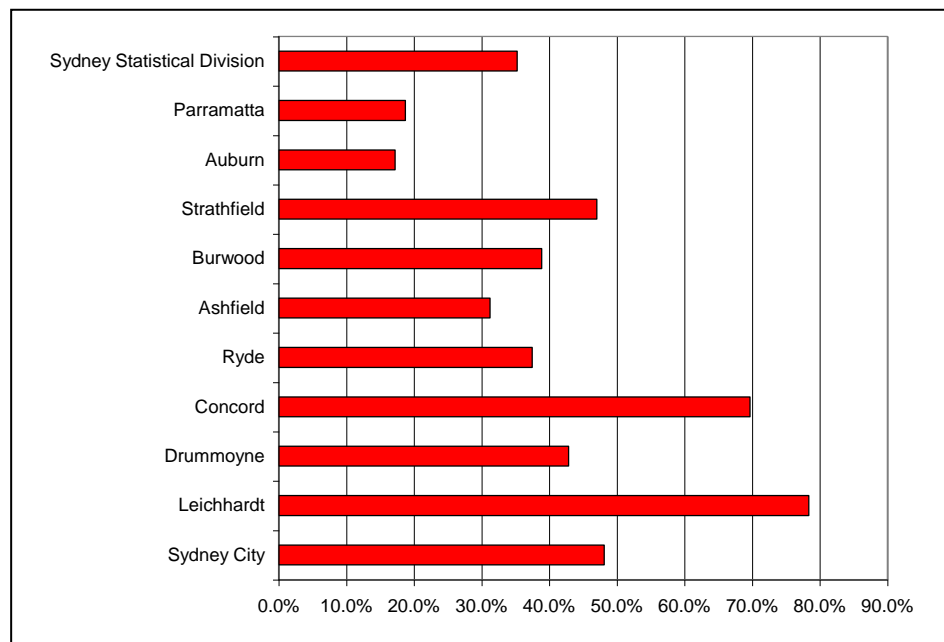


Figure 3 shows the movement in the Lower Olympic Corridor. As the graph demonstrates, median two bedroom rents are closer to the Sydney SD average, with Auburn starting the time series at a low base. The intrinsic attraction of the waterfront is not available to push up sales prices and rentals. Both Burwood and Strathfield have recently surged ahead of the Sydney SD trend. This has reportedly been due to large multi-unit high density developments being completed. These have been well-positioned around the railway stations. For instance, Meriton’s Regal Court in Albert Road Strathfield

is advertised to investors as realising rents of \$310 for a one bed unit and \$380 for a two bed unit. Whether such new development leads to a generalised gentrification trend – i.e. pushing up prices of existing rental flat stock – is unclear from the data. The Olympic effect is less apparent in the Lower Olympic Corridor than in the Upper, though a reimagining effect may be operating to some degree.

Figure 4 looks at the overall change in median two bedroom rents over the seven year period 1992-99. The change over the period for Sydney SD is 35.3%. Concord and Leichhardt experienced the greatest increases, at 69.7% and 78.4% respectively. These were even higher than Sydney City's, at 48.1%. Strathfield had almost the same rental growth rate as the City, at 47.1%. Auburn was little affected by these trends, achieving half the growth of Sydney SD rents, at 17.2 %. There are wide variations apparent in the Olympic Corridor. These relate both to the amenity/accessibility effects and also to the availability of development opportunities. The overall reimagining opportunities also vary considerably amongst these LGAs.

Table 16: Rental market movements 1998-99 (two bedroom dwellings)					
	<i>June 1998</i>	<i>June 1999</i>	<i>Weekly increase</i>	<i>Equivalent annual increment</i>	<i>Annual % change</i>
<i>Upper Olympic Corridor</i>					
Sydney City	\$380	\$400	\$20	\$1040	5.3%
Leichhardt	\$300	\$330	\$30	\$1560	10.0%
Drummoyne	\$290	\$300	\$10	\$520	3.4%
Concord	\$248	\$280	\$32	\$1664	12.9%
Ryde	\$200	\$220	\$20	\$1040	10.4%
<i>Lower Olympic Corridor</i>					
Ashfield	\$195	\$210	\$15	\$780	7.7%
Burwood	\$230	\$250	\$20	\$1040	8.7%
Strathfield	\$220	\$250	\$30	\$1560	13.6%
Auburn	\$165	\$170	\$5	\$260	3.0%
Parramatta	\$185	\$190	\$5	\$260	2.7%
Sydney SD	\$220	\$230	\$10	\$520	4.5%
NSW	\$180	\$185	\$5	\$260	2.8%
Source: Department of Urban Affairs and Planning, <i>Rent & Sales Report NSW</i> , No. 44 (June 1998), No. 48 (June 1999).					

Table 16 displays the movements in rents (again for two bedroom houses and flats/units) for the period June 1998 to June 1999. This table shows a wide variation amongst the annual change percentages. The Sydney SD average is 4.5%. Leichhardt, Concord, Ryde and Strathfield are all over the 10% mark. Increases in Parramatta in the past year are in line with NSW trends.

Annual increases in rental are not consistent across dwelling types. For instance, one bedroom dwellings in Drummoyne increased by 9.1% and three bedrooms by 11.1%. In Leichhardt annual increases for all one and two bedroom dwellings were over 10%, while four bedroom dwellings were 19% higher for the year and 20% higher for the quarter. Two and three bedroom separate houses had small increases. However annual increases in rent for one and two bedroom flats/units were 17% and 21% respectively. The analysis in the *Rent and Sales Report NSW (No. 48)* states that the higher rents are clustered around new developments. Similarly, annual median rents for Concord two bedroom flats/ units increased by 21%.

Table 16 also calculates the real impact on tenants. During the first half of the 1990s, median rents for Sydney SD rose by an average of \$5 per week. During the latter half (with the exception of 1997-98) rents rose between \$10 and \$20 per annum. As can be seen from the table, in some Olympic Corridor LGAs (Leichhardt, Concord, and Strathfield) median rents have risen by \$30 a week or more in the past year. This can mean annual incremental increases in rent of over \$1500, compared to \$520 for Sydney SD.

The analysis of Olympic Corridor LGAs indicates the following trends in the immediate vicinity of Homebush:

- Auburn – some minor gentrification is commencing from a low base, but this minor effect should be viewed in the context of Auburn having the lowest median household income in the Sydney metropolitan area.
- Concord – some gentrification in a very mixed rental market is occurring.
- Strathfield – higher medians caused largely by new high density developments heavily marketed as being in the ‘heart of the Olympic precinct’ (e.g. Meriton Premier Apartments 1999).

Finally, it is useful to examine the ‘big picture’ as presented in the Department of Urban Affairs and Planning’s *NSW Housing Indicators Report (Sept 1998)*. This reports that Sydney’s Consumer Price Index (CPI) for all categories of expenditure was 1.8%. The housing component of CPI was 1.2%. These figures were for the September quarter 1998. The report notes that both indicators had been increasing since the December quarter 1997. As Table 16 reveals, most Olympic Corridor LGAs had annual increases in the median rent of significantly above the NSW (2.8%) and Sydney SD (4.5%) averages. All are above the housing component of CPI. While home purchase has become relatively more affordable, renting has not. The indicators report notes the high increases for 2 bedroom units and 3 bedroom houses experienced in some inner and middle ring suburbs. For example, the 26.3% increase in 2 bedroom flats in Concord. The reason for this trend confirms the analysis presented here (Department of Urban Affairs and Planning 1998, p.14):

As with sales price trends, some of the LGAs experiencing high rent growth are located close to Olympic sites. Improvements to infrastructure associated with the 2000 Olympics is likely to be a contributing factor to rent movements in these areas.

Finally, the indicators report highlights movements in rental vacancy rates. These are produced on a Sydney wide basis and therefore are only board indicators of rental housing supply. Over the year to September 1998, the vacancy rate improved slightly from 1.9% to 2.6%. As at March 1999, the rate was 2.3%. By real estate industry standards, these rates still represent a tight market. It is likely that in areas experiencing a rising rental market the vacancy rate may be considerably lower.

The conclusion of this analysis of the rental market is that tenants are potentially facing large rent increases in many of the Olympic Corridor LGAs. Similar increases are being experienced in other areas, such as Waverley LGA (6.9% annual increase in median for two bed dwellings). The property market research indicates an 'Olympic factor' in the resurgence of the Inner West rental and sales market – the Olympic Corridor. This can be understood in terms of an amenity effect, an accessibility effect, an expenditure effect, and a reimagining effect. The precise dimensions of these await further analysis, possibly by the CSIRO forecasting model. However, some of these effects are certainly at play in the rental increases that have been experienced in the latter part of this decade.

Issues from the focus groups and case studies

One focus group on tenancy issues was conducted for this study. In addition, data and case studies were obtained from the Tenants' Union of New South Wales and a number of Sydney Tenancy Advice Services. The intention of this part of the research was to discover what is happening to tenants, in terms of termination and evictions and general fears and uncertainties. Participants were asked what could be anticipated during the Olympic period and if tenants were already experiencing any impacts.

The following issues emerged from the focus group and key informant interviews regarding tenancy issues:

- The general buoyancy in the Sydney rental market was regarded as a clear Olympic effect.
- This Olympic effect was believed to have commenced when Sydney won the bid in 1993.
- Inner and middle ring areas were progressively gentrifying leading to a progression of lower income households to the fringe of Sydney and beyond.
- There had been a general upgrading of the market post-1993, causing high rent increases in some areas.
- Speculative conversions of older style low cost residential flat buildings into more expensive units have been seen in the beach suburbs of

Waverley and Manly. This has caused displacement of low income tenants.

- Excessive rent increases have been reported in the Homebush Bay vicinity and in the Ryde area. Price effects are carried through from new developments to existing rental properties.
- Eastern and northern suburbs have become almost entirely unaffordable for people on low to moderate incomes. This will present challenges for the Department of Housing in providing new stock in these areas.
- The uncertainty around the Olympics is currently causing many tenants to experience fears around their security of tenure.
- There have been reports of 'voluntary displacements' of tenants due to unaffordable rent increases.
- In 2000, many tenants will be reluctant to move due to uncertainties around what rent levels may be and also the available supply of accommodation.
- Due to the difficulties tenants have in demonstrating a rent increase is excessive (s. 48 of the Residential Tenancies Act 1987), the Residential Tribunal has been ineffective in cushioning this structural change in the market.
- Tenancy Advice Service staff anticipate pressure on the Residential Tribunal due to increased case load flowing-on from these effects in 2000. There is concern that the Tribunal will close during the Olympic period.
- There appears to be a tendency towards shorter term tenancies. This permits rental to itinerant workers (especially those working on the Homebush site). The result is a growing insecurity amongst tenants.
- There is a need to regulate rent increases to obtain desirable social outcomes.
- The onus of proof under section 48 (relating to the Residential Tribunal determining whether a rent increase is 'excessive') should be reversed to allow tenants more protection against excessive rent increases. This relates to the definition of 'comparable premises', provision of information about general market rents, and details of the out-goings of the landlord.
- The 'no grounds' termination provision should be removed from the Act.

Uncertainties amongst Sydney tenants are confirmed by a survey conducted by Rentwatchers in November 1997. The survey was administered by mail and phone. Respondents were from across the Sydney metropolitan area. The aim of the survey was to gauge whether tenants believed the Olympics would have an effect on their rental situation. The preliminary result show (Rentwatchers 1998):

- The majority of respondents spent a third of their weekly income on rent.

- Moving to cheaper accommodation was difficult due to the high upfront costs of moving.
- Half of the respondents stated that the rent was too high for the standard of accommodation.
- Most tenants expected rent increased in the next 12 months. Around 90% stated that the Olympics would cause an increase in their rent and rentals in general. Most expected a dramatic increase in their own rent.

People's fears and uncertainties are important social impacts. An individual's perceptions will be a key influence on their actions. For instance, tenants may be more reluctant to insist on their statutory rights in an environment of uncertainty and fear that they may be evicted. Many of the safeguards in the tenancy legislation are dependent on tenants feeling able to assert their rights, as well as being aware of them.

Table 17: Case studies of effects on tenants

July 1999. A tenant in Ryde applied for a rental property. The agent advised her to expect her rent to go up during the Olympics. This has been a common occurrence for tenants in the area either when they are signing a lease or when they receive a notice of increase in rent.

May 1999. A tenant renting in Ashfield has experienced a \$50 rent increase from \$350 to \$400 representing a 13% rise. No notice was given.

March 1999. A Clovelly tenant received a 'no grounds' termination notice. The landlord stated this was to conduct cosmetic repairs and maintenance. The tenant was told she could return but at an increase of \$150 per week.

March 1999. An elderly couple residing in the same Ashfield premises for 11 years received a rent increase of \$50. Rent increased from \$230 to \$280 (18%).

February 1999. A tenant living in Drummoyne received a phone call from her landlord informing her that the rent was being increased immediately by \$40.

November 1998. Eight tenants were evicted from a Tamarama flat building so that the landlord could do renovations and seek higher rental. The council imposed conditions regarding rehousing the tenants at affordable rents. However, the landlord failed to keep a register of the previous tenants.

October 1998. A tenant in Strathfield rented the same premises for 10 years and regularly had rent increases of \$5 or \$10 but has received notice of a \$15 increase.

October 1998. A Kingsford tenant received a rent increase of \$65 per week. The rent had been increased each year by \$20 or \$30 dollars.

November 1996. A housing service provider had two head leases terminated without grounds. Both were in the Homebush area.

Source: Eastern Sydney Tenancy Advice Service; Inner West Tenancy Advice Service; Northern Area Tenancy Advice Service.

Table 17 presents a few case studies from the clients of Tenancy Advice Services. One service reported that between March and June 1999, 60% of 'termination by landlord' inquiries related to situations where vacant possession was required for renovations. Advice service cases provide evidence of what is actually occurring in the market, and more importantly the real impact on the lives of tenants themselves. These cases are consistent with gentrification trends in key locations in the Sydney market.

Impact of the Sydney Olympics on tenants

A number of issues emerge from the housing market analysis, review of the Atlanta experience, and the focus groups. As reported by Tenancy Advice Services and others working closely with tenancy matters, many of the impacts are occurring now. The main impact categories are summarised in Table 18.

The existence of 'without cause' eviction provisions in the Residential Tenancies Act 1987 and a lack of regulation of new letting rent levels alone provide the structural conditions for excessive rent increases. In the situation of a very tight rental market (low vacancy rates) and a major hallmark event, conditions conducive to rapid escalation in rent levels are present. The opportunity for rents to rise dramatically, when vacant possession is achieved by the landlord, provides incentives to reduce security of tenure, to increase the frequency of evictions and an opportunity for landlords to avoid the rent increase provisions in the Residential Tenancies Act.

It is sometimes stated that rents in Sydney will go down after the Olympics. However, the experience of Atlanta was that these effects were only felt at the expensive end of the market, where there was a major over-supply of new units prior to the Games (see page 47). There was no dip at the bottom end of the market. The only part of the rental market in Sydney that may have static rents or declines is likely to be new high rise apartments, which some local analysts believe are over-supplied. Accommodation affordable to those on low to moderate incomes is not likely to be affected in this way. There is no scope for a 'before and after' trade-off.

Finally, in thinking about impact management, the precautionary principle should be borne in mind. Lack of absolute scientific certainty (analytical proof) should not prevent mitigation measures being adopted.

As outlined in Part 1, many of these impacts have already been highlighted in previous reports. Most notable are the first Shelter report, *Olympics and Housing* (Cox, Darcy & Bounds 1994), the Preliminary Social Impact Assessment (Keys Young 1995), and the Department of Fair Trading report (Cox, Kennedy, Phibbs & Sutherland 1998). The assessment presented here is broadly consistent with the findings of these reports.

Table 18: Impact summary – tenants and the 2000 Olympics

- Increased rents in some locations in the Olympic Corridor over and above Sydney averages.
- These increases are at least in part due to the Olympic effect – improvements in facilities, services, transport, image.
- Tenants in general are experiencing a high degree of uncertainty about the conditions of their housing in the lead-up to the Olympics.
- There are reports of voluntary displacement of tenants due to excessive rent increases as well as evictions to permit renovations for higher rental.
- Alternative options for tenants are limited both due to affordability problems and the tight rental market (lack of supply).
- Direct displacement of tenants by landlords to take advantage of short term Olympic visitor opportunities.
- The Residential Tribunal is not regarded as an effective avenue for redressing rental increases due to legislative barriers (s. 48) and the Tribunal's increasing workload.

Impact management strategy - tenants

As with the homelessness issue, the next step in developing an impact management strategy is the evaluation of the likelihood of occurrence of identified impacts. This assessment is shown in Table 19. All impacts need to be addressed and have an impact mitigation strategy associated with them. In the case of rental increases, the impacts are fairly certain, if uneven in their pattern of disbursement. In most cases, large rental increases have already been in evidence for some time. The issue with policy makers has been one of causation. Again a precautionary approach is warranted.

As the case studies of rental increases should indicate, inaction has real human effects. Monitoring programs may alert policy makers to negative situations only after real human damage has occurred in terms of terminations and onerous rent increases. The Department of Fair Trading report *2000 Olympics and the Residential Tenancy Market* made a number of recommendations for amendments to the Residential Tenancy Act 1987. None of these amendments have been enacted. They will be referenced here in relation to the strategies put forward in this report.

The consultants for the Fair Trading study made an important point. Regardless of the necessity of minimising Olympic related rental impacts, 'the consultants consider that the options will also lead to improved operation of the rental market and improvements to the consistency and application of the Act' (Cox, Kennedy, Phibbs & Sutherland 1998, p. 100). In March 1998, the Department of Fair Trading published an issues paper, *Review of NSW Residential Tenancy Legislation*, dealing with the National Competition

Principles Agreement. The paper recognised the need to go beyond these immediate principles and address the wider equity and efficiency of the Act, as well as the concerns of tenants, landlords and the real estate industry. This issues paper canvassed some of the recommendations for change highlighted in Department of Fair Trading's Olympic report.

Table 19: Likelihood of occurrence of tenancy impacts

<i>Impact issue</i>	<i>Likelihood of occurrence</i>
1. Increase in rentals in Olympic Corridor.	<ul style="list-style-type: none"> ➤ <i>Occurring.</i> Increase in rentals is uneven across the Olympic Corridor. However, increases significantly above the Sydney SD average have been consistently recorded in many areas. ➤ <i>Causation.</i> Rental increases in areas close to the Homebush Olympic site are likely to be due in part to increased amenity, accessibility, and reimagining.
2. Perception of uncertainty amongst tenants.	<ul style="list-style-type: none"> ➤ <i>Occurring.</i> Many tenants – especially low income tenants – are uncertain about their future. Lack of affordable choices and a feeling of lack of legislative protection have produced this situation.
3. Displacement of tenants due to rent increases or evictions for upgrading of premises.	<ul style="list-style-type: none"> ➤ <i>Occurring.</i> Whether this is an Olympic effect or not, upward movements of rental markets have a human cost. Some of these impacts are associated with the Olympic effect in certain locations, others are due to more generalised gentrification.
4. Alternative affordable options are diminishing.	<ul style="list-style-type: none"> ➤ <i>Certain.</i> This is an indirect impact of the Olympics where suburbs are experiencing a general price effect that lifts all rentals in an area. On the whole, affordable housing options are decreasing across metropolitan Sydney.
5. Replacement of tenants with short-term Olympic visitors.	<ul style="list-style-type: none"> ➤ <i>Possible.</i> This may occur if a 'panic syndrome' develops in 2000 around large speculative gains. This will also occur if there is insufficient screening of intake into the official homestay program and inadequate regulation of other commercial operators.
6. Overload of Residential Tribunal.	<ul style="list-style-type: none"> ➤ <i>Possible.</i> This will occur if rent increases prompt more applications to the Tribunal regarding excessive rent increases.

The key actions recommended in the next section largely relate to legislative improvements that will afford tenants more protection and provide them with more certainty in the future. Table 19 summarises the likelihood of the effects on tenants. There are likely to be impacts on tenants in many areas of the Sydney metropolitan area not just the Olympic Corridor.

As highlighted in the Department of Fair Trading Report (Cox, Kennedy, Phibbs & Sutherland 1998, p. 94), two types of rent increases may be observed:

- Increases which are generally in line with the overall rental market, but are significant increases because of excessive growth in market rents; and,
- Increases which are well in excess of prevailing market conditions and may be related to opportunistic behaviour, retaliation, or an attempted defacto eviction by the landlord.

The first relates to concerns about the Olympic effect causing above average rent increases. The second is related to 'rent gouging' behaviour by landlords, seen in a number of instances in Atlanta. This is where landlords wish to achieve speculative returns during the Olympic period either from existing tenants or through displacing them with short term tourists. The legislative recommendations highlighted in the key actions to follow will address both of these type of increases. In the Fair Trading report, the conclusion to the international legislative review of tenancy provisions in place for other hallmark events was categorical (Cox, Kennedy, Phibbs & Sutherland 1998, p. 77):

- Evictions for tourist accommodation are assisted by the absence of legislative provisions regulating notice periods and the circumstances under which tenancies can be terminated;
- Lack of regulation of excessive rent increases can force tenants out for visitor accommodation.

The message is clear. Legislative action is essential to mitigate negative impacts on tenants – either emanating from above market increases or from speculative rental gouging.

Key actions - Tenants

A number of amendments to the Residential Tenancies Act 1987 are proposed to improve the workings of the Act and to provide tenants with more protection and security. The current Bill before State Parliament – *Residential Tenancies Amendment (Olympic Games) Bill 1999* – addresses most of these areas requiring improvement.

However, the Bill is a private member's Bill and has had little success in gaining priority in the Parliamentary timetable. It may also be opposed by the major parties. If the government is not prepared to support this Bill in its present form, it should be introducing its own Bill covering similar ground.

The recommendations in this section directly address the likely impact areas shown in Table 19. They should be considered as a complete package of necessary measures and should not be taken in isolation. All of these impact management strategies are necessary to avert negative impacts on tenants from the Olympics. For instance, monitoring without legislative change is an insufficient response. When undesirable trends are uncovered, both in the lead-up period and immediately before the Games, the State government will be unable to react unless it has created the tools to respond effectively (see the discussion on page 22).

To address increase in rentals in the Olympic Corridor and elsewhere in Sydney

T1.1 That the Residential Tenancies Act be amended to restructure section 48 of the Act so that the onus of proof that the rent level is excessive is reversed. It should be the responsibility of the landlord to provide details of (amongst other things) the general market level of rents for comparable premises in the locality, the amount of out-goings in respect of the premises, and the value of the property.

T1.2 That the Residential Tenancies Act be amended to restructure section 48 of the Act so that 'general market level of rents for comparable premises' is a consideration of equal weight to the other matters in that section and not the over-riding consideration. (Recommended in Department of Fair Trading's *2000 Olympics and the Residential Tenancy Market* report 1998). In addition, inserting frequency and size of previous rent increases as a consideration under section 48. (Recommended in Department of Fair Trading's *2000 Olympics and the Residential Tenancy Market* report 1998).

T1.3 That section 45 of the Residential Tenancies Act be amended to prescribe a minimum interval of 12 months between rent increases in residential tenancies. (The Department of Fair Trading's *2000 Olympics and the Residential Tenancy Market* report recommended a period of 6 months).

T1.4 A temporary rent cap for the period January 2000 to January 2001 should be applied to protect tenants from Olympic related excessive price increases. (This was recommended in the Department of Fair Trading's *2000 Olympics and the Residential Tenancy Market* report should significant rent increases occur). In conjunction with the amendment to section 45 of the Act,

the quantum of the rent increase should be limited to the Consumer Price Index (All Groups – Sydney).

To address the perception of uncertainty amongst tenants

T2.1 That the Department of Fair Trading continue their tenancy awareness campaigns throughout 2000. The campaign in 2000 should be high profile and include billboards, train and bus advertising, bus shelters, and newspapers. This should create general awareness of their rights as tenants and also promote Tenancy Advice Services. The planned 1999 education awareness programs by the Department of Fair Trading should be immediately activated.

To address displacement of tenants due to rent increases or evictions for upgrading of premises

T3.1 That the Residential Tenancies Act be amended to replace 'without grounds' notice of termination with 'just cause' provisions for termination. The Department of Fair Trading's *2000 Olympics and the Residential Tenancy Market* report recommended amendment to the 'without grounds' provisions to increase the notice period from 60 days to 90 days. This was in conjunction with codification of the 'circumstances' which the Tribunal should consider before granting an order for possession of rental premises (s. 64).³ A minimum three months notice for no grounds termination was a key recommendation of the *Minimum Legislative Standards* report prepared for the Commonwealth Department of Housing and Regional Development (Kennedy, See & Sutherland 1995).

T3.2 Funding to the Tenancy Advice and Advocacy Program should be increased to allow for increased demands on these services. The current estimate is for an additional 5 full-time equivalent staff members. This is to adequately deal with both the demands for tenancy advice in 2000 in anticipation of increased evictions and rent increases and to enable services to adequately meet the needs of clients before the Residential Tribunal. The additional funding should commence by February 2000 to allow for adequate training and run well into 2001.

T3.3 That the Department of Urban Affairs and Planning and the Department of Fair Trading continue monitoring the rental housing market for atypical rent increases. This monitoring should not only track changes in rents but should also monitor trends in referrals to Tenancy Advice Services and cases before the Residential Tribunal. The monitoring program should note changes in the frequency of rent increases, the numbers and circumstances surrounding evictions and terminations, and the locations of such cases.

³ This recommendation sought to insert into the legislation a number of 'circumstances' that were identified by Rolfe J. in the judgement in the NSW Court of Appeal in *Roads and Traffic Authority v. Swain 1997*.

To address diminishing alternative accommodation options

T4.1 That the Department of Urban Affairs and Planning fully implement the recommendations of the Ministerial Task Force on Affordable Housing and also investigate further planning mechanisms to promote more affordable housing provision.

To address replacement of tenants with short-term Olympic visitors

T5.1 That the Department of Fair Trading maintain a vigilant approach to monitoring and regulating the homestay/homehost programs, whether this be the officially sanctioned Ray White program or other ventures. Additional monitoring is essential in the critical 12 month period before the Games, as inbound tour operators and travel wholesalers seek to present the best packages to their customers. This is especially warranted given recent press reports regarding shortages of suitable accommodation in and around Sydney.

T5.2 That the Department of Fair Trading in conjunction with the Olympic Coordination Authority prepare a 'quick response contingency plan' in the event of a scenario like Intown Properties Atlanta occurring in Sydney. This should encompass a high profile media campaign, public response by the Minister for the Olympics, regulatory/legal responses by the Department of Fair Trading, and compensation packages for affected parties. Unfair and deceptive conduct should be referred to the Australian Competition and Consumer Commission.

T5.3 That the Department of Fair Trading utilise its Rapid Response Team to investigate any complaints of rent gouging and other unfair practices from now until the end of 2000.

To address the overload of the Residential Tribunal

T6.1 That the Residential Tribunal operate in a normal manner in the Olympic period. Temporary closure of the Tribunal at this time may provide a significant obstacle to tenants seeking redress of breaches of the Act during the Olympic period.

Major issue 3 – Boarders and lodgers

Introduction

This section examines the third major group of people that are likely to be affected by the Olympic Games – boarders and lodgers. These are people who have even less statutory rights than residential tenants. They also generally have less income and fewer options. Moreover the supply of this type of accommodation has been dwindling over the past 20 years. Some boarding houses have been the subject of gentrification, being converted into single residences. Others have been affected by the increase in tourism since the early 1980s. In these cases, they have been converted to backpacker hostels or to boutique hotels.

City snapshots – Sydney, Brisbane, and Vancouver

There is no better example of a hallmark event affecting boarding houses than Sydney during the 1988 Australian Bicentennial. The Bicentennial was a major exercise in international tourist promotion. As a 'milestone event' it achieved much publicity overseas and generated a considerable interest in both Sydney and Australia as major tourist destinations.

The major problem with researching the impact on boarding houses was the almost total lack of government monitoring conducted before or during the event. The main source of data on this event is the 1994 Shelter study, *The Olympics and Housing* (Cox, Darcy & Bounds 1994). This data was compiled from newsletters published by the Housing Information and Referral Service (HIRS), a non-government body. HIRS systematically monitored inner city boarding house redevelopments. It anticipated an 'extreme housing crisis that will be accelerated by the Bicentennial "celebrations"' (Housing Information and Referral Service 1988). Echoing some of the predictions relating to Olympic Games impacts, Kissane wrote in the newsletter (1988, p. 5):

Evictions are now happening at both ends of the private rental market with tenants at the Waldorf apartments in the city and the Blues Point Towers in North Sydney receiving notices to vacate. This is just the beginning of rent rises and evictions that we are supposed to celebrate in 1988.

The evictions mainly related to inner city boarding houses, though some were in other tourist accommodation areas such as Bondi. The majority of conversions were to backpacker hostels or serviced apartments. The 1994 Shelter report documents 13 development applications to sell or convert boarding houses in inner city locations over 1987-88. These boarding houses provided over 500 rooms. Most of the applications concerned conversions to backpacker hostels with the remainder involving demolition, sale with vacant possession, conversion to apartments or to other uses.

It is likely that this sample, gleaned from the newsletters of HIRS, was only a proportion of the developments that took place. HIRS observed that tourist conversions primarily affected the larger boarding houses, resulting in a large displacement of low income occupants over a short period of time (Burrell et al. 1988). Some of the smaller premises may have passed unnoticed and may have been converted to professional offices or single homes. The significant

aspect of the Bicentennial was that it initiated a trend to converting boarding houses to more profitable uses. Many of these new uses related to the tourist industry. One finding of the Inner Sydney Boarding House Report (Davidson, Phibbs & Cox 1998) was that some councils still had boarding houses on their registers which had ceased to operate as such over 10 years ago.

Other cities hosting hallmark events have seen similar trends of conversion of boarding and lodging houses to tourist accommodation. This is distinct from direct construction impacts. That is demolition or renovation to make way for new venues or facilities. In Atlanta, these direct impacts were experienced in the downtown area that was demolished to make way for the Centennial Park. A large boarding house was demolished as well as facilities housing 10% of the city's shelter beds (Rutheiser 1996).

There were direct impacts in Brisbane for the redevelopment of the Southbank site for the 1988 Expo. But alongside this, in neighborhoods such as West End and Highgate Hill, gentrification induced by the redevelopment surged ahead, with house prices increasing by 56% in 1988 alone (Queensland Tenants' Union 1989). Thirteen of the 33 registered boarding houses in South Brisbane, Highgate Hill and West End were demolished and a further 22 rooming houses were converted to tourist uses, usually backpackers hostels (Central Boarding House Group 1991). Many of the demolished boarding houses became car parks (Day 1988).

Vancouver's Expo also witnessed the same trend of rapid urban transformation seen in Brisbane. In 1980, it was announced that Vancouver would host the 1986 Expo. Though the Expo site development did not involve demolition of housing, the announcement heralded almost immediate land speculation (Olds 1988). Allied to this, there were increased evictions of lodgers to enable properties to be converted to tourist accommodation.

Olds (1989) documents that the City of Vancouver's social planning department conducted surveys between 1983 and 1986 to gauge the extent of the loss of boarding house stock. This revealed losses of bedspaces of up to 2,000 had occurred up to 1984. A further 600 disappeared between 1984 and 1986. Olds estimated between 500 and 850 evictions of lodgers occurred as a result of the Expo. A figure he claimed was conservative. Nearer the event, between 1,000 and 1,500 rooms were transferred from monthly rental arrangements to daily tourist rates. Evictions could be direct or indirectly induced through strict enforcement of house rules or hefty room rate rises. Olds (1989) reports a familiar story. Often the tourist accommodation was not up to standard. The expected bonanza was not sustained. Many operators went into receivership.

Lessons for Sydney. Boarders and lodgers are vulnerable on two counts. Firstly, there is the urban development effect of conversion of boarding houses to more profitable uses. This may be renovation to sell as a single dwelling or upgrading to various forms of tourist accommodation – from backpacker to boutique. Both types were seen in Sydney in 1987-88. The second issue is displacement of long term residents by tourists. This occurs to various degrees in existing boarding houses in Sydney, such as those on Cremorne Point or in Kirribilli. Also city and inner city pubs providing long term accommodation are subject to the same market force. Come the spring, operators seek higher returns on rooms and readily sell a boarding house room as a tourist room. Both trends have been seen very clearly in other

events. Boarders and lodgers are likely to be subject to one or other of these impacts in the next year.

Trends in Sydney boarding houses

The trend in Sydney boarding house stock is steady decline. In some circumstances, the decline quickens, as observed around the time of the Bicentennial.

It should be remembered that boarders and lodgers are often severely disadvantaged and vulnerable. Many licensed boarding house residents have a major disability or have age-related illnesses. Typically, they have poor access to community support services. They often lack the skills to successfully find alternative accommodation, even if it were available. The step from a boarding house to homelessness is all too close.

One of the major problems in attempting to control boarding house redevelopment is that in many situations a development application for a change of use may not be required. Some councils have attempted to address this by amending their Local Environmental Plans to stipulate that a development application is necessary to change usage from a boarding house to a tourist use or a single dwelling. However, this has been difficult to regulate in practice. Other attempts to regulate the impacts on boarders and lodgers have also been difficult in practice as developers often find ingenious ways to circumvent them. Also, the pro-development stance of the Land and Environment Court generally means that the impact on the occupants is but one of a range of issues that may decide a case.

Between 1982 and 1986, it has been estimated that 20% of Sydney's boarding house stock had been lost (Kennedy et al 1988). One LGA recorded a stock loss of 47% in the same period. In the 1980s, the loss of stock was around 10% per annum. This decline was particularly evident in the inner city, Randwick, North Sydney, and Waverley. More recently, data from the Department of Housing, regarding concurrence under State Environmental Planning Policy No. 10, indicates around 200 applications for redevelopment of boarding houses between August 1991 and May 1997. Around 40% of these were in South Sydney, followed by Randwick at 18% and Waverley at 10% (Cox, Kennedy, Phibbs & Sutherland 1998). Concurrence was granted in 92 cases, nearly half were for fire safety upgrades and minor building improvements. It is not clear what occurred with the remaining 108 applications.

A monitor of boarding house was compiled by the Office of Housing Policy in October 1995. This showed 1,069 boarding houses accommodating 19,825 residents, over a third were in the LGAs of South Sydney and Leichhardt. There are also currently 92 residential centres for people with a disability licensed by the Department of Ageing and Disability. As at June 1999, these centres had 1,647 beds (Department of Fair Trading 1999).

A greater number of boarders and lodgers may reside in private hotels, pubs with accommodation, and motels. It is difficult to obtain a clear picture of the extent of this. In 1992, Sydney City Council conducted a survey into the pub accommodation in the City (Sydney City Council 1993). Out of 25 pubs surveyed, 5 provided exclusively permanent accommodation, 15 were a mix of tourists and permanents, and 5 were exclusively tourist. Around 50% of

these permanent residents had lived in the pub for more than five years. Over 80% had lived in the hotel for over one year. This pattern of mixed used facilities is common in well-located boarding houses around Sydney, such as those in Waverley and North Sydney. It is boarders and lodgers in these types of facilities that are most vulnerable to direct displacement by tourists during peak periods and, obviously, major events.

In 1997, the Department of Urban Affairs and Planning commissioned a major study into inner Sydney boarding houses in conjunction with four inner area councils (Davidson, Phibbs & Cox 1998). The researchers surveyed 384 boarding house residents and 99 operators in four LGAs – Burwood, Leichhardt, North Sydney, and South Sydney. Existing council records and registers were used. The four councils provided the researchers with a total of 785 properties requiring investigation. A field team visited every one of these properties at least once in order to confirm the current use of the property. The survey results confirmed that only 255 of these boarding houses remained. The stock was declining at a rate of 7% to 8% per year. Around 51% were converted to flats, a further 23% to single private residences, and 10% to tourist accommodation. The full picture is shown in Table 20.

Table 20: Boarding house stock levels and losses				
<i>Current use</i>	<i>South Sydney</i>	<i>North Sydney</i>	<i>Leichhardt</i>	<i>Burwood</i>
Boarding house	136	48	38	33
No longer a boarding house	454	18	28	21
Use could not be confirmed	7	1	1	0
Total	597	67	67	54
<i>Stock losses</i>				
Percentage of total stock lost	76.1%	27.0%	41.8%	38.9%
Estimated average annual stock lost	7.6%	6.8%	8.4%	7.8%
Note: The estimated average annual stock losses were calculated by dividing the total proportion of stock lost by the number of years since each respective council list had last been updated.				
Source: Davidson, Phibbs & Cox 1998.				

The study also examined the characteristics of boarding house residents. The key findings were:

- Nearly a quarter of residents were women (22.5%).
- A quarter of residents were aged between 20 and 29 (25.5%).
- Many residents were over 60 (17.7%).
- Over half the residents were born overseas (50.8%) with a high proportion of non-English speaking background (18.5%).
- Nearly half obtained their income from pensions or benefits (45.9%).

-
- Nearly one fifth had been living in boarding houses for over 10 years (18.4%); half (51.5%) had been living in this type of accommodation for over a year.
 - With respect to the current premises, the majority (71.4%) had been living there for 3 months or more (classified as long term), nearly a quarter (22.6%) were short term boarders, and the remainder (6.3%) were tourists.

According to a 1998 survey of residents of licensed boarding houses conducted by NSW Health, the Department of Ageing and Disability, and the Department of Community Services, 40% of residents had a psychiatric disability, 31% had an intellectual disability, and 29% were over 65. This reinforces the picture of this population being vulnerable and socially excluded. Redfern Legal Centre has found that for long term boarding house residents, survival depends on the support, routine and community links maintained through that living space and local environment. Independent living would be impossible anywhere else.

Table 21 shows the outcomes of the past three years of SEPP No. 10 development applications. A total of 68 development applications were determined under the policy. Eleven out of the 12 DAs approved in 1996, which resulted in room loss, were on the basis of financial non-viability. Following a favourable judgement in the Randwick Labor Club case in the Land and Environment Court, more stringent tests for non-viability can now be applied. This means that interest charges cannot be taken into account in determining feasibility. According to the Department of Housing, this more rigorous approach is making it more difficult for developers to gain concurrence under SEPP No. 10. A considerable proportion of the SEPP No. 10 applications were for conversion to a single dwelling. Around 50% of applications were in South Sydney LGA, mainly in the Darlinghurst, Surry Hills and Kings Cross areas.

The data on boarding house redevelopment in the past three years may point to a slowing down of the decline in stock. This may be due to a more rigorous application of the policy. There is still a need for thorough assessment of DAs for boarding houses by both councils and the Department of Housing. The stock remains vulnerable. Councils should be especially vigilant in the next 6 months for conversions to tourist use. This is particularly warranted due to the publicity given to the lack of affordable tourist accommodation in the Sydney region (Moore 1999, Evans 1999). Minor alternations and additions to existing boarding houses to make them attractive to budget tourists may not require lengthy time periods to finish. Such developments occurred in North Sydney only 6 months prior to the Bicentennial celebrations.

Table 21: Boarding house development applications determined under SEPP No.10 (1996-98)

	1996	1997	1998
Number of DAs assessed	23	24	21
Rooms reduced (granted concurrence)	-167	-37	-103 (-37)
Rooms maintained (granted concurrence)	32	31	43
Rooms preserved (refused concurrence)	0	72	90

Note: The 1998 figure of a loss of -103 rooms includes 2 large boarding houses approved for demolition in previous years and already included in previous figures. Correcting for this, the true figure for 1998 should therefore be -37.

Source: Department of Housing 1999.

In conjunction with this finding, boarders and lodgers may be particularly vulnerable to short-term changes of use. As has been mentioned, these changes already occur in well-positioned boarding houses, particularly those with harbour views. Room rates typically rise from around \$120-\$130 per week to over \$200 per week. Homeless persons brokerage agencies already are reporting large rises in tariffs in boarding houses in the Darlinghurst and Surry Hills areas. These increases would be unaffordable to most boarders and lodgers who are typically on very low incomes. Furthermore, even the most vigilant councils, such as North Sydney and Waverley, have difficulty regulating these changes of use, even when they are contrary to the provision of Local Environmental Plans.

Issues from the focus groups and interviews

A focus group on urban development issues was conducted for this study. Participants in the group raised issues regarding boarding house redevelopment. Issues relating to boarders and lodgers' security of tenure and lack of statutory rights were raised in the tenancy focus group. The findings in both of these have been combined in this section. Also, a number of phone interviews were conducted with council staff and others who are familiar with boarding house issues.

The following issues emerged from the focus groups and key informant interviews regarding issues facing boarders and lodgers:

- There remains a long term decline in the stock of boarding houses.
- The general buoyancy in the Sydney property market from the Olympics may accelerate this trend in the next 12 months or so.

-
- Long term boarders and lodgers are extremely vulnerable to displacement by tourists. This occurs during normal holiday and tourist seasons. The Olympics will place these people even more at risk of eviction or unaffordable rent increases.
 - Olympic demand for boarding house rooms may mean that managers are more likely to use punitive action against occupants, knowing that a replacement can easily be found. People with high support needs, health or drug/alcohol dependence issues, mental health problems or disabilities are most likely to find themselves excluded.
 - The difference between boarders' room rates and those of budget tourists may be 60% or more. Such an increase is unlikely to be affordable to boarders and lodgers who are generally on very low incomes, and often dependent on pensions or benefits.
 - Boarding houses are totally demand driven. When demand from tourists increases, permanent boarders will always be displaced.
 - Boarders and lodgers have few rights and so are the least protected from tourist induced impacts.
 - Redevelopment of boarding houses to tourist accommodation is currently occurring in some LGAs. For instance, the tenants of a boarding house in Neutral Bay were recently evicted. The owner subsequently applied to North Sydney Council for change of use to tourist accommodation.
 - Councils have a limited range of regulatory powers to address boarding house issues, especially those involving changes in the mix of residents in a building.

Impact of the Sydney Olympics on boarders and lodgers

A number of issues emerge from the analysis presented above and the experience of other cities with major events. As with tenancy matters, many of the impacts are occurring now. The main impact categories are summarised in Table 22.

Impact management strategy - boarders and lodgers

Table 23 shows the evaluation of the likelihood of occurrence of identified impacts. Many of these impacts are occurring already. The urban redevelopment effects are part of the long term decline in boarding houses witnessed over the past 20 years, but which may be accelerated in the lead-up to the Games. Direct displacement impacts are more clearly attributable to increased tourism during the Olympic year as a whole. There is a high degree of certainty that these effects will occur.

Table 22: Impact summary – boarders and lodgers and the 2000 Olympics

- Redevelopment of boarding houses to tourist accommodation, particularly in well-located or high amenity areas (eg North Sydney, Sydney City, South Sydney, Waverley, Woollahra).
- Redevelopment of boarding houses to other uses caused by general buoyancy of property market in pre-Olympics period.
- Displacement of boarders and lodgers for short-term tourists. This may occur through excessive rent increases or summary eviction.
- Boarders and lodgers will experience a high degree of uncertainty about the conditions of their accommodation in the lead-up to the Olympics. This is made more acute through lack of statutory rights, low income, and limited affordable housing options.
- Affordable housing options are diminishing for boarders and lodgers.
- Some boarders and lodgers who are displaced by Games related impacts will find themselves homeless.

The key actions recommended in the next section address both redevelopment impacts and direct tourist displacement impacts. Urban planning strategies are recommended for the former. Legislative change is the only way to afford boarders and lodgers some degree of protection against involuntary displacement.

It should be noted that the State government stated in the *NSW Social Justice Directions Statement* (1996) that it would examine ways to protect the rights of people living in nursing homes, hostels, and boarding houses through the review of the relevant legislation. In March 1991, the NSW Labor party promised, in a document entitled *ALP's Housing Policy - A Statement of Principles*, that 'a Labor government will amend the Residential Tenancies Act to include tenancy rights for boarders and lodgers, whilst also protecting the rights of boarding and lodging house proprietors'.

Table 23: Likelihood of occurrence of impacts on boarders and lodgers

<i>Impact issue</i>	<i>Likelihood of occurrence</i>
1. Redevelopment of boarding houses to tourist accommodation.	➤ <i>Occurring.</i> Some councils require development applications for redevelopment or change of use. Given the minor nature of upgrades required for conversion to budget tourist use, redevelopment of this type could be anticipated in the next 12 months. This may be encouraged by press reports of lack of accommodation for Olympic visitors.
2. Redevelopment of boarding houses to a variety of other uses.	➤ <i>Occurring.</i> Though the rate of boarding house redevelopment appears to have slowed recently, applications for redevelopment continue, particularly for conversion to a single dwelling. This is likely to be a continuing feature of a buoyant pre-Olympics property market.
3. Direct displacement of boarders and lodgers by tourists.	➤ <i>Certain.</i> This effect occurs in holiday periods and the tourist season in well-located areas. During the Olympics, this effect is certain to be more pronounced and geographically spread. With increased Olympics-induced tourists predicted in 2000, this impact is likely to be in evidence from around the end of December 1999.
4. Perception of uncertainty amongst boarders and lodgers.	➤ <i>Occurring.</i> Boarders and lodgers, especially low income long term ones, are uncertain about their future. Lack of affordable choices and an absence of legislative protection have produced this situation.
5. Alternative affordable options are diminishing.	➤ <i>Certain.</i> This is a flow-on impact of the above trends. On the whole, affordable housing options are decreasing across metropolitan Sydney, especially for those on very low incomes.
6. Increased demand for boarding house accommodation from displaced tenants.	➤ <i>Occurring.</i> Rent increases for flats and houses around Sydney will place pressure on boarding houses as tenants are forced to accept cheaper alternatives. This could mean some change to the traditional social mix of boarding house populations.
7. Increasing homelessness	➤ <i>Certain.</i> This is an inevitable consequence of the above trends should no effective intervention ensue.

Key actions – Boarders and lodgers

The recommendations in this section directly address the likely impact areas shown in Table 23. Again, they must be considered as a complete package of necessary measures and should not be taken in isolation.

The main recommendations relate to effective implementation of State Environmental Planning Policy No. 10 and the provision of enhanced rights for boarders and lodgers in legislation. The latter issues are canvassed in the recently released issues paper (Department of Fair Trading 1999).

Improving the situation of boarders and lodgers is now at a critical point. These people will be entirely at the mercy of market forces unless legislation is passed in the current Parliamentary session. At least 6 months is needed to ensure the legislation is understood by both managers and residents of boarding houses. This cannot and must not be delayed further.

To address redevelopment of boarding houses to tourist uses

B1.1 Boarding house Local Environmental Plans. That all councils be encouraged to amend their Local Environmental Plans to make conversion of boarding house rooms to short term tourist rooms subject of a development application for change of use.

To address redevelopment of boarding houses to a variety of uses (including tourist accommodation)

B2.1 That the Department of Urban Affairs and Planning implement a thorough education and training program for all councils now under the provision of the soon to be amended State Environmental Planning Policy No. 10. Programs should be developed for both councillors and council staff. It is understood that guidelines have been prepared on some of these issues. The education programs should focus on a number of key issues:

- The importance of boarding houses in providing affordable housing options;
- Trends in the decline in boarding house stock in Sydney;
- The potential impacts of hallmark events and growth in tourism to jeopardise continued existence of boarding houses;
- Effective implementation of the policy on a case by case basis;
- How to adequately assess applications, including addressing cumulative impacts;
- Options for refusal and negotiated outcomes;

-
- Conditions of consent relating to compensation and rehousing of affected boarders and lodgers, with due consideration to the implications of financial compensation on social security entitlements;
 - Use of monitoring of SEPP No.10 as a planning and assessment tool.

B2.2 That the Department of Urban Affairs and Planning prepare a review after 6 months operation of the new policy with a particular focus on potential Olympic related redevelopment trends.

B2.3 That SEPP No. 10 be extended to include private hotels/motels and pubs providing long stay accommodation.

To address direct displacement of boarders and lodgers by tourists

B3.1 That boarders and lodgers be brought under the provisions of a Boarding Houses and Lodging Houses Act in a similar manner as has occurred in Victoria with the Residential Tenancies Act 1997 (Vic.). If there is insufficient time for new legislation, amendments should be made on similar lines to the Residential Tenancies Act 1987. Specifically these provisions should include:

- The occupancy period for coverage under the Act should be set at 2 months.
- Application of the provisions of the Act should cover boarding and lodging houses, private hotels and motels, and pub accommodation.
- The Act should prescribe a standard written form of agreement be entered into between the owner and the resident. The agreement should include the terms of the agreement, a condition report, and where services are provided, a standard form of service contract.
- It should clearly define the responsibilities of both resident and owner/operator.
- The rental bond should not exceed one week's rent and all bonds must be lodged with the Rental Bond Board. Boarders and lodgers should also have access to the same dispute resolution procedures as currently available to tenants.
- A minimum of 60 days written notice of increase in room rates be instituted.
- There should be adequate provisions for repairs.
- Application to the Residential Tribunal should be permissible for breaches and settlement of disputes.
- There should be adequate notice periods for the termination of agreements (e.g. 90 days for 'no grounds' termination).

Legislative action to provide protection for boarders and lodgers should be considered a matter of urgency. These changes need to be bedded down before the Olympics if further loss of stock and displacement of residents is to be avoided.

To address the perception of uncertainty amongst boarders and lodgers

B4.1 That once new legislation is in place the Department of Fair Trading initiate an immediate awareness campaign directed at boarders and lodgers. The campaign should educate this group as to their new rights. It should be targeted and involve assistance by councils. A direct mail approach may be necessary.

B4.2 That once new legislation is in place the Department of Fair Trading initiate an immediate awareness campaign directed at managers and owners of boarding houses and other premises covered by the legislation. The campaign should educate this group as to their new rights and responsibilities. It should be targeted and involve assistance by councils and the Property Owners Association. A direct mail approach may be necessary.

B4.3 That guidelines be prepared by the Department of Urban Affairs and Planning in conjunction with the Department of Housing on adequate assistance to boarders and lodgers displaced by redevelopment, including issues of financial compensation and rehousing.

B4.4 That the Department of Fair Trading utilise its Rapid Response Team to investigate any complaints of unfair practices from now until the end of 2000.

To address alternative affordable options are diminishing

To address increased demand for boarding house accommodation from displaced tenants

These issues are both dealt with by recommendation T4.1.

T4.1 That the Department of Urban Affairs and Planning fully implement the recommendations of the Ministerial Task Force on Affordable Housing and also investigate further planning mechanisms to promote more affordable housing provision.

To address increasing homelessness

See recommendations addressing homeless impacts (page 40).

Major issue 4 – Caravan park residents

Introduction

The last impact area relates to caravan park residents. More people are now choosing to live on a permanent basis in caravan parks. This is often the only affordable retirement option for many people. Long term residents are subject to relocation or displacement as a result of demand from tourists. Caravan park residents are especially vulnerable in the lead-up to the Olympics.

Table 24: Distribution of caravan parks in the Greater Sydney Region

<i>Statistical subdivision (SSD)</i>	<i>Persons in caravans</i>	<i>No. of caravans in parks</i>	<i>No. of manufactured homes</i>
Inner Sydney SSD	17	0	0
Eastern Suburbs SSD	7	0	0
Lower Northern Sydney SSD	248	123	0
Northern Beaches SSD	466	172	0
Inner Western Sydney SSD	33	0	0
Central Western Sydney SSD	47	0	0
St George-Sutherland SSD	680	373	0
Canterbury-Bankstown SSD	115	0	0
Fairfield-Liverpool SSD	931	480	0
Blacktown-Baulkham Hills SSD	1513	742	23
Hornsby-Ku-ring-gai SSD	330	137	0
Outer Western Sydney SSD	827	306	49
Outer South Western Sydney SSD	464	145	0
Gosford-Wyong SSD	4151	1621	1283
Newcastle SSD	3718	1635	725
Hunter Balance SSD	1635	850	16
Wollongong SSD	1770	836	244
Illawarra Balance SSD	1593	812	44
Total:	18,545	8,232	2,384

Source: ABS Census 1996.

Caravan parks in Sydney

Table 24 shows the distribution of caravan parks in the Greater Sydney Region. This data is from the 1996 Census. The figures for persons residing in caravans exclude overseas tourists but will include domestic visitors. The other data shows the number of caravans located in parks and the total number of manufactured homes, most of which are on dedicated estates. The table shows that the distribution of caravan parks and manufactured home estates is weighted towards the outer suburbs of Sydney and also the Hunter and Illawarra. It should be noted that ABS Census data on caravan parks can be unreliable. In particular, figures for manufactured homes have been observed to be underestimates.

Table 25 shows the location of caravan parks where more than 50% of sites are recorded as long term by the Department of Local Government and Cooperatives. The figure gives the actual number of caravan sites registered as long term. Gosford and Wyong together have a third of the sites – nearly 3,200 out of a total of 9,217 for the whole region. Blacktown has the highest number for any Sydney Metropolitan LGA at just over 1,000.

Table 25: Caravan parks in the Greater Sydney Region with more than 50% long term sites

<i>LGA</i>	<i>Number of long term LGA sites</i>		<i>Number of long term sites</i>
Wyong	1666	Great Lakes	180
Gosford	1531	Maitland	174
Port Stephens	1219	Camden	167
Lake Macquarie	1154	Hawkesbury	167
Blacktown	1049	Cessnock	145
Wollongong	458	Penrith	135
Fairfield	349	Sutherland	132
Liverpool	238	Hornsby	107
		Lithgow	96
		Rockdale	80
		Newcastle	73
		Bankstown	70
		Warringah	27

Source: Department of Local Government & Cooperatives 1998.

The Residential Parks Act 1998 has improved the position of certain residents of caravan parks and manufactured home estates. However, there are a number of categories of occupants who are excluded from the provisions of the Act or otherwise may still be subject to significant uncertainties. In all these cases, these people are occupying caravans or manufactured homes on a long term basis, and not as holiday accommodation. According to the Park and Village Service of NSW, these categories of residents are:

- Long term casual residents who typically own their own caravan but who do not live on the park on a permanent basis.

-
- Retirees who locate to a manufactured home estate but who are subject to being moved around the park by the owners (usually to free up waterfront sites).
 - Park owners may invoke the exemption section of the Act (s.6(10(e)). This means that the occupant is not covered by the provisions of the Act because they are in 'residential premises (not being premises ordinarily used for holiday purposes) for a period of not more than 2 months for the purpose of a holiday'.
 - So-called 'trial tenancies' made under the Residential Parks Regulation 1999 (cl.5(2)). This stipulates that the Act does not apply for the first 30 days of occupation of a caravan without rigid annex unless both owner and resident agree. This trial tenancy can be extended for a further period of 30 days (cl.5(3)). The Park and Village Service report that this clause has been widely misused by park managers to deny occupants their statutory rights.
 - Long term residents who have not been permitted to sign a Residential Site Agreement or a Moveable Dwelling Agreement.

Caravan parks and manufactured home estates involve complex arrangements due to mixed ownership/leasing arrangements between caravans and sites. Park owners have a high degree of control over who resides in a park. Some operate as defacto 'gated communities', whereby access is difficult for outsiders. This makes education awareness campaigns almost impossible, particularly in the parks where operators sort mail before it reaches the residents.

Even with improved legislation, widespread lack of knowledge over residents' rights has led to situations where abuses persist. Local government regulations have also been employed by park operators to force uncomplying caravans off-site.

Impact of the 2000 Olympics on caravan park residents

The issue of impacts on caravan park residents was highlighted in the social impact assessment conducted for the Fremantle America's Cup (America's Cup Defence Tenancy Working Party 1985). Event organisers, concerned about accommodation shortages, proposed to utilise 752 sites on 12 parks. There were no records of enforced evictions of permanent caravan parks. Though, if this had occurred, the incidents would probably not have come to the attention of the Community Liaison Officer working in Fremantle.

During school holidays, caravan parks throughout the Greater Metropolitan Region are fully booked. Brokerage services who use caravan parks for temporary accommodation cannot access this option during those times. Press reports reveal that tour operators for major Olympic markets are looking to caravan parks to provide accommodation for visitors. For instance, a German agent, Dertour, is offering Au\$4,400 packages that include air fare and seven nights accommodation in a Wollongong caravan park (Evans 1999).

Lehmann (1999) reported in the *Australian* that SOCOG have included 20,000 beds in caravan parks in a recent catalogue of accommodation. This figure

presumably includes parks outside the Greater Sydney Metropolitan Region. It is likely that a high proportion of these will be on the Central Coast. Places in caravan parks are allegedly being charged out at between \$100 and \$350 a night to Olympic visitors (Moore 1999). The agreements made between SOCOG and the main hotels' peak bodies do not apply to budget accommodation or caravan parks.

Table 26 shows the main impacts anticipated on caravan park residents and their likelihood of occurrence.

Table 26: Likelihood of occurrence of impacts on caravan park residents	
<i>Impact issue</i>	<i>Likelihood of occurrence</i>
1. Displacement of long term residents by visitors.	➤ <i>Certain.</i> The situation of many long term caravan park residents is precarious. The lucrative gains to be made from visitor accommodation during the Games mean that some tenants are likely to be displaced. The fact that overseas tour operators are currently seeking out this form of accommodation make this scenario even more likely.
2. Perception of uncertainty amongst caravan park residents.	➤ <i>Occurring.</i> Caravan park residents, especially low income long term ones, are uncertain about their future. This form of accommodation has many complexities which enable park operators to have a great deal of control over who resides in the parks.

Key actions – Caravan park residents

Legislative action is necessary immediately to ensure the 'trial tenancies' provisions in the legislation are not used to oust long term residents of caravan parks in favour of short term tourists. Caravan park residents are very vulnerable and are difficult to reach via standard awareness campaigns since access to parks can be limited by their 'gated' nature.

The recommendations here follow the likely impacts outlined in Table 26.

To address displacement of long term residents by visitors

C1.1 That the 'trial tenancy' provisions in clause 5 of the Residential Park Regulation 1999 be rescinded. The outcome of this provision appears to be that intending long term residents are denied rights they would otherwise enjoy under the Residential Parks Act 1998.

C1.2 That the Department of Urban Affairs and Planning review the operation of the regulations relating to caravans in parks, with a particular focus on how the regulations can be misused to force evictions from sites.

C1.3 That the Department of Fair Trading examine the scope of SOCOG and Traveland's caravan parks registers to ensure long terms sites are not used for visitor accommodation. A report should be made to the Social Impacts Advisory Committee on the outcome.

To address the perception of uncertainty amongst caravan park residents

C2.1 That the Department of Fair Trading initiate an education campaign to educate all residents of caravan parks of their rights and responsibilities under the new Residential Parks Act 1998. Currently, park owners only have an obligation to provide the Department's *Residential Park Living* booklet to persons signing new agreements.

C2.2 That the Department of Fair Trading utilise its Rapid Response Team to investigate any complaints of unfair practices from now until the end of 2000.

Major issue 5 - Collaboration and integration of response across Government

Collaboration and integration of services is increasingly a concern of the State government. The 'silo' approach to service delivery was commented on during last year's *Homelessness: The Unfinished Agenda* conference. Initiatives such as the Partnership Against Homelessness are attempting to adopt a cross-agency response in a collaborative manner.

Collaboration and integration is a key concern in the management of the social impacts of the Olympics. No one area can be viewed in isolation, for instance housing issues and child protection or disability issues. Given the unique nature of the event and the high level of uncertainty surrounding the nature and extent of impacts, a collaborative model should be adopted.

The NSW Government recently published *Working Together in the NSW Public Sector: Guidelines for Collaboration and Integration of Services* (Premier's Department 1999). This recommended the adoption of collaboration models that achieve the desired outcome with the least cost, effort, and disruption. Twelve prototype models were put forward, together with practical case studies.

The coordinated issue management model (model 4) appears to be the most suitable model for managing the social impacts of the Olympics. This model is summarised in Table 27.

Table 27: Coordinated issue management model

Description

A specific issue, problem or crisis requires coordinated response from two or more agencies.

Use if...

- The issue is likely to be resolved within a definable timeframe.
- The issue concerns short term problem solving rather than ongoing service provision.
- Respective roles and responsibilities of all agencies can be clearly defined and agreed.
- Relevant agencies have commitment and capacity to identify and implement joint solutions.

Source: Premier's Department 1999, p. 9.

Key actions – Coordinated issue management

A collaborative whole-of-government approach to the social impact management of the Olympics is absolutely essential. The history of the social impact management to date has been one of piece meal responses and lack of cross-agency integration. Monitoring projects are not connected to mitigation strategies. It is clear from anecdotal reports that government officers charged with key Olympic responsibilities are unsure of the kinds of actions they are expected to undertake, which agencies to engage with, and what non-government partnerships to pursue.

A coordinated approach is currently lacking. An approach that emphasises collaboration within government and partnerships outside is now critical if any successful mitigation measures are to have any hope of success.

To this end, Shelter is recommending a sub-committee of Cabinet be established so that all key Ministers will be on-top of the issues. This has wider implications than just housing and homelessness impacts. As the participants in the focus groups repeatedly stated, domestic violence and child protection issues will also increase before and during the Olympics. There are also other social impact issues that are beyond the scope of this report but that warrant a collaborative approach.

An issues manager nominated from within the Premier's Department is a cornerstone of this collaborative strategy. Ideally, this person should be an existing officer of the Premier's Department and have an in-depth understanding of Olympic issues as well as the range of social impact issues in SIAC's brief. The issues manager should be able to intervene productively in the inter-relationships between government agencies to ensure that strategies are in place and effectively implemented. The issues manager should also be able to respond to exceptional circumstances should these arise.

In addition, Shelter advises that the *Ready! Set! Go!* report be presented to the Human Services Senior Officers Group for discussion and further actions as necessary. The recommendations in this report need full consideration by the responsible government departments.

IM1.1 That Ministers of State from key social departments (Housing, Community Services, Health, Fair Trading, Urban Affairs and Planning) form an *Olympics Social Impacts Sub-committee of Cabinet*.

IM1.2 That the Strategic Projects Division of the NSW Premier's Department nominate an *Issues Manager* to coordinate a whole-of-government response to the social impact management of the 2000 Olympics. The issues manager should liaise closely with the Social Impacts Advisory Committee.

IM1.3 That *Ready! Set! Go!* be presented to the *Human Services Senior Officers Group* for discussion and further actions as necessary.

Part 3 - Social guidelines for the International Olympic Committee

Environment guidelines

As part of its bid for the 2000 Olympic Games, the Sydney Olympics 2000 Bid Limited prepared *Environment Guidelines for the Summer Olympic Games* (Environment Committee 1993). These have now been adopted by the International Olympic Committee (IOC) and form part of what a bidding city must consider in preparing a bid to host the Olympics. In particular, the guidelines state that host cities should commit themselves to (p. 1):

- Energy conservation and the use of renewable energy sources
- Water conservation
- Waste avoidance and minimisation
- Protecting human health with appropriate standards of air, water, and soil quality
- Protecting significant natural and cultural environments.

The guidelines relate both to the promotion of sustainable development in the construction of Olympic villages and sporting facilities and also to environmentally responsible event management. Major aspects of environmentally responsible event management include waste minimisation, transportation, merchandising and noise.

The need for social guidelines

The experience of other host cities confirms the necessity for addressing wider social issues in the planning and management of Olympic Games. The social impacts that occurred in the two most recent Summer Olympics, Barcelona and Atlanta, attest to this.

Sydney has gone some way in promoting the social impact assessment and management of the Olympics. As recorded in Part 1 of this report, the impact management aspect of the process has been found wanting.

The Olympic Games is the world's largest multi-sport event. Events of such magnitude can and do have major impacts on cities and their peoples. This is both in terms of urban development effects and more direct impacts from staging the event itself. Both are valid concerns for social guidelines. Responsible event management demands that the IOC institute social guidelines for Olympic Games in the same manner as the *Environment Guidelines*.

What are social impacts?

A Canadian definition succinctly captures the full dimensions of social impacts, including cultural perspectives and quality of life (Armour 1992, p. 6):

Social impacts are changes that occur in:

- People's way of life (how they live, work, play and interact with one another on a day-to-day basis),
- Their culture (shared beliefs, customs and values), and/or
- Their community (its cohesion, stability, character, services and facilities).

Put simply, social impacts are effects on people. The focus is on the human dimension of environments.

Social impact assessment (SIA) attempts to evaluate the nature and extent of likely impacts. It addresses who benefits and who loses – the social equity dimension. For Olympic Games, it is important to consider the distribution of benefits in a community. Are the benefits for a few? Or can they be more widely shared?

Social impacts are what managers have to manage (Wolf 1983). Social impact assessment is not done for its own sake but to be able to effectively manage predicted impacts. This means an impact management plan or strategy must be devised and implemented. This is the critical part of SIA. Even the best impact assessment reports will be useless without this impact management component.

Social impact assessment and management should be conducted for all future Summer and Winter Olympic Games.

When should social impact assessment occur?

A social impact assessment for an Olympic Games should occur as early as possible.

Sydney's SIA commenced at the end of the bidding process. The SIA for the Melbourne 1996 Olympic bid started earlier in the bid phase, as did the SIA for Toronto's bid for the 1996 Olympics. The preliminary social impact assessment for Sydney took place in the year after the bid was won. However, the recommended follow-up SIA was not conducted in Sydney.

By contrast, economic impact assessments are often conducted prior to a decision to bid for an event. These economic assessments are often a key component in the decision-making process in deciding whether an event is of benefit to a city.

The strategic environmental assessment of the Cape Town 2004 Olympic bid similarly took place early in the bidding phase. This was focussed on a wide range of strategic issues – job creation and economic development, urban development, and nation building, to mention just a few.

In all cases, the SIA should form part of the documentation that the IOC requires from a bidding city. This should be presented for evaluation by the IOC along with the other supporting material for the bid. The IOC should take

full consideration of the social impact assessment when making a decision on the next host city.

It should be noted that more than one assessment may be necessary. Cities typically commence bidding for the Olympics up to 10 years out from when the event will be held. If the city is successful with its bid, further SIAs may be necessary closer to the event; for instance, immediately post the IOC's selection of the host city and three years out from the Games.

Ideally, social impact assessment should occur prior to the decision to bid for the Olympics. If this is not possible, the assessment should occur during the bid phase. The social impact assessment should be part of the official documentation presented to the IOC for evaluation of the city's bid.

Who should be responsible for the social impact assessment?

Who commissions the SIA will largely be dependent on local circumstances. Different countries have different systems of government and different procedures for environmental impact assessment.

It is important that the SIA be conducted in an independent manner. It may therefore be desirable that the government (national, state or city) conduct the SIA. The bid company may finance the SIA but it should not directly commission the study.

Professionally qualified practitioners with social science training and expertise should conduct the assessment (Burdge & Vanclay 1995). This cannot be over-emphasised. Experienced practitioners will be able to investigate impacts thoroughly and not just respond to public or government concerns. They will be able to use appropriate techniques and methodologies, especially regarding public participation in the process.

The social impact assessment for a city's bid should be as independent as possible. It should be conducted by professionally qualified social impact practitioners.

Involving the public – the host community

It has long been recognised in tourist and hallmark event research, that the host community – the people of the city – are an essential part of making an event successful. Local people will be volunteers for the Games as well as providing a large part of the income for the event through ticket sales, merchandise purchases, and contributing to tax revenue.

Apart from this, public participation is regarded as the most essential component of SIA. Assessing the effects on people is hard without involving them and engaging with their concerns.

However, it is important to understand that SIA is not about gaining public consent. Differences of opinion about the Games and its effects are important research findings. No attempt should be made to persuade individuals or groups to change their views.

A public involvement program should be planned at the start of the SIA. This should identify all potentially affected groups and individuals. The public involvement must be interactive and incorporate communication flowing both ways between the assessment team and sponsoring agency and the affected groups (Interorganizational Committee on Guidelines and Principles 1994).

Social impact assessment of Olympic Games must involve the diverse public of a host community. All potentially affected groups and individuals must be identified and involved.

What issues should be considered?

The first stage of any impact assessment is a scoping exercise. This is considered the most critical phase of the whole assessment (Gilpin 1995). This exercise is necessary to decide the range of issues to be examined, the groups and individuals who may be affected, and the geographic and time boundaries of the study.

A range of impact categories can be identified from previous Olympic Games social impact assessments. These are shown in Table 28.

A social impact assessment should examine a full range of issues relating to the potential impact of the Olympics on people. There may be separate environmental assessments for the venues being constructed; however, the SIA for the Olympics is a broader exercise. But it should also address local social issues surrounding venues as well.

The SIA should encompass impacts before, during and after the Olympic Games. The SIA needs to assess urban development effects, impacts of venues, and the event itself.

Table 28: Social impact categories for the Olympic Games

➤ Public finances	➤ Health care and community services
➤ Institutional capacity	➤ Security and public safety
➤ Public involvement	➤ Civil liberties and human rights
➤ Urban and regional development	➤ Environmental protection and sustainability
➤ Population changes	➤ Sport and recreation
➤ Local effects on communities adjacent to venues	➤ Cultural and artistic development
➤ Housing, housing services and visitor accommodation	➤ Heritage
➤ Homelessness	➤ Cultural diversity
➤ Transport	➤ Religious and spiritual issues
➤ Economic effects	➤ Impacts on indigenous communities
➤ Price effects and consumer protection	➤ Disability issues and access issues
➤ Small business opportunities	➤ Media and ticketing
➤ Education and training, job creation, employment distribution and volunteer programs	➤ Nation-building and impact on community/national values
➤ Equal opportunity and inter-generational equity	➤ Community cohesion and identity
➤ Social welfare and financial security	

A value framework

Values are an essential part of any social impact assessment. A key part of the process should be the development of a value framework to guide Olympic planning. This was carried out for the Strategic Environmental Assessment of the Cape Town 2004 Olympic bid (Chittenden Nicks Partnership et al 1997).

This value framework is important in defining the goals of staging the Olympics in a city or region. It will provide a reference point both for the social impact assessment and the Games organisers. It will assist in ensuring that the principles of the Olympics and the host community are in harmony. This should be the first step in commencing the preliminary social impact assessment.

A value framework of principles to guide the planning and staging of the Olympic Games should be the first step in the social impact assessment process. This should be consistent with host community and national values as well as Olympic ideals.

A framework for a social impact assessment

A social impact assessment for the Olympic Games differs from SIAs conducted for development projects. The key difference is that more than one SIA may be needed as the lead time for the event may be up to 10 years.

The model proposed here has been modified from that initially proposed for the Sydney Olympics by the NSW Government Social Policy Directorate (Johnston & Deakin 1993). This model emphasises public involvement in all stages of the process.

It includes the establishment of a social impact assessment panel to guide the process from start to finish. This panel would have a range of representatives on it – government, event organisers, business groups, and non-government organisations.


The model also includes an evaluation of the whole social impact assessment process after the event. This should examine what impacts actually occurred and how successful the impact management measures were. This should be presented to the IOC for the benefit of future host cities.

Table 29: Framework for a social impact assessment and management process for the Olympic Games

<p>Preliminary social impact assessment and value framework</p> <p>Development of a value framework to guide the total process. Conduct an indepth study to fully understand the range of impacts associated with the Olympics. Focus on urban change, community development, and specific impact areas. The SIA should be submitted to the IOC with the other bid documentation.</p>	<p>Stage 1</p> <p>Pre-bid or bidding phase</p>
<p>Scoping</p> <p>Development of approach for social impact assessment and management, identification of potential areas of social impact, consideration of consultative mechanisms.</p>	<p>Stage 2</p> <p>Year 1</p> <p>(7 years before the event)</p>
<p>First social impact assessment</p> <p>Activation of a social impact assessment panel, engagement of consultants to prepare a social impact assessment, undertaking of social impact assessment.</p>	<p>Stage 3</p> <p>Year 2</p> <p>(6 years before the event)</p>
<p>Planning and public feedback</p> <p>Public release of assessment report, consideration of public comments, development of strategies to address any negative impacts and maximise positive impacts / opportunities identified in the social impact assessment, adoption of impact management plan.</p>	<p>Stage 4</p> <p>Year 2 to Year 3</p> <p>(5 to 6 years before the event)</p>
<p>Impact management</p> <p>Implementation of agreed strategies and social impact management plan, monitoring of the social impacts, modification of strategies and development of new strategies as required.</p>	<p>Stage 5</p> <p>Year 3 to Year 7</p> <p>(5 years before and to the event itself)</p>
<p>Second social impact assessment</p> <p>A second social impact assessment may be necessary closer to the event. This will be dependent on the local circumstances in the host city. It will be particularly warranted if rapid urban change has occurred since the previous SIA.</p>	<p>Stage 5a</p> <p>Year 5</p> <p>(3 years before the event)</p>
<p>Evaluation</p> <p>Evaluation of social impacts and their management. The preparation of an Official Record report to the IOC on the results.</p>	<p>Stage 6</p> <p>Year 8</p> <p>(after the event)</p>

Outcomes of the social impact assessment

The main outcome of the social impact assessment process is to ensure that host communities are not negatively affected by the Olympic Games. Secondly, the process should aim to share the benefits of the event amongst all groups in the community. Out of this process, better decisions should result and a more lasting legacy from the Olympic Games should ensue.



References

- AAP 1998, "UNFORTUNATES" would not be removed from Sydney streets', *Australian Associated Press*, 2 Jun.
- America's Cup Defence Tenancy Working Party 1985, Interim Report (John Ellis, Chairperson), *America's Cup Defence Tenancy Working Party*, Perth, Western Australia.
- Armour, A. 1992, 'The challenge of assessing social impacts', *Social Impact: The Social Impact Management Bulletin*, vol. 1, no. 4, pp. 6-9.
- Barreiro, F., Costa, J., Vilanova, J. M. 1993a, *Impactos Urbanísticos, Económicos y Sociales de los Juegos Olímpicos de Barcelona '92*, Centre d'Estudis Olímpics i de l'Esport, Universitat Autònoma de Barcelona, Barcelona.
- Beaty, A. 1998, 'The Homeless Olympics', in *Homelessness: The Unfinished Agenda*, Proceedings of the Conference held on the 3rd to 4th of August 1998, Ian Buchan Fell Housing Research Centre, University of Sydney.
- Bonnick, J. 1987, Final Report by Community Liaison Officer to the America's Cup Office, unpublished, in possession of Community Services Division, Fremantle City Council, Western Australia.
- Brad, C. & Morgan, O. 1998, 'Homeless hunted off the street', *Daily Telegraph*, Sydney, 21 Sep., p. 9.
- Branigin, W. 1996, 'Atlanta's "slave labour" secret', *Guardian*, London, 9 July, (syndicated from the *Washington Post*).
- Brian Elton & Associates 1997a, Social Impacts Management Review of Progress, Social Impacts Advisory Group, Olympic Co-ordination Authority, June.
- Brian Elton & Associates 1997b, Social Impacts Management Review of Progress - Summary, Social Impacts Advisory Group, Olympic Co-ordination Authority, October.
- Brown, M. 1998, 'City "cleansing" fear for Games', *Sydney Morning Herald*, 3 Jun., p. 8.
- Burdge, R. J. & Vanclay, F. 1995, 'Social impact assessment', in *Environmental and Social Impact Assessment*, eds. F. Vanclay & D. A. Bronstein, John Wiley & Sons, Chichester, England.
- Burrell, M., Jones, M. & Kissane, A. 1988, 'Special issue: Housing Information and Referral Service submission to the Ministerial Inquiry into Homelessness and the Provision of Affordable Accommodation in the Inner City', *H.I.R.S. Housing News Bulletin*, No. 27.

Central Boarding House Group, 1991, *Northside, southside, no rooms around town: Demise of the Brisbane boarding house*. Brisbane.

Chittenden Nicks Partnership, Environmental Interface, Foundation for Contemporary Research, Ninham Shand Pty Ltd, Steffen Robertson & Kirsten, Zille Shandler Associates 1997, *Strategic Environmental Assessment of the Cape Town 2004 Olympic Bid*, 3 vols, Environmental Interface, Cape Town.

Commonwealth of Australia 1990, *Ecologically Sustainable Development: A Commonwealth Discussion Paper*, AGPS, Canberra.

Cox, G. 1995, *Techniques for Effective Social Impact Assessment: A Practical Guide*, Office on Social Policy, New South Wales Government Social Policy Directorate, Sydney.

Cox, G. 1996, 'Going for Gold in Social Impact Assessment', Thesis presented in fulfilment of the degree of Doctor of Philosophy, Sydney: University of Sydney.

Cox, G., Darcy, M., & Bounds, M. 1994, *The Olympics and Housing: A Study of Six International Events and Analysis of Potential Impacts of the Sydney 2000 Olympics*, Shelter NSW and the Housing and Urban Studies Research Group, University of Western Sydney, Macarthur, Sydney.

Cox, G., Kennedy, R., Phibbs, P. & Sutherland, P. 1998, *2000 Olympics and the Residential Tenancy Market*, NSW Department of Fair Trading, Sydney.

Cox, G. & Miers, S. 1995, *Social Impact Assessment for Local Government: A Handbook for Councillors, Town Planners and Social Planners*, Local Government and Shires Associations of New South Wales, Sydney, & Office on Social Policy, New South Wales Government Social Policy Directorate, Sydney.

Dale Henson Associates Inc. 1995-97, *Atlanta Apartment Market Tracker*, Dale Henson Associates Inc., Atlanta.

Davidson, A., Phibbs, P., & Cox, G. 1998, *Inner City Boarding House Report*, Department of Urban and Regional Planning, University of Sydney, prepared for the NSW Department of Fair Trading.

Day, P. 1988, *The Big Party Syndrome: A Study of the Impact of Special Events and Inner Urban Change in Brisbane*, Department of Social Work, University of Queensland, December 1988.

Department of Fair Trading 1997, *A Fair Trading and Consumer Protection Strategy for Sydney 2000 Olympics and Paralympic Games*, Department of Fair Trading, Sydney.

Department of Fair Trading 1998, *Review of NSW Residential Tenancy Legislation: Issues Paper*, Department of Fair Trading, Sydney.

Department of Fair Trading 1999, *Boarders and Lodgers: Issues Paper*, Department of Fair Trading, Sydney.

Department of Urban Affairs and Planning 1992-99, *Rent & Sales Report NSW*, Nos 24-48, published quarterly by the Department of Urban Affairs and Planning, Sydney. (Prior to 1995, this was known as the *Rent Report* and was published by the Department of Housing. From 1995-96, it was published by the Office of Housing Policy, still under the title of *Rent Report*.)

Department of Urban Affairs and Planning 1998, *NSW Housing Indicators Report – Data to September 1998*, Department of Urban Affairs and Planning, Sydney.

E3 Group 1996, *Housing Policy Green Paper - A Report on Community Consultations April - June 1996*, Shelter NSW, Sydney.

Environment Committee 1993, *Environmental Guidelines for the Summer Olympic Games*, Sydney Olympics 2000 Bid Ltd., Sydney.

Evans, M. 1999, 'Paying a price for Games packages', *Sydney Morning Herald*, 16 Aug., p. 3.

Gilpin, A. 1995, *Environmental Impact Assessment: Cutting Edge for the Twenty-first Century*, Cambridge University Press, Cambridge, England.

Housing Information and Referral Service 1988, '1987 International Year of Shelter for Tourists?????', in *H.I.R.S. Housing News Bulletin*, No. 25, January, pp. 1-3.

Horin, A. 1998, 'Budget hotels balk at rooms for homeless during Games', *Sydney Morning Herald*, 5 Aug., p. 3.

Interorganizational Committee on Guidelines and Principles 1994, 'Guidelines and principles for social impact assessment', *Impact Assessment*, vol. 12, no. 2, pp. 107-52.

Johnston, C. F. & Deakin, E. 1993, *Sydney Olympics 2000: Approaches and Issues for the Management of Social Impacts*, Office on Social Policy, New South Wales Government Social Policy Directorate, Sydney.

Kennedy, R., Gallard, A., Manning, C., Hall, J., 1988, *Report on Options for Assisting the Preservation of Boarding Houses with Particular Reference to the Eastern Distributor Corridor*, unpublished, NSW Department of Housing, Sydney.

Kennedy, R., See, P. & Sutherland, P. 1995, *Minimum Legislative Standards for Residential Tenancies in Australia*, Commonwealth Department of Housing and Regional Development, Canberra.

Keys Young, in association with KPMG Management Consulting & King, A. 1995, *Preliminary Social Impact Assessment of the Sydney 2000 Olympic and Paralympic Games*, vols 1 & 2, Office of Olympic Co-ordination, NSW Premier's Department, Sydney.

Kissane, A. 1988, 'The inner city: similar issues, similar struggles', in *H.I.R.S. Housing News Bulletin*, No. 25, January, pp. 4-5.

Knowles, C. 1995, *Housing Policy Green Paper: Enabling More Housing Choices, Ensuring Quality Housing Outcomes. A Discussion Paper by the Hon. Craig Knowles MP Minister for Urban Affairs and Planning and Minister for Housing*, New South Wales Government, Sydney.

KPMG Peat Marwick in assoc. with the Centre for South Australian Economic Studies 1993, *Sydney Olympics 2000 Economic Impact Study*, vols 1 & 2, KPMG Peat Marwick, Sydney.

Lehmann, J. 1999, 'Share the spirit...and the dormitory', *Australian*, 2 Jun., p.3.

Levinson, H. 1993, *Misplaced Priorities: Atlanta, the '96 Olympics, and the Politics of Urban Removal*, Atlanta Task Force For The Homeless, Atlanta, Georgia.

Lyons, J. 1999, 'Street sweeping, Sydney style', *City Hub*, 22 Jul., p.4.

McDougall, B. 1999, '8 million to join party of lifetime', *Daily Telegraph*, Sydney, 20 Jul.

Meriton Premier Apartments 1999, advertisement, *Sydney Morning Herald*, 28 Aug., p. 21 RE.

Merrill Lynch 1997, *Apartment Markets in the Southeast*, Merrill Lynch. Pierce, Fenner & Smith Limited, New York.

Moore, M. 1999, 'Park cabin for "only" \$350 a night', *Sydney Morning Herald*, June.

National Low Income Housing Coalition 1997, *Out of Reach: Rental Housing at What Cost?* National Low Income Housing Coalition, Washington DC, Sept.

National Low Income Housing Coalition 1998, *Out of Reach: Rental Housing at What Cost?* National Low Income Housing Coalition, Washington DC, Oct.

NSW Government 1996, *Fair Go, Fair Share, Fair Say: NSW Social Justice Directions Statement*, NSW Government, Sydney.

NSW Government 1999, *Supporting Families and Strengthening Communities*, NSW Government, Sydney.

NSW Labor Party 1991, *ALP's Housing Policy - A Statement of Principles*, Australian Labor Party, Sydney.

Office of Housing Policy 1995, *Boarding House Data*, Office of Housing Policy, Department of Urban Affairs and Planning, Sydney.

Office of Housing Policy 1996a, *Housing and the 2000 Olympic Games*, Office of Housing Policy, Department of Urban Affairs and Planning, Sydney.

Office of Housing Policy 1996b, *Housing Policy Green Paper - Consultation Report*, Office of Housing Policy, Department of Urban Affairs and Planning, Sydney.

Olds, K. 1988, 'Planning for the housing impacts of a hallmark event: A case study of Expo '86', M.A. thesis, School of Community and Regional Planning, University of British Columbia.

Olds, K. 1989, 'Mass evictions in Vancouver: The human toll of Expo '86', *Canadian Housing*, vol. 6, no. 1, pp. 49-53.

Olympic Co-ordination Authority 1998a, Monitoring of Lead Agencies by OCA - 9 February 1998, Olympic Co-ordination Authority, Sydney.

Olympic Co-ordination Authority 1998b, Monitoring of Lead Agencies by OCA - 17 April 1998, Olympic Co-ordination Authority, Sydney.

Olympic Co-ordination Authority 1998c, Social Impact Report - Monitoring of Lead Agencies by the Olympic Co-ordination Authority Update for the Social Impact Advisory Committee Meeting - 7 October 1998, Olympic Co-ordination Authority, Sydney.

Olympic Co-ordination Authority 1999, Social Impact Report - Monitoring of Lead Agencies by the Olympic Co-ordination Authority: June 1998 - January 1999 - 11 February 1999, Olympic Co-ordination Authority, Sydney.

Piedade, A. & Vinson, T. 1998, "Operation Gateway" – Olympic City Part II', in *Uniya Focus*, No. 39, Oct.

Premier's Department New South Wales 1999, *Working Together in the NSW Public Sector: Guidelines for Collaboration and Integrated Services*, NSW Government, Sydney.

Queensland Tenants' Union 1989, *Tenancy Law in Relation to Boarding House Issues*, Queensland Tenants' Union, Teneriffe, Queensland.

Reid, B. 1996, 'Major benefits to suburbs in Olympic corridor', *Australian Financial Review*, 15 Nov., p. 68.

Rentwatchers 1998, *Rentwatchers Report*, vol. 1, no. 1, July.

Ritchie, J. R. B. 1984, 'Assessing the impact of hallmark events: Conceptual and research issues', *Journal of Travel Research*, vol. 23, no. 1, Summer, pp. 2-11.

Rutheiser, C. 1996, *Imagineering Atlanta: The Politics of Place in the City of Dreams*, Verso, London & New York.

Sierra, L. 1992, 'El mayor salto en el tiempo de Europa: Barcelona ha utilizado los Juegos para recuperar un retraso de veinte años', *Revista de Barcelona*, 28 July, pp. 2-3.

Sydney City Council 1993, *Submission to the Premier and the Treasurer Regarding Land Tax Exemption for the Accommodation Component of Pubs Offering Rooms for Long Term Low Income Residents*, Council of the City of Sydney, Sydney.

Sydney Olympics 2000 Bid Limited 1993a, *Sydney 2000: General Information*, Bid Book, vol. 1, Sydney Olympics 2000 Bid Ltd., Sydney, New South Wales.

Sydney Olympics 2000 Bid Limited 1993b, *Sydney 2000: Olympic Information*, Bid Book, vol. 2, Sydney Olympics 2000 Bid Ltd., Sydney, New South Wales.

Sydney Olympics 2000 Bid Limited 1993c, *Sydney 2000: Technical Information*, Bid Book, vol. 3, Sydney Olympics 2000 Bid Ltd., Sydney, New South Wales.

Task Force For The Homeless 1993, *The Criminalization of Poverty: City Ordinances Unfairly Target Homeless People For Arrest*, Atlanta Task Force For The Homeless, Atlanta, Georgia.

Task Force For The Homeless 1996. "Judge grants partial injunction in federal homeless lawsuit". Atlanta, Georgia: Atlanta Task Force For The Homeless.

Totaro, P. 1998, 'No loitering, please, we're hosting the Olympics', *Sydney Morning Herald*, 2 Jun., p.1.

Tourism Forecasting Council, in conjunction with Tourism New South Wales and Tourism Task Force 1998, *The Olympic Effect*, Commonwealth of Australia, Canberra.

Turner, M. 1995a, 'Games gouging hard to bar, official says', *Atlanta Journal-Constitution*, 3 Aug., p. E6.

Turner, M. 1995b, 'Landlord: Ouster is tenants' Olympic sacrifice', *Atlanta Journal-Constitution*, 3 Aug., p. E6.

Westacott, J. 1998, 'The Unfinished Agenda: Reconciling Agendas, and Intended and Unintended Outcomes', in *Homelessness: The Unfinished Agenda*, Proceedings of the Conference held on the 3rd to 4th of August 1998, Ian Buchan Fell Housing Research Centre, University of Sydney.

Wolf, C. P. 1983, 'Social impact assessment: A methodological overview', in *Social Impact Assessment Methods*, eds K. Finsterbusch, L. G. Llewellyn, & C. P. Wolf, Sage Publications, Beverly Hills, California.

Ujdur, G. & Bulloch, S. 1993a, *Sydney: Olympics 2000 - Impact on Property*, Hooker Research Ltd, Sydney.

Ujdur, G. & Bulloch, S. 1993b, *The Olympic Corridor: Residential Development at the Starting Block*, Hooker Research Ltd, Sydney.

US Department of Housing and Urban Development 1995, *U.S. Housing Market Conditions – 2nd Quarter 1995*, Department of Housing and Urban Development, Washington DC.

US Department of Housing and Urban Development 1996a, *U.S. Housing Market Conditions – 1st Quarter 1996*, Department of Housing and Urban Development, Washington DC.

US Department of Housing and Urban Development 1996b, *U.S. Housing Market Conditions – 2nd Quarter 1996*, Department of Housing and Urban Development, Washington DC.

US Department of Housing and Urban Development 1996c, *U.S. Housing Market Conditions – 3rd Quarter 1996*, Department of Housing and Urban Development, Washington DC.

Wells, R. 1991, 'Have ideas, will travel: A US development professional in Spain', *Urban Land*, vol. 50, no. 7, July, pp. 6-11.