



**NSW Department of Planning and Environment &
Coffs Harbour City Council**

PLANNING PROPOSAL TO FACILITATE RENEWAL OF THE ARGYLL ESTATE PRECINCT

Shelter NSW submission

14 September 2022

About Shelter NSW

Shelter NSW has been operating since 1975 as the State’s peak housing policy and advocacy body. Our vision is to create a sustainable housing system that provides secure homes for all. We pursue our vision through critical engagement with policy, practice, and thought leadership. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system to resolve housing inequality.

We are especially concerned for low-income households which struggle to afford good-quality and well-located housing in the private market.

Our approach involves engaging, collaborating, and connecting with government, the private and not-for-profit sectors, stakeholders, and everyday people. Our research centres on the causes of inequity and injustice in the housing system.

We consider a sustainable housing system one that delivers what we call Triple-A housing and Triple-P outcomes.

Affordable and diverse homes Housing supply and demand Tenure forms and rights Housing types and sizes	Accessible and well-located housing Proximity to jobs and services Access to public transport Accessibility and adaptability	Appropriate and high-quality development Amenity and aesthetics Energy and environment Standards and maintenance
Productive cities and regions Access to jobs and services Housing costs and consumption Financial and economic stability	Poverty-free communities Housing stress and homelessness Physical and mental health Education access and attainment	Protected neighbourhoods Energy use and consumption Urban heat Climate resilience and adaptation

At Shelter NSW, we believe that all people deserve to live in housing that delivers these priorities and objectives. We assert for example, that someone renting has as much right to secure, affordable, and sustainable housing as someone who owns their own property. We believe the housing system should deliver safe and affordable living outcomes for all, regardless of tenure type.

About our submission

Shelter NSW thanks the Department of Planning & Environment and Coffs Harbour City Council for the opportunity to comment on the Planning Proposal to facilitate renewal of the Argyll Estate in Coffs Harbour ('the Planning Proposal'). We have previously made a submission¹ on this Planning Proposal to both levels of government and our current submission reinforces and deepens our commentary on the Proposal.

The Australian housing market has moved a long way from what many would say is its inherent and essential purpose – to provide secure, functional, and affordable shelter to all people at various stages of their lives. Housing is now considered a financial product or a wealth-generating vehicle. The private housing market in this country is consistently and persistently failing to provide secure, well-located, and affordable shelter especially for the lowest 40 percent of income earners.

Given our firmly held position that the private market fails to provide enough quality, well-located, affordable housing, we call on governments to make an urgent and widespread investment in social housing acquisition and construction. A recent report jointly prepared by SGS Economics and Housing All Australians² has anticipated the cost to the economy of not investing now in social and affordable housing on a large-scale across Australia will be \$25,000,000,000 annually (in 2021 dollars) from 2051 onward. Further, the Regional Housing Taskforce recommendations report to Minister Anthony Roberts calls for the NSW Government to “consider social and affordable housing as essential social and economic infrastructure”³.

Shelter NSW has strengthened its interest in and advocacy for regional housing solutions in NSW. In May 2021, we formally engaged the Regional Australia Institute ('RAI') to undertake a review of every local government area in regional NSW. Our investigation⁴ found that **Coffs Harbour is ranked fifth out of all regional LGAs** when it comes to housing pressures in regional NSW. We have outlined the implications of this needs-assessment in our submission.

Last week, a representative of Shelter visited Coffs Harbour and was able to meet with a mix of Councillors and locals to discuss their concerns and visions for Argyll Estate. Where appropriate, we have added these sentiments into our submission.

Our submission calls for **greater transparency in the proposed housing and tenure mix** of the redevelopment site, more ambition in **leveraging and retaining land and housing assets in public hands**, targets to **ensure Affordable Rental Housing is included in addition to**

¹ Shelter NSW. (15 March 2022). *Argyll Estate, Coffs Harbour – Proposed rezoning*. Available at <https://shelternsw.org.au/wp-content/uploads/2022/03/Shelter-NSW-Argyll-Estate-Rezoning-Proposal-15-March-2022.pdf>

² SGS Economics & Planning, Housing All Australians. (June 2022). *Give Me Shelter: The long-term costs of underproviding public, social and affordable housing*. Retrieved from <https://housingallaustralians.org.au/wp-content/uploads/2022/06/Give-Me-Shelter.pdf>

³ Fielding, G. (October 2021, p. 5). *Regional Housing Taskforce: Recommendations Report*. Retrieved from <https://www.planningportal.nsw.gov.au/regional-housing>

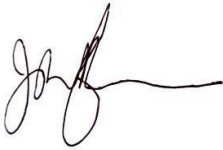
⁴ Shelter NSW in partnership with Regional Australia Institute. (November 2021). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

social housing in the Estate (particularly set aside for Aboriginal housing), adoption of **best practice guidelines for relocation and resettlement of disrupted tenants**, and more information on **shelter-in-place flood contingency plans for vulnerable populations**.

A summary of our recommendations is included on pages 12 and 13.

Given the proposed loss of a major public land asset, the lack of commitment to a substantial increase in social housing and affordable housing (available to quite different housing populations), and the capacity of the NSW Government to exercise its considerable power to do more – we contend that the Proposal falls short. **On this basis, Shelter NSW cannot support the Proposal in its current form.**

Sincerely,



John Engeler

Chief Executive Officer, Shelter NSW



Kayla Clanchy

Policy Officer, Shelter NSW

Table of contents

Our understanding of the Planning Proposal	1
Context: LGA of high housing need	4
Critique of ‘Communities Plus’ public housing renewal model	7
Recommendations	8
Aboriginal households and community	9
Recommendations	9
Compact for Renewal – what tenants want from renewal	10
Recommendations	10
2022 Floods and Flood Planning	11
Recommendations	11
Summary of recommendations	12

Our understanding of the Planning Proposal

The Argyll Estate, Coffs Harbour ('the Estate') refers to approximately 19 hectares of land bounded by commercial uses which front the Pacific Highway to the east, Bray Street to the north, riparian corridors to the north and south, and wider low density residential areas to the west.

The area consists predominantly of land owned by the Land and Housing Corporation ('LAHC') and the Aboriginal Housing Office ('AHO') which provide social housing for very low-income households (per page 5 of the Planning Proposal). Interspersed throughout the estate area are privately-owned lots.

As described in the publicly exhibited Planning Proposal, we understand the objective of the Proposal is *to provide for the renewal of the Argyll Estate Precinct to accommodate a range of dwelling types including residential flat buildings up to five storeys and dual occupancies.*

With specific intended outcomes being (bold font added for emphasis):

a) To provide for renewal of the site to deliver housing growth and a greater mix of housing types and dwelling sizes in accordance with the Coffs Harbour Regional City Action Plan 2036 and Coffs Harbour Local Growth Management Strategy 2020 (LGMS).

b) To facilitate infill development in the Bray Street Infill Area consistent with the LGMS.

c) To increase the supply of smaller, more affordable dwelling types, including dual occupancies and apartments, to address the shortage of smaller dwellings in the Coffs Harbour LGA.

d) To deliver development which is compatible with the environmental constraints and natural hazards of the precinct, including; ecological values, bushfire hazard and flood hazard.

e) To ensure future built form is appropriate for the local character and climate of Coffs Harbour and provides an appropriate transition to existing, surrounding dwellings.

f) To provide for renewal of existing social housing to better meet demand and deliver new private housing in accordance with NSW Government's Future Directions for Social Housing Strategy.

It is proposed achieve this through changes to the Coffs Harbour Local Environmental Plan ('LEP 2013') via:

- *amending the Land Zoning (LZN) Map to rezone 49 allotments from R2 Low Density Residential to R3 Medium Density Residential, being land west of Bradley Street between Kurrajong and Argyll Streets;*
- *amending the Lot Size (LSZ) Map to introduce a minimum lot size of 1,200 square metres for land zoned R3 Medium Density Residential;*
- *amending the Height of Building (HOB) Map to introduce a maximum HOB of 15.5 metres for land zoned R3 Medium Density Residential;*
- *amending the Key Sites Map to identify the Argyll Street precinct; and*

- *amending Clause 4.1B to remove the minimum lot size requirement for the construction of dual occupancies within the Argyll Street precinct.*

Separately, but related to this Proposal is the intent for LEP 2013 to adopt the optional clause 5.22 Special Flood Considerations. A draft developer contributions plan for the Estate is also proposed to support the renewal and amenity objectives of the Estate. Site-specific controls are similarly to be added to the Coffs Harbour Development Control Plan ('DCP 2015') to guide development in the Estate through:

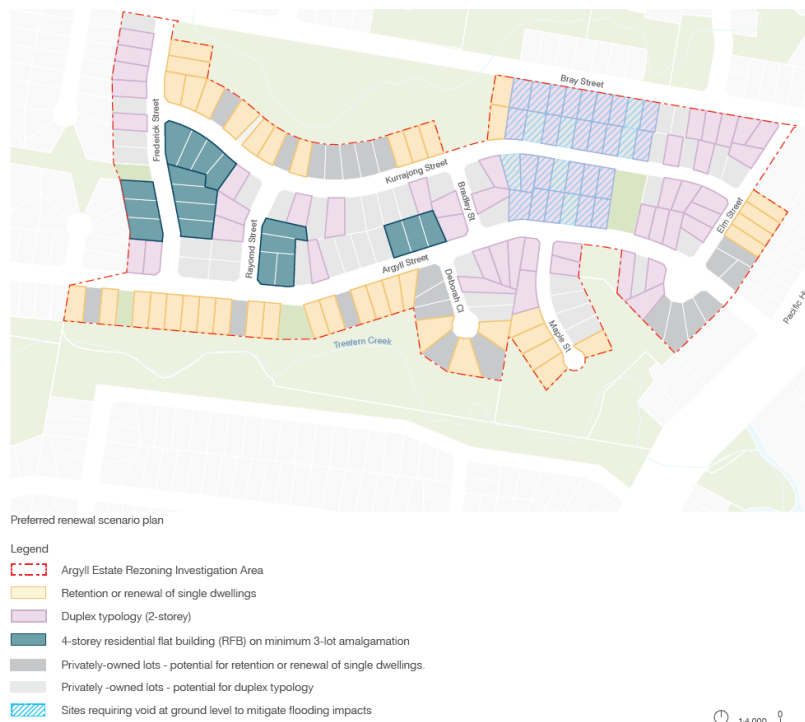
- *Changes to building setback requirements to be consistent with changes proposed in Council's Local Growth Management Strategy 2020 and to ensure appropriate density and opportunities for landscaping.*
- *Minimum requirements for private open space and privacy screening to ensure good amenity for residents.*
- *Controls to achieve built form that responds appropriately to local character and climate.*
- *Amendment of existing dwelling density requirements in Section D3.1 of DCP 2015 to be consistent with proposed amendments to LEP 2013.*
- *Reduction in parking requirements for 1 and 2 bedroom dwellings.*
- *Requirements to manage flood hazard, including:*
 - *All habitable floor levels to be above the probable maximum flood level.*
 - *Development to ensure that appropriate flood conveyance is provided to maintain and overland flow paths.*

Large parts of the Estate are flood prone and subject to other environmental constraints. Upzoning (from R2 to R3 with increase in height of buildings control) will occur for a comparatively small western chunk of land in the Estate being the least flood prone. Nonetheless, the Proposal will apparently deliver a net increase in 263 dwellings across the Estate:

Table 1 Indicative dwelling yield

Category	Number of dwellings
Existing dwellings (129 LAHC/AHO and 68 privately owned)	197
Total future precinct dwellings	460
Future dwellings on sites owned by LAHC and AHO	365
Future dwellings on privately owned sites	95
Additional precinct dwellings	263

The bulk of additional dwellings will apparently occur on land which is currently owned by LAHC or AHO, particularly in 4-storey residential flat buildings:



Extract from *Architectus, Urban Design Report, p. 59*

It is not explicitly stated in the Planning Proposal:

- The proposed “social mix” that will occur on lots to be upzoned and redeveloped (ie proportion of public housing, community housing, Aboriginal housing, below-market Affordable Rental Housing, and private housing)
- The number of residential flat buildings which will be wholly set-aside as social housing
- The number of residential flat buildings which will be mixed-tenure
- The proportion of dwellings per residential flat building which will be public housing, community housing, Aboriginal housing, below-market Affordable Rental Housing, and private housing
- The number of bedrooms per additional social housing dwelling in residential flat buildings
- The split between lots and properties currently owned by LAHC **or** AHO (not LAHC/AHO bundled together) in the whole Estate and in the parts of the Estate to be upzoned and redeveloped
- The transfer scenario of lots owned by LAHC to community housing providers
- The transfer scenario of lots owned by AHO to Aboriginal community housing providers
- The transfer scenario of any land owned by LAHC or AHO to private market

The above omitted details are necessary to fully gauge the social impacts, costs, and benefits of renewal in the Estate and to strategically assess the likelihood of the Proposal to deliver on the stated intended outcomes a), c), and f) of the Planning Proposal. **We recommend the above omitted details be sought by Council (from the Department of Planning & Environment; LAHC) and publicly exhibited as an Addendum to the Planning Proposal before any further progression of the Planning Proposal or associated Development Applications.**

Context: LGA of high housing need

Coffs Harbour is facing multiple housing pressure points due to micro and macro social, economic, and environmental factors including demographic changes, COVID-19 impacts, short-term rental accommodation growth, and worsening climate change.

At the population level, regional and rural communities are often home to an ageing demographic which increasingly wants to age-in-place (this is considered best practice and reflected in the Aged Care Royal Commission's recommendation to increase in-home aged care by 80,000 new packages into 2022)⁵. Downsizers, ex-farmers, and older people in general will need housing which is easy to maintain, affordable, and well-located with respect to key health and social services. Coffs Harbour is no different; it is anticipated that population growth will be highest in the 70+ year age group in the coming years for this locality⁶.

The lack of diversified housing in regional centres is at odds with ABS data indicating the number of people per household in regional locations is more conducive to 1- to 2-bedroom dwellings⁷. The AHURI regional research⁸ supports this observation, noting that many growing regional towns are experiencing land use pressure and sprawl. LAHC's own analysis⁹ acknowledges the need to prioritise construction of 1- to 2-bedroom dwellings that are well-located with respect to public transport and amenities in Coffs Harbour.

Migration trends during the COVID-19 pandemic have contributed to a deepening regional housing crisis for NSW¹⁰. Single-parent families and households in mortgage or rental stress are overrepresented in Coffs Harbour, compared to the rest of regional NSW¹¹. This is particularly concerning, as the *SGS Economics Rental Affordability Index*¹² found a worker earning \$55,000 per year (akin to a hospitality or retail worker) faces "severe" rental affordability constraints in Coffs. A single pensioner aged 65 or older seeking to rent a 1-

⁵ Royal Commission into Aged Care Quality and Safety. (February 26, 2021). *Final Report - Recommendation 39*. Retrieved from https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-1_0.pdf

⁶ Shelter NSW in partnership with Regional Australia Institute. (November 2021). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

⁷ ABS. (2011-2016). *Census of Population and Housing (Enumerated)*. Compiled and presented in profile.id, retrieved from <https://profile.id.com.au/australia/population?WebID=180>

⁸ AHURI. (August 2021, p. 69). *Final Report No. 362 Population growth, regional connectivity, and city planning—international lessons for Australian practice*. Retrieved from <https://www.ahuri.edu.au/sites/default/files/documents/2021-09/AHURI-Final-Report-362-Population-growth-regional-connectivity-and-city-planning.pdf>

⁹ NSW LAHC. (November 2021, p. 14). *Coffs Harbour Local Area Analyses*. Retrieved from https://www.dpie.nsw.gov.au/_data/assets/pdf_file/0005/481820/5-LAHC-Coffs-Harbour-LGA-Analysis.pdf

¹⁰ Pawson, H., Martin, C., Thompson, S., & Aminpour, F. (2021, p. 45). *COVID-19: Rental housing and homelessness policy impacts*. ACOSS/UNSW Poverty and Inequality Partnership Report No. 12. Retrieved from https://shelternsw.org.au/wp-content/uploads/2021/11/Covid-19_rental-housing-and-homelessness-impacts-in-Australia-24-Nov.pdf

¹¹ Shelter NSW in partnership with Regional Australia Institute. (November 2021). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

¹² SGS Economics. (November 2021). *Rental Affordability Index: Key Findings*. Retrieved from <https://www.sgsep.com.au/sgs-lab/rental-affordability-index> [interactive map]

bedroom dwelling in Coffs Harbour similarly faces “extreme” rental affordability constraints¹³.

The proportion of dwellings as social housing stock is only 3.7 percent¹⁴ for Coffs Harbour. Yet, there are more than 700 people on the general social housing waitlist waiting in excess of 10 years for all dwelling types in Coffs Harbour¹⁵. At Shelter, we routinely advocate for **at least 5 percent** of all housing stock in each LGA to be social housing.

Meanwhile, thousands¹⁶ of whole-home property investor Airbnbs sit idle in the North Coast region as locals sleep in tents in caravan parks or State and National Parks¹⁷. Domestic tourism during COVID-19 has significantly increased in many regional towns and locations. The lure of higher profits per week in converting a dwelling to short-term rental accommodation through easy-to-use platforms such as Airbnb has diverted a lot of long-term rentals from the private rental market. This has demonstrably been the case for Coffs Harbour:

LGA	Number of whole-house STRAs listed on Airbnb – Nov 2018 ¹⁸	Number of whole-house STRAs listed on Airbnb – Nov 2021 ¹⁹	Change in rental vacancy rate (%) between Nov 2018 to Nov 2021 ²⁰
Coffs Harbour	583	703	-0.6 (1.0 to 0.4)

A turbo-charged La Nina summer and autumn has wreaked havoc across the North Coast and Northern Rivers for most of 2022. What were once considered chronic, systemic housing issues are now acute and urgent housing crises for many towns in the region. As the recent report from the *NSW Select Committee into the Response to Major Flooding 2022* notes²¹, buyback and land swap schemes will need to be expeditiously implemented to provide certainty to many low-income mortgage holders with inadequate home insurance.

Safe, secure, and affordable homes are one of the strongest social tools we have in adapting to worsening climate change impacts²². Recent catastrophic rain events and

¹³ Ibid [interactive map]

¹⁴ Shelter NSW in partnership with Regional Australia Institute. (November 2021). *New South Wales Regional Housing Need Report*. Retrieved from <https://sheltersnsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

¹⁵ Shelter NSW in partnership with Regional Australia Institute. (November 2021). *New South Wales Regional Housing Need Report*. Retrieved from <https://sheltersnsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

¹⁶ Murray Cox. (n.d.). *Inside Airbnb*. Retrieved from <http://insideairbnb.com/get-the-data.html>

¹⁷ Sati, W for ABC Mid-North Coast. (21 August 2021). *Homeless in a bush camp, told to move on, but with a lack of affordable housing there's nowhere to go*. Retrieved from <https://www.abc.net.au/news/2021-08-21/lack-of-affordable-housing-for-those-in-homeless-bush-camp/100384898> ; Oatway, L. and Shoebridge, J for ABC North Coast. (1 April 2022). *Flood victims told to leave emergency housing in Byron Bay to make way for Easter holiday-makers*. Retrieved from <https://www.abc.net.au/news/2022-04-01/flood-victims-told-to-leave-emergency-accommodation/100959270>

¹⁸ Murray Cox. *Inside Airbnb*. Retrieved from <http://insideairbnb.com/get-the-data.html>

¹⁹ Ibid

²⁰ SQM Research. (n.d.). *Residential vacancy rates by postcode*. Retrieved from https://sqmresearch.com.au/graph_vacancy.php

²¹ NSW Parliament, Select Committee into the Response to Major Flooding 2022. (9 August 2022). *Report No 1 - Response to major flooding across New South Wales in 2022*. Retrieved from <https://www.parliament.nsw.gov.au/committees/listofcommittees/Pages/committee-details.aspx?pk=277#tab-reportsandgovernmentresponses>

²² Intergovernmental Panel on Climate Change. (February 2022). *IPCC Sixth Assessment Report*. Retrieved from <https://www.ipcc.ch/report/ar6/wg2/>

flooding on the north coast continue to highlight the imperative nature of planning for and delivering well-located, well-designed, non-market or below-market housing. Those most vulnerable to climate change impacts and homelessness are oftentimes low-income earners who are increasingly locked out of the private rental market.

In August 2020, Shelter responded²³ to the draft Coffs Harbour Regional City Action Plan 2036. One of our core recommendations was for the Department of Planning to:

Commit to an increase in the supply of social and affordable housing that is proportional to demand across regional NSW... using its planning instruments, surplus land and development corporations to support an economic infrastructure pipeline of affordable housing.

In that same submission we raised concerns about the risk of poorly planned 'urban sprawl' recommending that any new residential developments in regional NSW should be based on clustering dwelling patterns or medium density development connected to town centres (to produce a greater diversity of dwellings).

As the housing situation since mid-2020 has become ever more dire in Coffs Harbour, we reiterate the need for a net increase in social and affordable rental housing of varying dwelling sizes (predominantly being universally-accessible designed 1- to 2-bedroom homes) but acknowledge that there remains a need for larger family homes, particularly those that can accommodate and flexibly respond to cultural needs.

Due to the above factors (and other parameters outlined in our housing-need report), **Coffs Harbour is ranked joint-fifth out of all regional LGAs in our report on areas of high housing need**²⁴.

In March 2022, we made a submission²⁵ on the proposed Argyll rezoning whereby we asserted that the NSW Government needs to be a lot more ambitious in its social housing renewal programs to ensure the maximum benefit accrues to the public through retaining public ownership of land for housing.

²³ Shelter NSW. (August 2020). *Submission on Draft Coffs Harbour Regional City Action Plan 2036*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2020/11/Shelter-NSW-Submission-Draft-Coffs-Harbour-Regional-City-Action-Plan-2036.pdf>

²⁴ Shelter NSW in partnership with Regional Australia Institute. (November 2021, p. 16). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

²⁵ Shelter NSW. (15 March 2022). *Argyll Estate, Coffs Harbour - Proposed rezoning*. Available at <https://shelternsw.org.au/wp-content/uploads/2022/03/Shelter-NSW-Argyll-Estate-Rezoning-Proposal-15-March-2022.pdf>

Critique of ‘Communities Plus’ public housing renewal model

Shelter NSW does appreciate that the development of the Argyll Estate offers the opportunity to develop better-designed and constructed dwellings – with a great opportunity to improve the quality of life and cost-of-living for its tenants. But it remains the case that the Estate’s social housing is currently located on wholly-owned public land; a valuable public and community asset.

We understand that the Government tends to apply a 70 private/30 social housing proportion model to redevelopment of public housing estates. This involves selling all or part of the site to private developers which commit to building new social housing for the Government’s social housing developer, LAHC. This reflects LAHC’s self-funding model of development – where rental income and LAHC owned property asset sales pay for new public housing construction²⁶.

We observe that while the NSW Government appears to have ceased actively branding its social housing estate renewal programs as Communities Plus²⁷ projects, its general business model of selling public land to private developers in exchange for typically just 30% of social housing dwellings (and no requirement for Affordable Rental Housing²⁸) in the resultant denser estate remains under the *Future Directions for Social Housing Strategy*.

Darcy and Rogers²⁹ note that a target of 70% private and 30% public dwellings has become an accepted standard for public housing renewal projects in several Australian states. The majority private ownership is said to be necessary *to counter stigma and the supposed demotivating impacts of concentrated disadvantage*. They argue, on the contrary, that each housing estate has its own unique profile, within its own local context (whether it be a suburb or town). **How can a standard ratio be applied to every estate being renewed?** As to the social engineering goals of creating an ideal ‘social mix’, we wonder why below-market Affordable Rental Housing is not included as a necessary part of the social mix. Darcy and Rogers further report that rather than the mix of housing type and tenure, it is the mix of ages, incomes and family types amongst social housing tenants and the delivery of other community programs that are more important in securing positive outcomes for low-income households.

²⁶ NSW LAHC. (November 2021, p. 8). Local Area Analyses – Coffs Harbour. Retrieved from https://www.dpie.nsw.gov.au/_data/assets/pdf_file/0005/481820/5-LAHC-Coffs-Harbour-LGA-Analysis.pdf

²⁷ NSW DCJ. (n.d.). *Communities Plus*. Retrieved from <https://www.facs.nsw.gov.au/reforms/future-directions/initiatives/communities-plus>

²⁸ Where Affordable Housing describes housing that is appropriate for the needs of a range of very-low to moderate income households; rent at a discount to private market usually not exceeding 30% of household income; developed with the assistance of the State and/or Commonwealth Governments; usually managed by Community Housing providers (source: DCJ Affordable Housing definition)

²⁹ Darcy, M. & Rogers, D. (October 2019). *Finding the Right mix in Public Housing Redevelopment: Review of Literature and Research Findings*. USYD The Henry Halloran Trust. Retrieved from <https://www.sydney.edu.au/content/dam/corporate/documents/henry-halloran-trust/hht-social-mix-discussion-paper.pdf>

Shelter NSW has released an important piece of research³⁰ that calls on people interested in sound public policy to ‘reimagine the economics of public housing’. While the paper looks at the proposals for the large Waterloo South social housing estate renewal project as a case study it has broader applications, including for the Argyll Estate.

The paper observes that in NSW, investment in new public housing has been considered as a cost only. But even lay people would see housing (even public housing) as an asset that generates a return over time in the form of rental income and capital gains. Murray & Phibbs argue that *ignoring these asset returns is a key economic issue with the LAHC self-fund development model... [it] privatises long-term returns on real estate assets, which are the source of value that funds public housing redevelopment.*

The paper calls for more elegant economic and financial designs. This would include *mimicking private sector behaviour, such as using leverage during redevelopment periods, retaining market risk and return during the development process, and retaining long-term ownership of as much of the real estate asset base as possible.*

With specific reference to Waterloo Estate renewal, the Paper explores a model whereby 50% of new dwellings are social housing, 25% are retained by LAHC as build-to-rent housing at market prices, and 25% are sold by LAHC to the private market. This scenario uses low-cost leverage to generate positive cashflow, and maximises exposure to long-term capital gains for LAHC.

At Shelter NSW, we also advocate for Affordable Rental Housing - **in addition to social housing, not instead of it.** Below-market Affordable Rental Housing is an important tenure type that should complement renewal projects. This type of housing and tenure responds to a vital group of households that are often overlooked – financially stressed renters in the insecure, private residential housing market (renters who otherwise generally do not qualify for social housing). It also caters for important key workers such as aged care workers and early childhood educators who are increasingly falling into rental stress and housing precarity with all-time-low national rental vacancy rates³¹. In the Coffs Harbour area, this would include key workers from the Aboriginal community who are being priced-out of the region and communities they serve.

Recommendations

- Apply a more innovative commercial and funding model than that of ‘Communities Plus’ to the development of LAHC and AHO owned allotments, enabling a long-term sustainable income for Government via retaining land and housing assets and

³⁰ Murray, C. & Phibbs, P. (2021). *Reimagining the economics of public housing at Waterloo*. Retrieved from https://sheltersnsw.org.au/wp-content/uploads/2022/03/Reimagining-the-economics-of-public-housing-at-Waterloo_FINAL.pdf

³¹ Gilbert, C., Nasreen, Z. and Gurran, N. (2021). *Housing key workers: scoping challenges, aspirations, and policy responses for Australian cities, AHURI Final Report No. 355*. Australian Housing and Urban Research Institute Limited, Melbourne. Retrieved from <https://www.ahuri.edu.au/research/final-reports/355> ; Domain Research House. (2 September 2022). *Vacancy Rates: Key Findings*. Retrieved from <https://www.domain.com.au/research/vacancy-rates-august-2022-1164176/>

delivering greater public benefit through notable increases to social and affordable housing in the Estate

- Ensure that Affordable Rental Housing allocations are included in the renewal project **in addition to** social housing (we recommend 20%), as an intermediary between social housing and private housing in the Estate and to increase housing security for key workers in the LGA.

Aboriginal households and community

Aboriginal people are strongly represented in the Coffs community³², relative to the State-average. This strong representation extends to the Argyll Estate, where the AHO owns several properties and many private allotments are now owned by Aboriginal households having formerly been Government housing.

As alluded to in the previous section, the Communities Plus approach results in the dilution of social housing in any area. In this part of Coffs, the dilution effect will apply to long-standing Aboriginal communities and Aunties.

Affordable Rental Housing products – if included in the renewed Estate (as we are calling for) – should be available first and foremost to First Nations households.

We appreciate efforts by AHO to build capacity in the Aboriginal Community Housing sector and support the growth of Aboriginal Community Housing Provider ('ACHP') portfolios.

Recommendations

- Ensure the percentage of Aboriginal housing in the Estate is maintained and in fact improved on, commensurate with the current and growing need for social housing stock
- Dedicate Affordable Rental Housing products in the renewed Estate to First Nations households (managed by an Aboriginal Community Housing provider)
- Actively seek the involvement and leadership of the not-for-profit Community Housing sector (including and especially, the Aboriginal Community Housing sector) in delivering this renewal program.

³² ABS. (2021). Coffs Harbour LGA Quickstats. Retrieved from <https://www.abs.gov.au/census/find-census-data/quickstats/2021/LGA11800>

Compact for Renewal – what tenants want from renewal

The eventual transfer processes connected with the renewal project will be very disruptive to the lives of existing tenants. The disruption has already begun for the current residents as talk surrounds the future of the Estate. Some are employed and wonder how this renewal will affect their employment. Some are highly engaged in community networks of the suburb and their neighbourhood and wonder what will happen when they move. Many worry about how they will maintain practical access to support services they have come to rely on. Some are houseproud and wonder how their personal investment in their homes will be recognised and compensated.

With the benefit of having observed the progress and impact of a number of ‘Communities Plus’ renewal projects, Shelter NSW encourages the NSW Government to actively engage and support community members, but especially current residents in the design of their future homes and community. We have heard directly from public housing tenants who have or are already part of an estate renewal project in parts of Greater Sydney. They have told us what works well, and what does not – for residents and the overall project.

Shelter NSW recognises that the level of engagement we are advocating for requires partnership between the Department of Planning & Environment, LAHC, the Department of Communities and Justice (‘DCJ’), AHO, Community Housing Providers, and Aboriginal Community Housing Providers.

We offer the *Compact for Renewal*³³ as a template for how the NSW Government might best engage with the Argyll Estate community from right now through to relocation and return.

Recommendations

- Formally adopt the *Compact for Renewal* for how to best engage with the current and long-standing Argyll Estate social housing tenant community including Aboriginal households (from now right through to relocation and possible return). Noting that exceptional and active community engagement has been observed to fast-track estate renewal approaches
- Seek the advice of the local Aboriginal Community Housing and Community sector organisations as to ways to minimise disruption to the current Aboriginal community within the Argyll estate and adopt culturally-sensitive design and change management approaches.

³³ Shelter NSW, Tenants Union of NSW, and City Futures Research Centre UNSW. (June 2017). *A Compact for Renewal: What tenants want from renewal*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2020/11/2017-A-compact-for-renewal-what-tenants-want-from-renewal-2017.pdf>

2022 Floods and Flood Planning

Whilst Coffs Harbour is not located in the immediate impact zone of the Northern Rivers flood disaster events of early 2022, it is likely that demand for social and affordable housing has risen right along the coast, compounding a large current unmet need for temporary and long-term housing in Coffs Harbour. This demand will not be easily resolved.

Several submissions were made to the Select Committee Flood Inquiry with respect to land use planning and the need for a larger, safer stock of social housing in many localities (e.g. submissions from Homelessness NSW and Local Government NSW). Land swaps, resettlement, and critical social infrastructure such as social housing and emergency accommodation should be built well above the 1% AEP flood planning level and closer to being at or above the Probable Maximum Flood level. This view appears to be consistent with the Technical Director of Flood Management Australia who presented at the Select Committee Flood Inquiry³⁴.

We note that new dwellings in upzoned parts of the Estate are proposed to have floor levels at or above the PMF for a shelter-in-place strategy. We commend this safer planning outcome, however, we hold concerns for the practical application of a shelter-in-place strategy for vulnerable populations. Consider, for example, a tenant with disability who relies on external support workers for daily needs being directed to shelter-in-place for an unknown number of days. More information is needed on how a shelter-in-place contingency plan for vulnerable populations will be designed, implemented, and communicated to residents in the Estate.

Further, the administrative process is not clear for incorporating the optional clause 5.22 Special Flood Consideration in the LEP 2013 with respect to the timing of the Argyll Estate Planning Proposal and associated Development Applications.

Recommendations

- Provide more information on how a shelter-in-place flooding contingency plan for vulnerable populations will be designed, implemented, and communicated to residents in the Estate
- Clarify the timeline and administrative process for incorporating the optional clause 5.22 Special Flood Consideration in the LEP 2013 with respect to the timing of the Argyll Estate Planning Proposal and associated Development Applications.

³⁴ NSW Parliament, Select Committee into the Response to Major Flooding 2022. (9 August 2022). *Report No 1 - Response to major flooding across New South Wales in 2022*. Retrieved from <https://www.parliament.nsw.gov.au/committees/listofcommittees/Pages/committee-details.aspx?pk=277#tab-reportsandgovernmentresponses>

Summary of recommendations

The recommendations peppered throughout this submission are collated below. Shelter NSW recommends Coffs Harbour City Council seek the following information and amendments to the Proposal, from the Department of Planning & Environment and LAHC (where appropriate):

- Publicly exhibit the below information as an Addendum to the Planning Proposal before any further progression of the Planning Proposal or associated Development Applications. The following information is necessary to fully gauge the social impacts, costs, and benefits of renewal in the Argyll Estate and to strategically assess the likelihood of the Proposal to deliver on the stated intended outcomes a), c), and f) of the Planning Proposal:
 - The proposed “social mix” that will occur on lots to be upzoned and redeveloped (ie proportion of public housing, community housing, Aboriginal housing, below-market Affordable Rental Housing, and private housing)
 - The number of residential flat buildings which will be wholly set-aside as social housing
 - The number of residential flat buildings which will be mixed-tenure
 - The proportion of dwellings per residential flat building which will be public housing, community housing, Aboriginal housing, below-market Affordable Rental Housing, and private housing
 - The number of bedrooms per additional social housing dwelling in residential flat buildings
 - The split between lots and properties currently owned by LAHC **or** AHO (not LAHC/AHO bundled together) in the whole Estate and in the parts of the Estate to be upzoned and redeveloped
 - The transfer scenario of lots owned by LAHC to community housing providers
 - The transfer scenario of lots owned by AHO to Aboriginal community housing providers
 - The transfer scenario of any land owned by LAHC or AHO to private market
- Apply a more innovative commercial and funding model than that of ‘Communities Plus’ to the development of LAHC and AHO owned allotments, enabling a long-term sustainable income for Government via retaining land and housing assets and delivering greater public benefit through notable increases to social and affordable housing in the Estate
- Ensure that Affordable Rental Housing allocations are included in the renewal project **in addition to** social housing (we recommend 20%), as an intermediary between social housing and private housing in the Estate and to increase housing security for key workers in the LGA
- Ensure the percentage of Aboriginal housing in the Estate is maintained and in fact improved on, commensurate with the current and growing need for social housing stock

- Dedicate Affordable Rental Housing products in the renewed Estate to First Nations households (managed by an Aboriginal Community Housing provider)
- Actively seek the involvement and leadership of the not-for-profit Community Housing sector (including and especially, the Aboriginal Community Housing sector) in delivering this renewal program
- Formally adopt the *Compact for Renewal* for how to best engage with the current and long-standing Argyll Estate social housing tenant community including Aboriginal households (from now right through to relocation and possible return). Noting that exceptional and active community engagement has been observed to fast-track estate renewal approaches
- Seek the advice of the local Aboriginal Community Housing and Community sector organisations as to ways to minimise disruption to the current Aboriginal community within the Argyll estate and adopt culturally-sensitive design and change management approaches
- Provide more information on how a shelter-in-place flooding contingency plan for vulnerable populations will be designed, implemented, and communicated to residents in the Estate
- Clarify the timeline and administrative process for incorporating the optional clause 5.22 Special Flood Consideration in the LEP 2013 with respect to the timing of the Argyll Estate Planning Proposal and associated Development Applications.