



# Lismore Affordable and Diverse Housing Strategy





**We acknowledge the Widjabal/Wia-bal people of the Bundjalung nation, Traditional Owners of the lands and waters on which we operate our business.**

**We honour their unique cultural and spiritual relationship to the land and waters and their continuing and rich contribution to Lismore City Council and the community.**

**We pay our respects to them and their culture, their Elders and community leaders both past and present. Additionally, we acknowledge the vibrant contribution that young Aboriginal people make as emerging leaders of the community.**

**For Widjabal/Wia-bal people, their country takes in everything within the physical, cultural and spiritual landscape - landforms, waters, air, trees, rocks, plants, animals, foods, medicines, minerals, stories and special places. It includes cultural practice, kinship, knowledge, songs, stories and art, as well as spiritual beings, and people: past, present and future.**

# Contents

Executive Summary	4	3	<b>Key housing issues for Lismore</b>	21
1. <b>Background</b>	5	3.1	Housing Stress	22
1.1 Lismore Housing Strategy	5	3.2	Lack of housing available for rental	23
1.2 Council Resolutions	5	3.3	Lack of affordable and diverse housing stock being built	23
1.3 Objective of this Strategy	5	3.4	Meeting the needs of a changing population	24
1.4 What is meant by affordable housing?	5	3.5	Aligning Employment Opportunities	24
1.5 What is meant by medium density and diverse housing?	7	3.6	Availability of Social Housing in Lismore	25
1.6 Local Consultation	7	3.7	Flooding	26
1.7 Regional Housing Taskforce	8	3.8	Covid 19 Regional Migration Impacts	27
2 <b>Population and Housing Characteristics</b>	11	3.9	Supply (Land Availability)	28
2.1 Overall Population	12	3.10	Rural and Village housing	29
2.2 Household Types	12	3.11	Housing for Aboriginal and/ or Torres Strait Islander community	29
2.3 Age characteristics	13	4	<b>What can council do?</b>	30
2.4 Household Tenure	14	4.1	Infrastructure Contributions Discounts	31
2.5 Dwelling Type	15	4.2	Grant Funding for Affordable Housing	32
2.6 Housing Costs	17	4.3	Planning Controls and Policy settings	32
2.7 Income Levels	18	4.4	Affordable Housing Contributions Scheme	32
2.8 Levels of Social Disadvantage	19	5.	<b>Programs &amp; Projects</b>	33
2.9 Population Projections	20		<b>Appendix - Policy context</b>	39

# Executive Summary

The Lismore Affordable and Diverse Housing Strategy ('the strategy') was developed in late 2021 and early 2022 in response to a Council resolution to investigate affordable and medium density housing issues and is intended to replace the Lismore Housing Strategy (2012). The devastating natural disaster flooding events in February and March 2022 had a significant impact on the availability of housing and additional commentary has been added to reflect the housing crisis in Lismore.

The primary objective of the strategy is to identify ways Council can stimulate additional affordable and medium density housing in the urban area of Lismore as the location of new housing should be aligned with the location of jobs, infrastructure and services.

**Section 1** provides the background and context of the strategy, including definitions, consultation activities and case studies of key workers and target groups.

**Section 2** provides population, income and other demographic data, as well as an overview of the pre-natural disaster housing market and population forecasts. The disruption caused by the natural disaster means it is not possible to predict with any level of accuracy what the long-term implications will be for Lismore's population over the 10-year horizon of this strategy.

**Section 3** provides an overview of the key housing issues for Lismore as identified through consultation activities and a review of relevant housing data and reports, DA approvals, etc.

**Section 4** outlines the mechanisms available to Local Government to address housing affordability and diversity. Lismore City Council's approach will involve three strategic principles:

- Advocate on behalf of specific demographics and target groups within our community
- Facilitate the supply of land and suitable planning controls that encourage increased density and a diversity of housing types to meet the changing needs of the population
- Partnerships and Direct Support initiatives that deliver the construction of additional affordable and medium density housing projects

**Section 5** outlines the range of projects and programs to be undertaken by Council in the short, medium and long-term to encourage and facilitate increased supply of affordable and diverse housing in accordance with the objectives of the strategy.



# 1. Background

## 1.1 Lismore Housing Strategy

The Lismore Housing Strategy (2012) was the result of a detailed analysis of the housing market at that time and identified key housing issues for Lismore. It provided an action plan for Council and its project partners to address housing needs. A review of that strategy shows that most of the recommended actions have been implemented including updating Council's planning controls, providing incentives for preferred housing types and releasing new residential land. The review also indicates that most of the housing issues identified at that time remain, particularly in relation to the need for additional low and moderate cost housing, the need for additional rental stock and the need for a more diverse range of housing that is suitable for an ageing and changing population.

## 1.2 Council Resolutions

In May 2021 Lismore City Council declared “an emergency situation with respect to the lack of housing availability and affordability in our community” and that Council investigates affordable and medium density opportunities within the Lismore urban area. In July 2021 Council resolved to prepare an Affordable Housing Strategy and to further investigate affordable and medium density housing issues.

## 1.3 Objective of this Strategy

Lismore City Council believes that everybody has a right to appropriate and affordable housing. The primary objective of this strategy is to identify measures that Council can take to stimulate additional affordable and medium-density housing primarily in the urban area of Lismore as the location of new housing should be aligned with the location of jobs, infrastructure and services. This will be achieved through a range of projects and programs identified in Section 5 of this strategy.

This strategy aims to achieve the following Policy Goals:

- By 2033, the equivalent of 40% of all new housing in the Lismore LGA will be ‘diverse’ or ‘medium density housing’ typologies as identified at Section 1.5. This is an increase from approximately 32% of residential development approvals issued between 2015-2021.
- By 2033, 15% of all new housing will be affordable to households in the very low to moderate income categories. This is an increase from approximately 10% of residential development approvals for new affordable housing stock issued between 2015-2021.

The strategy responds to Council's resolutions and to changes in the housing market that have seen a significant increase in demand and prices for houses that has been particularly evident during the COVID-19 pandemic. This strategy updates and will replace the Lismore Housing Strategy (2012).

## 1.4 What is meant by affordable housing?

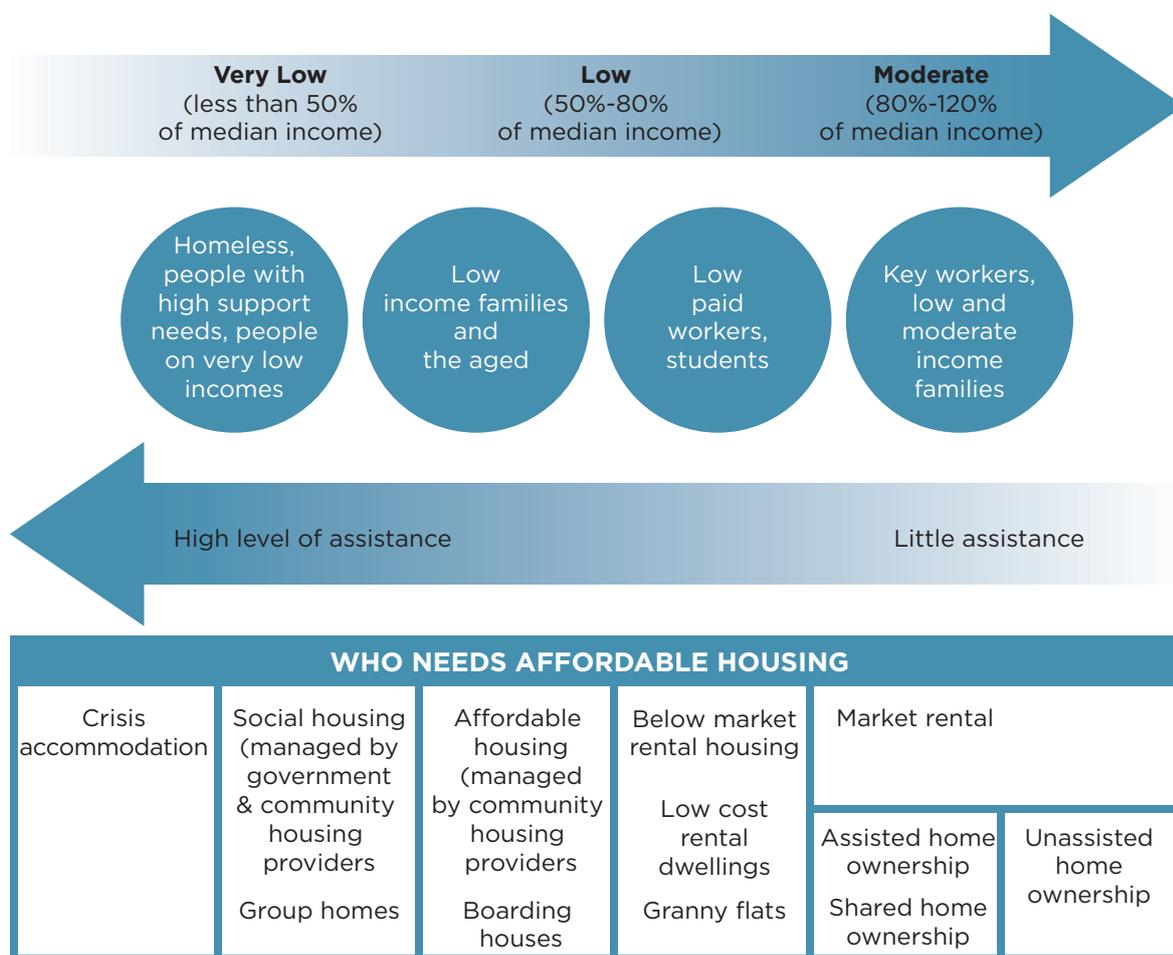
Affordable Housing is any housing that is appropriate for the needs of people in the range from ‘very low’ to ‘moderate’ household incomes and is priced so that households can also meet other basic living costs such as food, clothing, transport, utilities, medical and education expenses. Housing is generally considered affordable if it is less than 30% of gross household income (whether mortgage payments or rent).

The following table provides the income thresholds for the ‘very low’, ‘low’ and ‘moderate’ income categories. This is based on the median weekly household income for ‘the rest of NSW’ (ie all areas outside of Greater Sydney) which is \$1434 (Census 2021). As a general guide, home rental and purchase prices that are considered affordable are also provided.



	Very Low Income	Low Income	Moderate Income
Income benchmark (% of gross median household income for the rest of NSW)	<50%	50-80%	80-120%
Income range (per week)	<\$717	\$717 - \$1147	\$1147 - \$1721
Income range (per year)	<\$37,284	\$37,284 - \$59,654	\$59,654 - \$89,482
Affordable Rental Benchmark (per week)	<\$215	\$215 - \$344	\$344 - \$516
Affordable Purchase Benchmark - assuming 20% deposit for a 30 year loan and an interest rate of 3.74% p.a.	<\$250,000	\$250k - \$400K	\$400k - \$595K

Affordable Housing is NOT the same as Social or Community Housing which is generally owned and managed by the NSW Department of Communities and Justice, Community Housing Providers or the Aboriginal Housing Office and provides secure housing to people on very low incomes.



**Figure 1:** The spectrum and relationships between different housing types across income levels and associated levels of government support. (Source: NSW Government Affordable Housing Taskforce Interim Report, 2012)



### 1.5 What is meant by medium density and diverse housing?

There is no universally accepted definition in NSW for either medium density or diverse housing. For the purposes of this strategy these terms refer to all types of residential accommodation that increase the density and diversity of housing types beyond that of a single detached dwelling and may include:

- Dual occupancies (two houses, whether attached or detached)
- Secondary dwellings ('Granny Flats')
- Multi-dwelling housing (three or more dwellings on one lot)
- Residential Flat Buildings
- Seniors Housing
- Co-living housing
- Shop Top Housing

As well as relating to housing type, housing diversity also relates to the variety of sizes and tenures within the housing stock.

### 1.6 Local Consultation

In May/June 2021 Lismore Council staff undertook a series of interviews with representatives from the development industry and other stakeholders to gain a better appreciation of the issues facing the various sectors in delivering affordable and/or medium density housing in Lismore. The following organisations and individuals participated in the consultation:

**Planning and building consultants:** GM Project Development & Management, Malcolm Scott, Planit Consulting, Ardill Payne & Assoc, Newton Denny Chapelle, RLA Building Designs, Richmond Hill Consultants (also developers) and Mike Sivikis Planning.

**Community / affordable housing providers:** Social Futures, Momentum Collective, North Coast Community Housing, BaptistCare and Lismore Challenge (Multitask).

**Builders/Developers:** Bennett Constructions, Greg Clark Building, Winten Property Group, William Xavier Heights Pty Ltd (Lismore Diocese) and McCloy Goonellabah.

**Real Estate Agents:** Ray White Real Estate and Professionals Real Estate.

**Key Employers:** Lismore Base Hospital, St Vincent's Private Hospital, Northern Cooperative Meat Company.

**State Government:** Land & Housing Corporation.



A summary of the consultation was provided in a report to Council in July 2021 which can be found here: [www.lismore.nsw.gov.au/infocouncil2/Open/2021/07/OC\\_13072021\\_AGN\\_AT.PDF](http://www.lismore.nsw.gov.au/infocouncil2/Open/2021/07/OC_13072021_AGN_AT.PDF)

The insights from this consultation process are reflected in Key Housing Issues Facing Lismore at Section 3 of this strategy.

A second round of community consultation was undertaken from September 21- October 31, 2022 when the draft strategy was put on public exhibition. A total of 195 survey responses and nine written submissions were received. Council staff also sought specific feedback from Aboriginal and Community Housing Providers. Feedback from community consultation was presented in a briefing to councillors in March, 2023 and incorporated into the final strategy.



## 1.7 Regional Housing Taskforce

In June 2021 the NSW Government launched a Regional Housing Taskforce to undertake an extensive consultation process to investigate planning barriers and other mechanisms to stimulate housing supply and address regional housing needs, as well as impediments to the delivery of affordable housing and housing that matches community needs.

The taskforce had 401 attendees at roundtable sessions and received 168 submissions, including from Lismore City Council and the Northern Rivers Joint Organisation. A report of the Regional Housing Taskforce's findings was released in September 2021 and the taskforce's recommendations were released in November 2021. While the issues affecting Lismore are not necessarily the same as those affecting other regional areas, the report's findings indicate there is a high level of common ground.

The NSW Government has adopted all recommendations of the Regional Housing Taskforce and announced newly funded commitments to assist in the delivery of regional housing.



# Who needs Affordable Housing?



## Health Care and Disability Support Workers

The largest employment sector in the Lismore LGA is health care and social assistance, providing 6800 jobs in 2020/21.

They work in our hospitals and aged care centres, in allied health practices and for disability support services. They often do shift work and/or work across multiple sites. There is a high degree of car dependence and a requirement for after-hours childcare in this sector.

Example	Average Income (per annum-Full Time)	Average Income (per week-Full Time)	Rental / Mortgage affordability (per week)
Aged and Disabled Carers	\$71,864	\$1382	\$414.60
Nursing Support and Personal Care worker	\$66,664	\$1282	\$384.60



## Teachers and Child Carers

The education and training sector is the second largest employer in the Lismore LGA, providing 2715 FTE jobs in 2020/21.

They work in our schools and preschools, at long-day care centres, TAFE and universities.

Example	Average Income (per annum-Full Time)	Average Income (per week-Full Time)	Rental / Mortgage affordability (per week)
Child Carers	\$55,068	\$1059	\$317.70
Education Aides	\$59,124	\$1137	\$341.10



## Retail and Hospitality Workers

The retail sector is the third largest employer in Lismore, providing 2594 FTE jobs in 2020/21. Hospitality (food and accommodation services) made up for another 1277 FTE jobs.

They work in our shops, restaurants, and cafes. They clean our offices and hotels/motels etc. Taken together (retail and hospitality) this sector surpasses the education industry as the second largest employer in the Lismore LGA.

The sector relies heavily upon a casual workforce and also a young workforce. Work is often outside of normal business hours and workers often have multiple jobs in various locations.

Example	Average Income (per annum-Full Time)	Average Income (per week-Full Time)	Rental / Mortgage affordability (per week)
Cashier	\$46,384	\$892	\$267.60
Kitchenhand	\$48,828	\$939	\$281.70
Cleaners	\$42,744	\$822	\$246.60

(Incomes Source: Australian Government - [www.joboutlook.gov.au](http://www.joboutlook.gov.au))

# Case studies



**Name:** Taran

**Age:** 70

**Occupation / Income:** Retired Health Care Worker on a pension with some savings.

**Current Housing:** Private rental – pays 36% of her income as rent.

**Housing Needs:** “I’m looking for long term security and affordability. I would like to stay here because of the community, but in a private rental you are sort of at the mercy of the landlord. Having a place with a good sense of community with neighbours is important to me. And the ability to access public transport or walk to town because I don’t drive. Ideally two bedrooms so I can have family visits”.



**Name:** Margaret

**Age:** 71

**Occupation / Income:** Retired, formerly in administration roles. Is on a pension and receives some additional income through renting out a room in her house.

**Current Housing:** Owner / occupier with a mortgage – pays 39% of her total income on mortgage payments.

**Housing Needs:** “I probably have more room than I need. I’d like to have a community to live with that was close to town so I could ride my bike. A quiet neighbourhood with a garden and a sense of space.”



**Name:** Curtis

**Age:** 22

**Occupation / Income:** Machine Operator (manufacturing)

**Current Housing:** Lives with his Godfather and pays a subsidised rent equivalent to 16.6% of his income. Has been unable to find a suitable rental in Lismore.

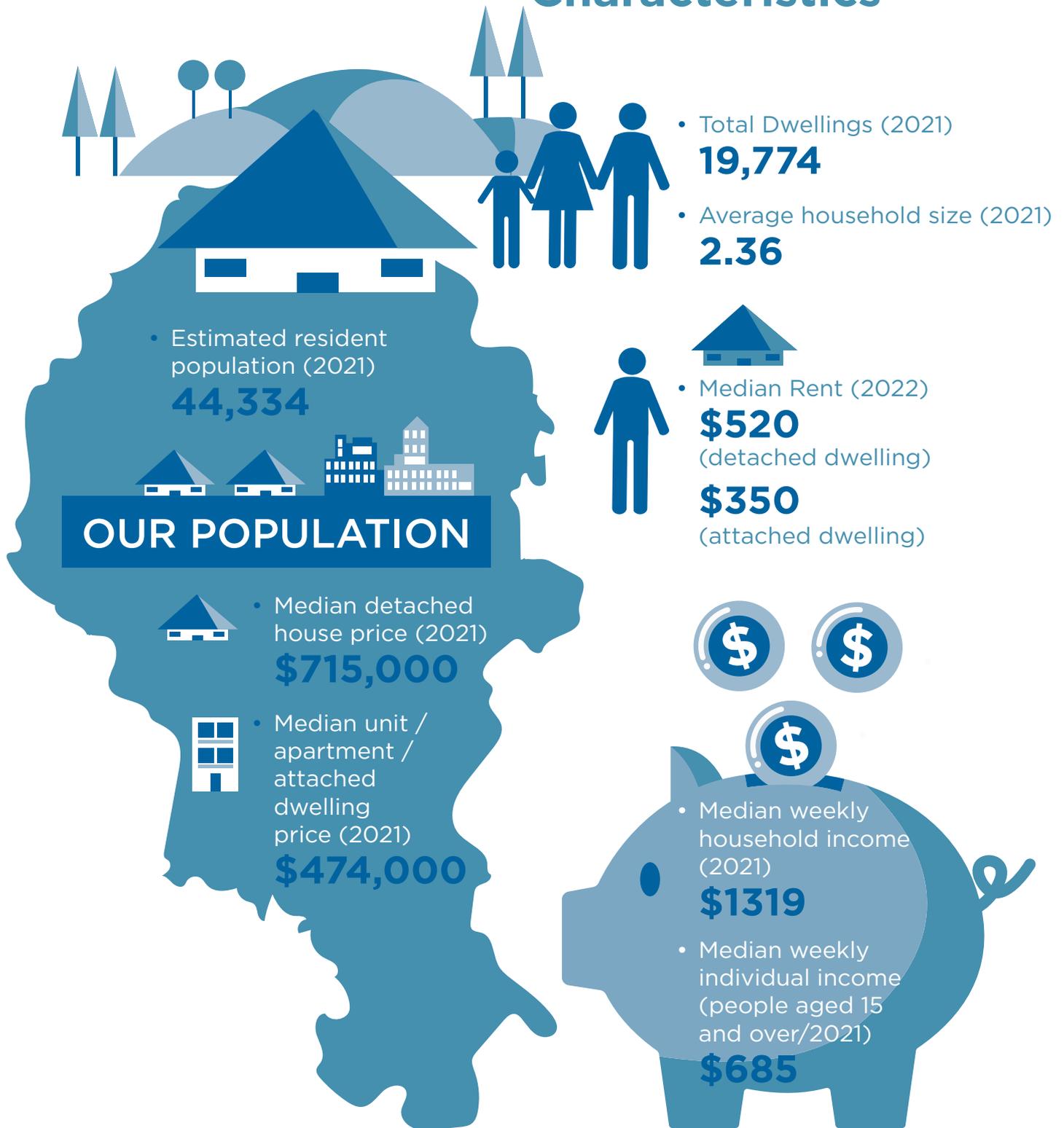
**Housing Needs:** “I’d prefer to be in Lismore than on the coast, somewhere close to town so it’s easy to walk. Finding a share-house is really difficult but I’d prefer a house that I could share with a few other people.



## TARGET GROUPS FOR AFFORDABLE HOUSING

- Low-income singles (particularly women over 55)
- Low-income families
- Young people
- Key workers
- People leaving a supported/social housing environment
- Aboriginal people and Torres Strait Islanders
- First-home buyers
- People with a disability
- Those at risk of becoming homeless

## 2. Population and Housing Characteristics



## Post-Flood Comment:

This section provides a statistical overview of the various components impacting housing supply and demand in Lismore. The data is drawn from various datasets however largely relies on Census data from 2021 or older. It must be noted that all data reflects a glimpse of Lismore pre-natural disaster. The impact from the floods is likely to have a significant impact upon any 'business as usual' assumptions about Lismore's population and demographic makeup, particularly on the cost and availability of housing. These impacts will not be fully understood for many years.

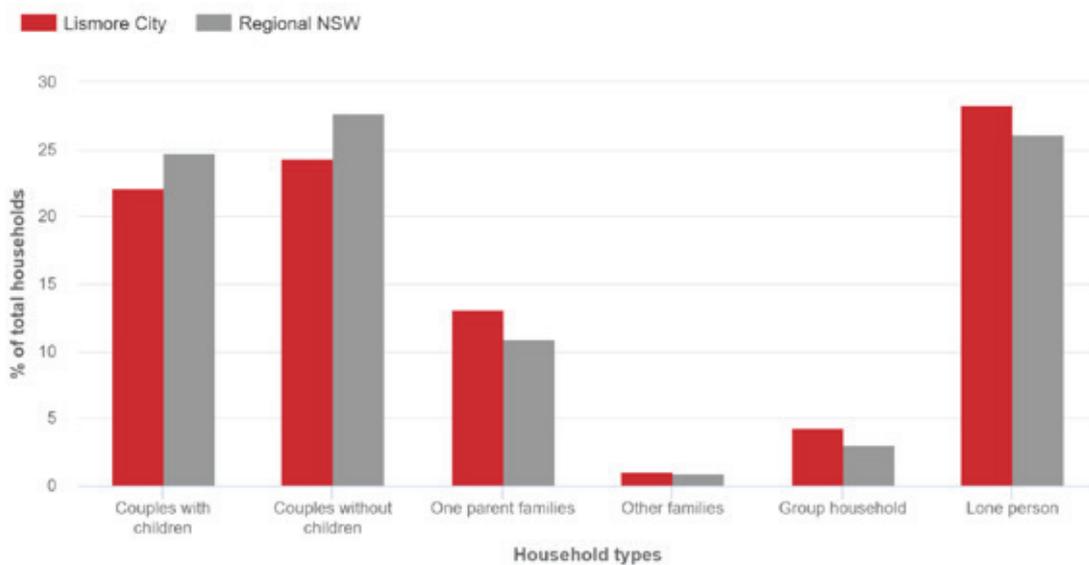
### 2.1 Overall Population

The 2021 Census data showed that the actual population of Lismore is 44,334, an increase from 43,135 in 2016 and 42,766 in 2011.

### 2.2 Household Types

The average number of persons per household in Lismore is 2.36. The dominant household type in Lismore is people living on their own (28.4% of all households). This is also the fastest growing household type with an additional 476 households recorded between the 2016-2021 Census. The second highest household type is couples without children (24.4% of all households).

#### Household type, 2021

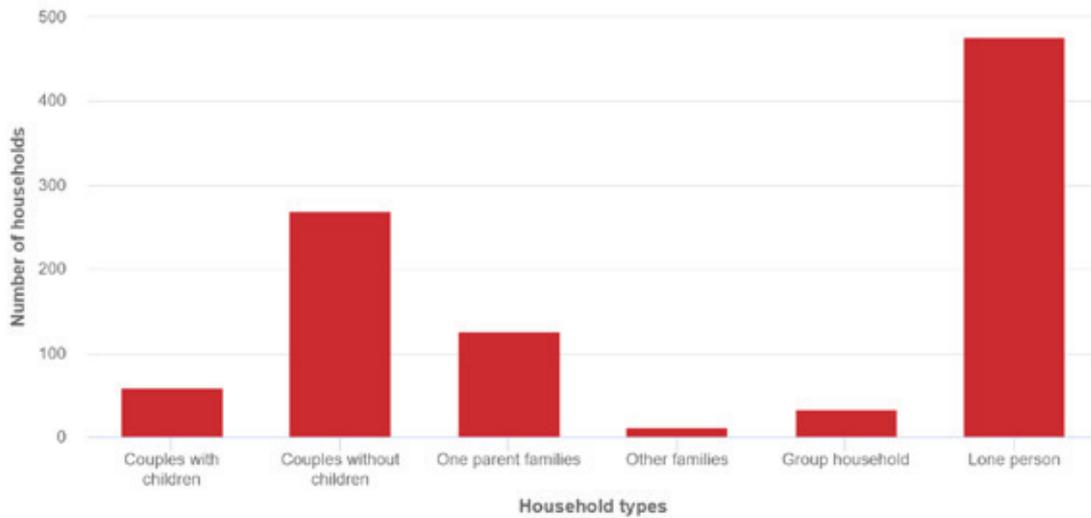


Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).

.id informed decisions

## Change in household type, 2016 to 2021

Lismore City



Source: Australian Bureau of Statistics, Census of Population and Housing, 2016 and 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).

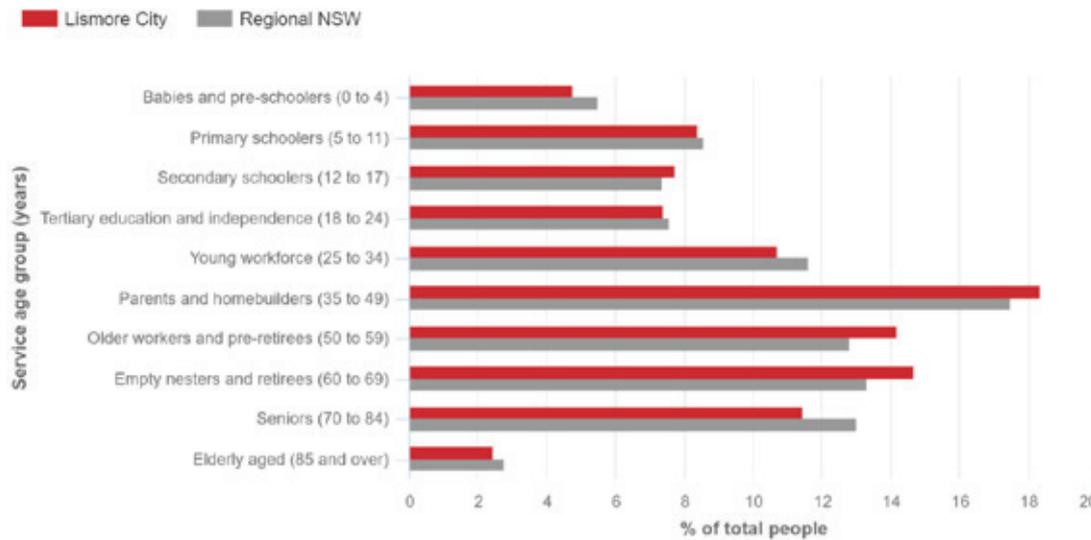
.id informed decisions

## 2.3 Age characteristics

According to Census 2021, the median age of all Lismore LGA residents is 43. The dominant groups are 'parents and homebuilders' (35-49 y.o.) at 18.3% of the population and 'empty nesters and retirees' (60-69 y.o.) at 14.7% of the population. The fastest growing age groups are 'seniors' (70-94 y.o.).

## Age structure - service age groups, 2021

Total persons

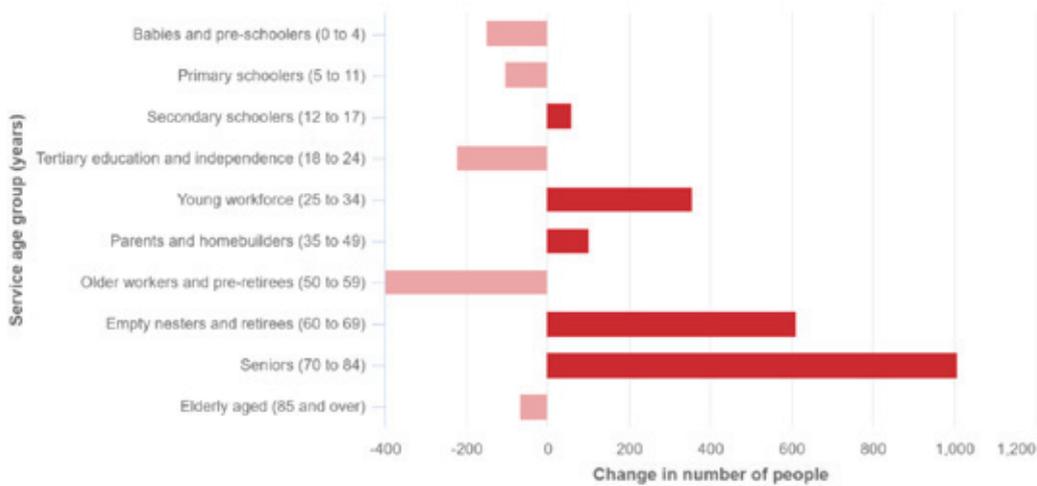


Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Usual residence data). Compiled and presented in profile.id by .id (informed decisions).

.id informed decisions

## Change in age structure - service age groups, 2016 to 2021

Lismore City - Total persons



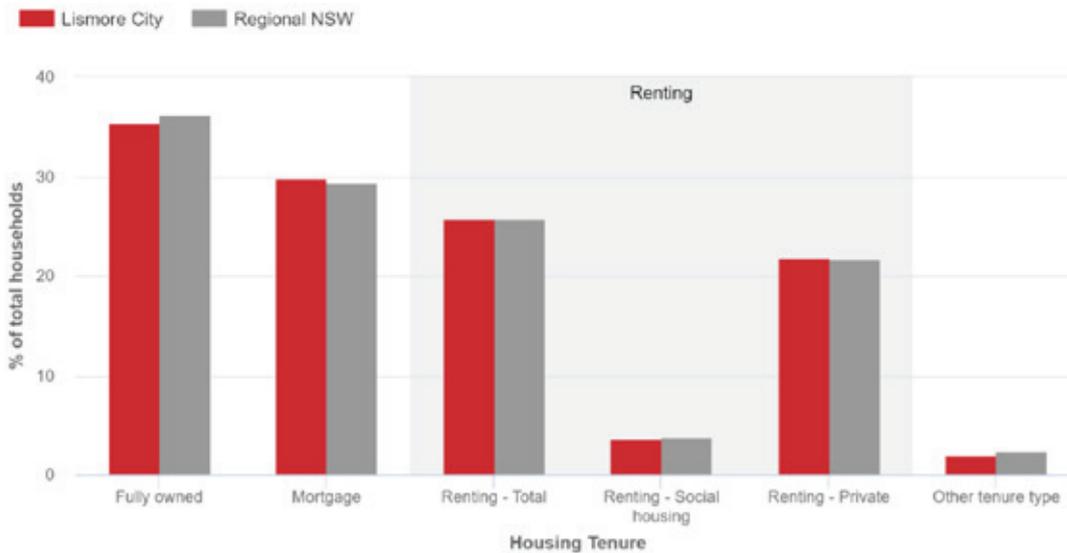
Source: Australian Bureau of Statistics, Census of Population and Housing, 2016 and 2021 (Usual residence data). Compiled and presented in profile.id by .id (informed decisions).

.id informed decisions

## 2.4 Household Tenure

The most common housing tenure in Lismore is houses that are fully owned (35.4%) followed by houses with a mortgage (29.8%). Private rentals make up 21.8% of the housing stock with 3.7% being social or other community housing'.

### Housing tenure, 2021



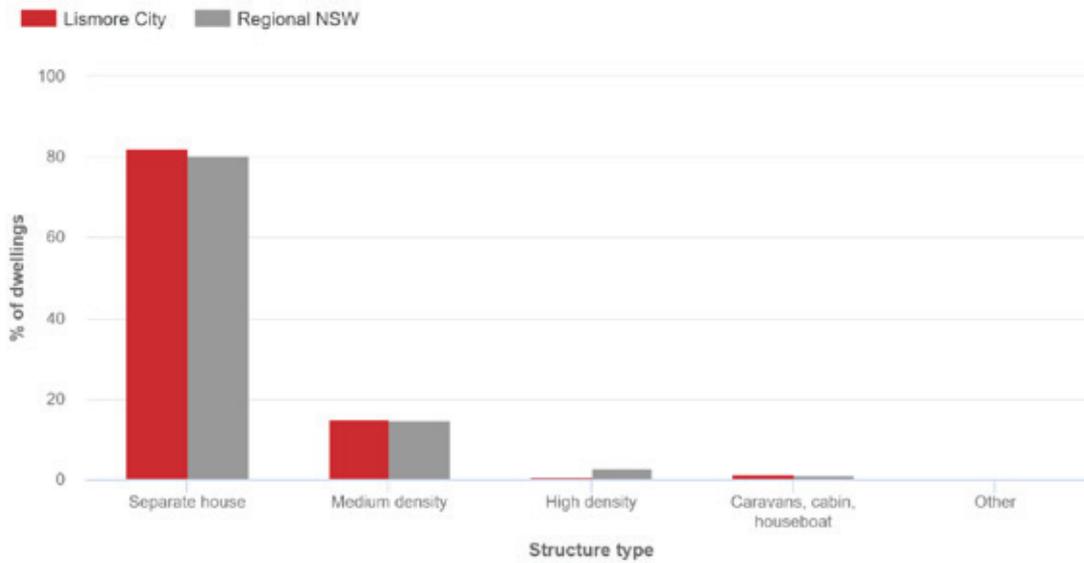
Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).

.id informed decisions

## 2.5 Dwelling Type

The Lismore housing market is overwhelmingly dominated by single detached houses (82.3%) with only 15.1% considered medium density and 0.5% high density. Development consent data signals that this trend is continuing, in 2020-21 only 14% of all residential consents were for dwelling types other than a house.

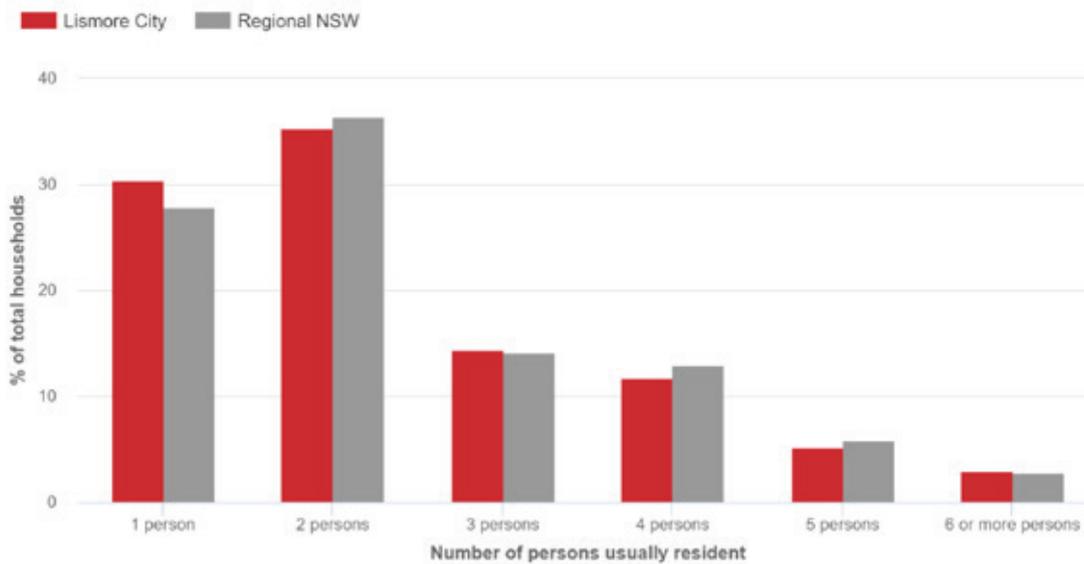
Dwelling structure, 2021



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).



Household size, 2021



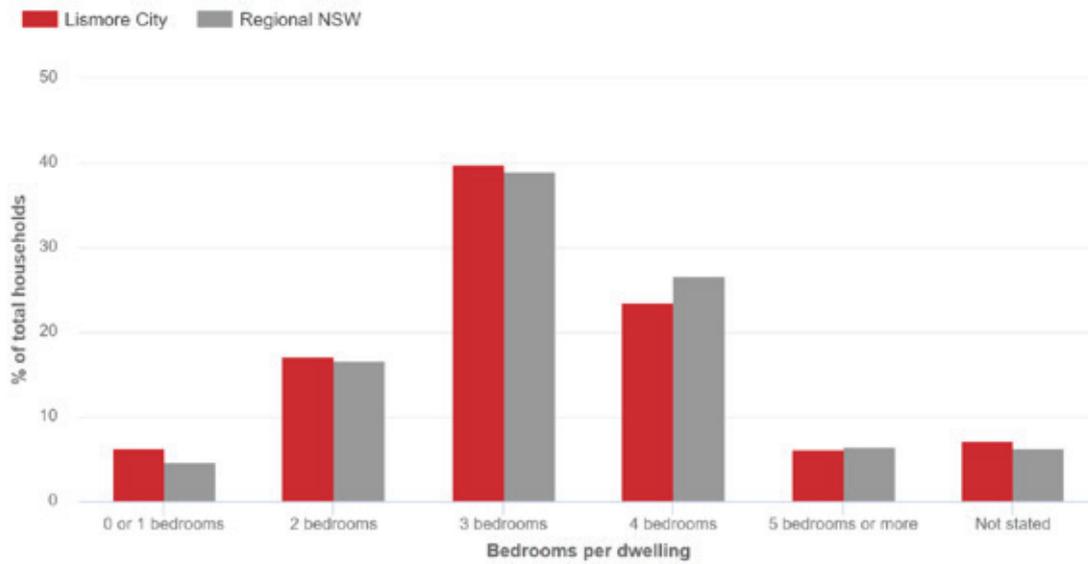
Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).



Houses with three or more bedrooms dominate the market with 39.8% of all dwellings containing three bedrooms and 29.7% having four or more bedrooms. Smaller houses with zero to one bedroom and two bedrooms are limited (at 6.3% and 16.7% respectively).



## Number of bedrooms per dwelling, 2021



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).

.id informed decisions

Census data indicates 65.8% of all dwellings in Lismore have one or two usual residents. Given the high number of houses with three or more bedrooms (69.5%), it can be assumed there is a mismatch of occupancy with many bedrooms regularly unused.

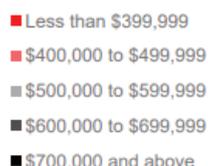
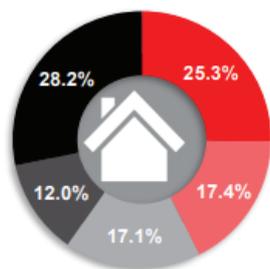


## 2.6 Housing Costs

For the 12 months to March 2022, there were 148 sales of houses and 22 sales of units, a decline since the previous year. These were predominantly in the upper end of the market with 74.7% of houses >\$400,000 and 56.2% of units >\$350,000. These figures suggest that less than 25% of houses and 44% of units were affordable to those in the low income bracket.

### PRICE BREAKDOWN 2021/22<sup>^</sup>

#### HOUSES SOLD



#### UNITS SOLD

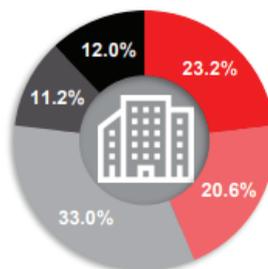
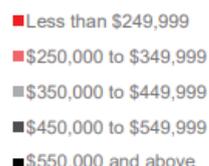


Image Source: PRD Real Estate  
Lismore Market Update



Across the LGA as a whole, Domain data shows that the cost of a house has increased 97.1% over the five years to March 2022. All suburbs and villages have seen unprecedented price increases for sales of houses and units (where they are available) as shown in the table below.

Suburb	Median Sale Price (Houses)	Median Price Change (12 months)	Median Rent (Houses)	Median Rent (Units)	Median Sale Price (Units)	Median Price Change (12 months)
Lismore	\$568,000	26.9%	\$490	\$300	-	-
Goonellabah	\$659,000	30.4%	\$550	\$400	\$448,000	21.8%
Lismore Heights	\$610,000	25.9%	\$550	\$380	\$462,000	19.9%
East Lismore	\$604,000	27.4%	\$480	\$325	\$373,000	15.4%
Girards Hill	\$578,000	28.9%	\$530	\$350	\$371,000	15.2%
South Lismore	\$536,000	28.7%	\$455	\$315	-	-
North Lismore	\$546,000	27.7%	\$435	-	-	-
Nimbin	\$707,000	32.4%	\$430	-	-	-
Dunoon	\$855,000	26.4%	\$540	-	-	-
Caniaba	\$963,000	45.5%	-	-	-	-
Clunes	\$1.1M	10.7%	\$765	-	-	-
McLeans Ridges	\$1.4M	22.6%	-	-	-	-
Richmond Hill	\$1.2M	25.7%	\$413	-	-	-

(Source: [propertyvalue.com.au](http://propertyvalue.com.au) reproduced from Core Logic. The above data is based upon sales and advertised rentals for the 12 months to April 2022.)

Based on the cost of housing per suburb, the table below identifies areas which may be affordable by income category. As highlighted in the table, housing across the LGA is unaffordable to 'very low' income earners and provides limited options to 'low' income earners. The majority of areas that could be affordable correlate to areas of higher flood risk and therefore will generally be unsuitable for future residential expansion.

Household income Categorisations	House Sales	House Rentals	Unit Sales	Unit Rentals
<b>Very Low</b>	None	None	None	None
<b>Low</b>	None	None	East Lismore Girards Hill	Lismore East Lismore South Lismore
<b>Moderate</b>	Lismore, Girards Hill South Lismore North Lismore	Lismore East Lismore North Lismore South Lismore Nimbin	East Lismore Girards Hill Lismore Heights Goonellabah	Lismore Goonellabah Lismore Heights East Lismore South Lismore North Lismore

The most recent official data on the number of rental properties that are affordable to households in the low income range is from the Department of Communities and Justice (DCJ, 2017)\*. It shows that in Lismore the number of affordable rentals dropped by 53% from 406 in 2013 to 215 in 2017. Given the age of this data and the evidence of rent increases and increasingly high demand for rental properties, it is likely the number of affordable rental properties has dropped significantly.

\* North Coast Housing Region - What's happening in the Housing Market (2017)



## 2.7 Income Levels

The median income for all residents aged 15 years and over in 2021 was \$685 per week.

Overall, 1.8% of all Lismore workers earned a high income (\$3000 or more per week) and 43.7% earned a low income (less than \$650 per week). By comparison across the rest of NSW, 3.1% of workers are in the high-income range and 42.1% are in the low-income range.

The median household income is \$1319, lower than the rest of NSW median of \$1434. Household incomes are dominated (44.4%) by those earning <\$1250 which is roughly equivalent to those who would be categorised as 'very low' and 'low' income earners. 14.1% of households earn between \$1250 and \$1749 which roughly equates to those who would be considered as 'moderate' income earners. This highlights that approximately 59% of all households fall within the 'very low' to 'moderate' income earning categories.



## Weekly household income, 2021



Source: Australian Bureau of Statistics, Census of Population and Housing, 2021 (Enumerated data). Compiled and presented in profile.id by .id (informed decisions).



The largest and fastest growing industry, by employment, in Lismore is health care and social assistance which generated circa 6800 jobs in 2020/21 and often involves 'low' to 'moderate' income work as set out in Section 1.

As another indicator of income, in May 2022 11.3% of Lismore residents were in receipt of Job Seeker or Youth Allowance payments, up from 10.4% in March 2020. At the same time, the regional NSW average was just 6.8% in May 2022, down from 7.1% in March 2020. While the rest of NSW has seen a decrease of those needing financial assistance, Lismore has seen an increase, which may be largely attributed to the February and March 2022 natural disaster flooding events.

### 2.8 Levels of Social Disadvantage

The Socio-Economic Indexes for Areas (SEIFA) measures the relative level of socio-economic disadvantage and/or advantage based upon a range of Census characteristics including employment levels, income levels, education levels, housing type etc. A higher score on the index means a lower level of disadvantage.

Based on the 2016 census, Lismore had a SEIFA Index of Disadvantage of 954. This is a higher level of disadvantage compared to Ballina (1003), Byron (1003) and Tweed (973) council areas and lower than Kyogle (910) and Richmond Valley (902). The SEIFA Index of Disadvantage for regional NSW is 971.

## 2.9 Population Projections

In 2016, the North Coast Regional Plan projected that Lismore would need 3350 new dwellings to accommodate an additional 7628 people by 2036. This assumes a total population of 51,750 by 2036. State Government projections published in 2021 now suggest Lismore's population would decrease to 39,400 by 2041.

In 2021 Lismore City Council engaged population forecast consultants .id (informed decisions) to undertake specific modelling for Lismore for the next 20 year period to guide a range of strategic planning projects. Key findings include:

- A net population increase of 6097 (13.6%) from 44,926 in 2021 to 51,023 in 2041
- An additional 3105 dwellings will be required for projected new households
- The largest increases in age cohorts to 2031 will be in the 70-84 age brackets, with an additional 2573 people in these age groups
- Lone person households will continue to be the largest type of household and will continue to grow, increasing from 5218 in 2016 to 6022 households by 2031, which would be 30.3% of all households

Projecting geographical populations relies on a range of data sets and assumptions including housing development, migration patterns, age cohorts, birth and deaths, economic conditions etc. The COVID-19 pandemic and the 2022 natural disaster present a significant disruption to many previous assumptions built into population projection modelling and the impacts on regional cities such as Lismore may not be fully understood for several years to come.



## 2.10 Indigenous and/ or Torres Strait Islander Demographics

At the 2021 Census, 2600 Lismore residents identified as Aboriginal and/or Torres Strait Islander, while 3164 did not state their indigenous status. The median age of Lismore's Aboriginal/Torres Strait Islander community is 24. The dominant age groups are those between the ages of 5 and 14 (22.7%), followed closely by those between 15 and 24 years (19.4%). Only 5.8% of Lismore's Aboriginal/Torres Strait Islander population is 65 or over.

Within the Aboriginal and/or Torres Strait Islander households, 28.5% are made up of couples with children, followed shortly by one parent families (28%) and then couples with no children (14.4%). Where at least one occupant is Aboriginal and/or Torres Strait Islander, the average household size is 3, compared with 2.4 for the whole of the LGA. There is an identified need for one or more extra bedrooms for 8.8% of all Aboriginal and/or Torres Strait Islander households.

14.6% of Lismore's Aboriginal/Torres Strait Islander community owned their home outright, 29.4% owned their home with a mortgage and 51.5% rented. The median personal income for those aged 15 years and older in 2021 was \$557 per week, much lower than the LGA-wide median. The median household income was \$1425 which is slightly higher than the LGA-wide median, likely owing to the larger household size.



### 3. Key Housing Issues for Lismore

The following section provides an overview of the key housing issues for Lismore as identified through consultation activities and a review of relevant housing data and reports, recent DA approvals, etc. The issues are not presented in any order of importance, rather they provide the context and considerations for Council’s response in Sections 4 and 5 of this strategy.

As an introduction, the table below shows the number of households in Lismore whose earnings are approximately in line with the classifications of ‘very low’, ‘low’ or ‘moderate’ earners. Altogether, 10,070 households (59% of all households) earn \$1749 or less, roughly equivalent to the ‘moderate’ category or below.

	Very Low Income	Low Income	Moderate Income
<b>Number of households in Lismore*</b>	3654	4078	2443

Income brackets published by the ABS don’t neatly align with the thresholds for ‘very low’, ‘low’ and ‘moderate’ categories for Lismore as set out in Section 1.4 of this document. The number of households within each category therefore provides a guideline and not a precise figure. The 3654 ‘very low’ households represent those earning less than \$650, the 4078 ‘low’ households represent those earning between \$650 and \$1249 and the 2443 ‘moderate’ households represent those earning between \$1250 and \$1749.





### 3.1 Housing Stress

A household or individual is considered to be in 'housing stress' when they are paying more than 30% of their gross income on housing costs, whether through rent or mortgage payments. Those paying more than 50% are considered to be in 'severe housing stress'. While the data above shows a high number of households fall within the very low to moderate-income brackets, the amount they then spend on housing determines if they are in housing stress and therefore in need of affordable housing.

Census 2021 data shows 1922 (41.3%) rental households in Lismore spend greater than 30% of their household income on rent, much higher than 10.8% for the rest of NSW and a significant increase from 13.3% in 2016. This is a serious challenge facing the whole of the Richmond/Tweed region where the portion of income used to service rent for the average household is 53%, a significant impacting factor on migration trends as discussed in Section 3.8.

Census 2021 data shows the number of homes in mortgage stress across Lismore is 755 (13.9%), higher than 12.7% for the rest of NSW and an increase from 6.9% in 2016.

This data identifies that 2677 households in Lismore are in need of some sort of affordable housing product based on their income and housing costs as of 2021.

As shown in the table above, the majority of the 10,070 households that roughly fall into the very low, low or moderate income brackets are the low and very low earners. Together with the spectrum shown in Figure 1, this gives an indication that the type of housing most needed in Lismore include crisis housing, social housing and affordable housing managed by Community Housing Providers (CHP).

Households that are struggling to meet the costs of housing are much more likely to be experiencing a range of other stresses such as:

- living with high levels of debt, exacerbating financial pressures
- working long hours to stay afloat
- travelling long distances to work or to access services
- living in overcrowded and/or substandard housing
- going without essentials such as food, heating, medical services or education
- missing out on other opportunities (work/education/recreation)

**Post-Flood Comment:** The flood has impacted many businesses and residents, therefore impacting residents' ability to earn an income. This has likely exacerbated the number of households in housing stress.

### 3.2 Lack of housing available for rental

With a rental vacancy rate of 0.4% and real estate agents reporting that for every vacancy that comes on the market they are receiving anywhere from 20 to 200+ applications, the demand for rental housing is far outweighing the supply. This in turn leads to rent increases, but also means that those unable to secure rental housing are at risk of becoming homeless or are forced to leave Lismore to find housing (The Real Estate Institute of Australia has identified a vacancy rate of 3% as a 'healthy benchmark' where the market is considered to be in equilibrium).

According to 2021 Census data, there were 1321 unoccupied private dwellings, 6.7% of the private dwelling stock. This is down from 1516 in 2016 and relatively stable since the 1996 Census. This may not reflect the level of dwellings that are permanently unoccupied as it's a snapshot from Census night only. While some of these dwellings may have been temporarily empty (householders on vacation or renovations/sale in progress), it is possible that some of these are secondary holiday homes and/ or short-term holiday rentals.

**Post-Flood Comment: The impact from the floods has exacerbated an already dire situation for those seeking rental housing in Lismore.**

### 3.3 Lack of affordable and diverse housing stock being built

Research carried out by UNSW City Futures Research Centre and Everybody's Home in 2019 identified a need for an additional 4000 affordable homes in the Richmond/Tweed area by 2036. Of the 796 residential developments approved by Lismore City Council between 2015 – 2021, only six were identified as being specifically for new affordable housing stock, as identified in the table below.

DA Details	Address	Type of Housing
<b>DA15/4</b> (as amended) Now operated by Momentum Collective.	154 Ballina Road, Lismore	10 x 1 bedroom units & 2 x 2 bedroom units.
<b>DA15/260</b> (as amended) Operated by North Coast Community Housing Ltd. Note: only part of the development is required to be managed as affordable housing.	20 Gordon Blair Drive, Goonellabah	9 x 2 bedroom town houses.
<b>DA16/57</b> (as amended) Now operated by NSW Land & Housing Corporation.	57 Deegan Drive, Goonellabah	10 x 2 bedroom dwellings.
<b>DA18/288</b> Operated by Lismore Challenge Ltd. Note: only part of the development is required to be managed as affordable housing.	47 Caldwell Ave, East Lismore	2 x group homes, 6 x 1 bedroom units, 16 x 2 bedroom units and 2 x 3 bedroom units.
<b>DA18/387</b> Operated by Social Futures.	65 McKenzie Street, Lismore	4 x boarding houses, each consisting of 3 self-contained boarding rooms.
<b>DA21/22</b> Operated by North Coast Community Housing Ltd.	42 McKenzie Street, Lismore	Residential flat building containing 10 x 1 bedroom and 20 x 2 bedroom units.

With regards to housing diversity, of the other residential development approvals in this time period only one was for Shop-Top Housing, two were for residential flat buildings and another four were for multi-dwelling housing (other than the affordable housing developments identified in the table above). There were 26 approvals for secondary dwellings ('Granny Flats') and 22 approvals for attached dual occupancies ('Duplexes'). There were also 127 approvals for detached dual occupancies with the overwhelming majority of these approved in rural areas where a change to the LEP planning controls in 2013 has allowed for a second dwelling to be constructed on rural land where it does not impact upon agricultural activities.

The remaining 608 residential DA approvals were for single dwellings. While the data does not record the number of bedrooms for each dwelling, there is a clear continuing dominance for freestanding houses with three or more bedrooms.

### 3.4 Meeting the needs of a changing population

Population growth in the 70+ age bracket is expected to grow significantly in the coming decades. As shown in Section 2.3, 28.5% of Lismore's residents are 60 years of age or over. This highlights the need for suitable housing that will allow older residents to downsize. Providing suitable housing so people can age in locations that are close to services and social networks will be an increasingly important step towards improving the current under-occupancy of stock as assumed in Section 2.5 - where statistics show that a large portion of Lismore's homes (which are predominantly detached dwellings) are occupied by only one or two people despite the large percentage of dwellings that have three or more bedrooms.

The private sector housing market's continuing preference for larger free-standing dwellings on individual lots also doesn't always meet the housing needs of many other sections of the community, particularly those that are socially disadvantaged and identified as target groups for affordable housing in Section 1 of this strategy.

As shown in Section 2.3, the largest age group in Lismore are those between 35 and 49, often referred to as parents and homebuilders. Equally, there is a large portion of residents who are aged between 18 and 34 who may be looking to find suitable long-term housing in the area. Data published by consultancy group CoreLogic shows that the average time it takes to save the 20% deposit needed for a property in the hinterland region of the Richmond Valley is 10.1 years (and 20.5 years in the Coastal region). The provision of an affordable and diversified housing stock will be critical for this demographic, either to allow them to save for a deposit or to propose an alternative long-term tenure option.



### 3.5 Aligning Employment Opportunities

People generally want to live close to where they work. In 2021, 4661 working residents from Lismore travelled to other areas for work, which is 23.3% of total resident workers. At the same time 7281 people regularly travelled from areas outside the LGA to work in Lismore, which is 33.9% of the total workforce. To attract a diverse range of people in a diverse range of age and income brackets, employment opportunities need to be aligned with housing so that jobs are created that are close to housing and is affordable to local workers.

A 2018 analysis of higher density feasibility for Lismore by AEC found that economic development and increased employment opportunities would result in population growth which could help to create a critical mass to drive demand for higher density housing formats.





### 3.6 Availability of Social Housing in Lismore

'Social rental housing' includes both public housing (owned and managed by the public sector) and social housing (any property managed by a public or community housing organisation and rented to eligible applicants with rent capped at a maximum percentage of household income). In 2021 there were 673 units of social rental housing available in Lismore (ABS, 2021), which was 3.7% of all households. The majority of these homes are located in the Lismore/Goonellebah area.

As of June 2021 there were 450 people in the 'general' category and 68 in the 'priority' category on the waiting list for social housing in Lismore. There is an expected 10+ year wait for two-bedroom homes and a 5-10 year expected wait for all other homes.

Research carried out by UNSW City Futures Research Centre and Everybody's Home in 2019 found that there is a need for 8000 additional social housing homes in the Richmond/Tweed region by 2036. Data from the Australian Institute of Health and Welfare (AIHW) shows 1208 people in the Lismore LGA were clients of Specialists Homelessness Services programs in the 2020/21 year. The NSW Department of Communities and Justice annual street count identified 48 people sleeping on the streets of Lismore in February 2022, remaining stable since 2021. These statistics paint a picture of the demand for social housing far exceeding the current supply.

**Post-Flood Comment:** The demand for social housing in Lismore has been exacerbated by the floods. High levels of investment in social housing for secure long-term rentals are urgently required.



### 3.7 Flooding

Parts of the Lismore urban area are heavily constrained by flooding which impacts upon the amount of land that is close to employment and services that are suitable for redevelopment to higher density housing.

The natural disaster of February and March 2022 have had a significant impact on the supply of available housing in Lismore, with 602 residential properties categorised as 'severe damage or destroyed' and another 1201 categorised as 'minor to moderate damage'. Most of these houses will need substantial work in order to make them habitable again and this loss of housing stock is putting further pressure on demand for housing.

Lismore City Council is pursuing a planned retreat policy and staged relocation of residential properties in the most flood-prone areas. This is a long-term strategy that will require significant and ongoing support from all levels of government.

The Northern Rivers Reconstruction Corporation (NRRC) have \$800 million available in Federal and State Government funding to support their Resilient Homes and Resilient lands programs. This will fund a range of initiatives across the Northern Rivers region including voluntary buybacks and relocations for houses in the highest risk flood areas, house raising and retrofitting to improve resilience for those in other flood impacted areas.



### 3.8 COVID-19 and Regional Migration Impacts

The COVID-19 pandemic and the increased opportunities to work from home have led to a desire for metropolitan residents to move to the regions which has had a significant impact upon housing costs and availability. The CoreLogic Housing Affordability Report (November 2021) showed that in the year to March 2021 migration from cities to regions rose by 5.9% while migration from regions to cities declined by 3.5%.

Real estate agents across the region reported an unprecedented increase in inquiries at the end of 2020 and the first half of 2021.

Those in Byron Bay and other coastal areas reported up to 85% of enquiries were coming from people outside of the area wanting to relocate. The figure for new enquiries to real estate agents in Lismore from outside the region was said to be around 25% during the same period. Anecdotally this figure appears to have increased in the second half of 2021. There is no data available about the movement of people from the Ballina and Byron LGAs to Lismore in this period, but the increasing cost and scarcity of housing on the coast is assumed to have led to some movement inland as local workers and families seek housing that is within their price range, putting upward pressure on prices for both rentals and sales in Lismore. As population predictions and housing cost trends show continuing increases for both Byron and Ballina, this pressure is expected to continue impacting Lismore beyond the pandemic.

**Post-Flood Comment:** At the time this strategy was written there was no data on the post-flood migration trends and whether it will impact people’s decisions to move into or out of the Lismore LGA.



### 3.9 Supply (Land Availability)

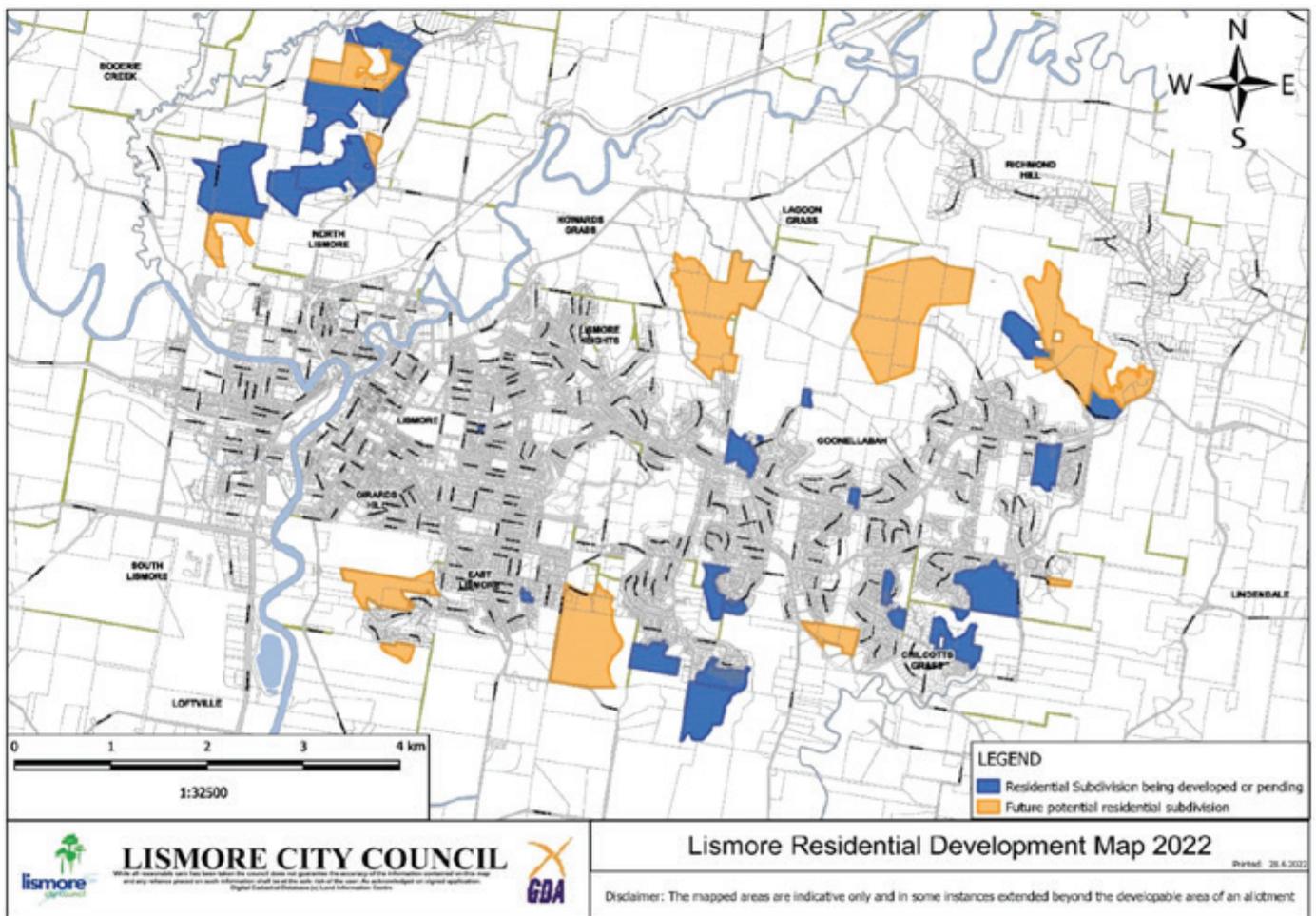
Lismore has a significant amount of residential land either in the development pipeline, or identified for potential future residential subdivision, as shown in Figure 2 below.

Areas identified in blue are sites that have DA approval, or have DAs lodged or expected to be lodged within the next 12 months. The estimated yield from these developments is 2299 residential lots, which includes 250 Strata Units.

The areas shown in orange are sites that are either zoned for residential use or identified for potential residential rezoning in Council's Growth Management Strategy. The estimated lot yield from all of these areas is 1276 residential lots.

Considering the population and dwelling projections outlined in Section 2.9, it was anticipated that Lismore had an adequate supply of land to meet pre-flood growth forecasts, subject to the identified land being developed within forecast timeframes and meeting the expected yields. A new Growth and Realignment Strategy seeks to identify new greenfield and redevelopment sites outside of flood-impacted areas to accommodate future growth and relocation over time.

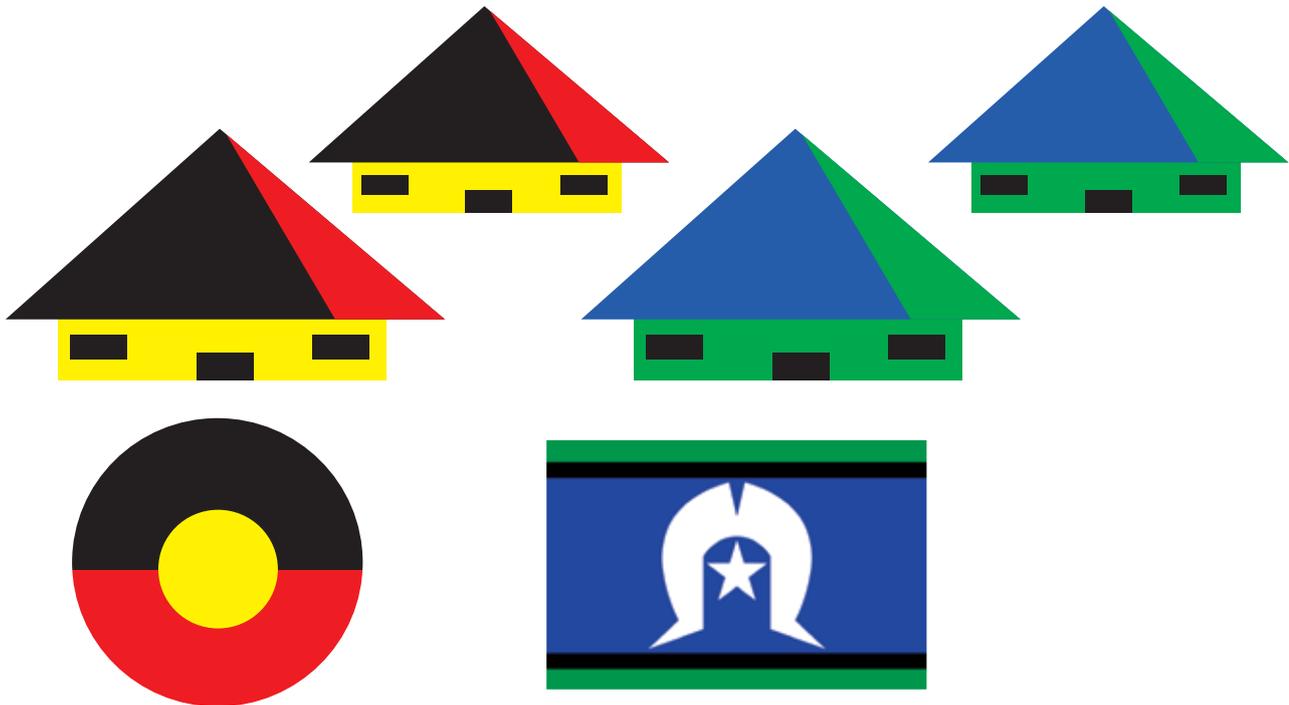
Figure 2: Lismore Residential Development Map (May 2022)



**Post-Flood Comment:** The impact of the floods on Lismore's population growth projections will not be known for several years.

### 3.10 Rural and Village housing

The ABS (2020) estimated resident population for Lismore’s rural areas is 16,010 or 36% of the total population. There is some limited potential for residential growth in the rural areas, with the expansion of some villages identified in Council’s Growth Management Strategy and Local Strategic Planning Statement, as well as dual occupancies on existing rural properties which has been a popular form of housing development in recent years. The LEP also identifies areas considered potentially suitable for new Rural Land Sharing Communities (Multiple Occupancies), however this form of communal rural housing that was popular and affordable in the 1970s and 80s has essentially ceased to be viable because financial institutions are unwilling to lend money for this type of land tenure. Contemporary bushfire and other environmental planning requirements have also increased the cost and complexity of this type of development.



### 3.11 Housing for Aboriginal and/ or Torres Strait Islander community

The Lismore Local Government Area extends over the lands and waters traditionally owned by the Widjabal/Wia-bal people of the Bundjalung nation. To create a LGA that offers genuine affordable housing options, it is essential that sufficient and suitable homes are provided for the Aboriginal and Torres Strait Islander community.

Understanding the cultural needs and challenges of the Aboriginal and/or Torres Strait Islander community, including the need to remain connected to Country, must therefore be understood. As highlighted in the NSW Housing Strategy to 2041, prejudices within the housing market, intergenerational disadvantage and dispossession of land (among other factors) create barriers to housing for the Aboriginal and Torres Strait Islander community. Examples of cultural differences as well as how cultural challenges culminate and impact daily life are shown throughout Section 2, for example through data that identifies Aboriginal and/or Torres Strait Islander adults earn less than Caucasian adults and are less likely to own their own home outright.

At June 2021, 62 dwellings were owned by the NSW Aboriginal Housing Office, of which 23% were managed by an Aboriginal Community Housing Provider and 77% were managed by the Department of Communities and Justice.



## 4. WHAT CAN COUNCIL DO?

The market forces at play that contribute to the supply, typology and cost of housing are beyond the control of local government. The causes of the current emergency situation with respect to the lack of housing availability and affordability in our community are complex and include a range of state, national and international influences, including:

- 20+ years of economic growth
- Low interest rates and availability of credit
- Taxation and other financial incentives that encourage investment in existing housing stock
- Federal and State Government policies that stimulate demand more than supply
- Increasing costs of building materials, labour and land
- Stagnant wage growth
- Population migration from cities where wages and house prices are higher

The mechanisms available to local government to address housing affordability and diversity are inherently limited because of its subordinate role to the NSW State Government and its funding constraints. Local government has not traditionally directly intervened in the supply of affordable housing as it is not considered to be a core role of council. However, the situation has become critical and several councils in the North Coast region are investigating measures to address ways in which they can have an impact upon the supply of affordable housing, particularly for key workers and other identified target groups. This will be done both individually and collaboratively by councils working closely with the NSW Government, the development and construction industry, community housing providers and the wider community.

**Lismore City Council's approach will involve three strategic principles:**

### **1. Advocate on behalf of specific demographics and target groups within our community.**

Council has an important role to play in demonstrating leadership on affordable housing issues within the community. Council will advocate to other tiers of government and other sectors for policy reforms, funding, innovation and direct provision of affordable and diverse housing to meet the needs of our community.

### **2. Facilitate the supply of land and suitable planning controls that encourage increased density and a diversity of housing types to meet the changing needs of the population.**

Under the provisions provided in the *Environmental Planning and Assessment Act 1979*, and the *Local Government Act, 1993*, Council has scope to amend certain policy settings in order to encourage development that will have a positive impact on the supply of affordable and diverse housing in Lismore.

### **3. Partnerships and Direct Support initiatives that deliver the construction of additional affordable housing projects.**

Council will work with landowners, developers, community housing providers, State Government bodies and other not-for-profit organisations in forming and supporting partnerships to deliver affordable and medium-density housing on the ground and will provide direct financial support or incentives where it aligns with Council's goals in the Community Strategic Plan.

A range of programs and projects to be undertaken by Lismore City Council has been identified to achieve the objectives and policy goals of this strategy at **Section 5**.

#### 4.1 Infrastructure Contributions Discounts

One of the mechanisms Council has to encourage certain types of development is to offer a waiver or discount to Section 64 and Section 94 Development Contributions. This is money collected for new infrastructure from developments that increase density or intensify the use of a site. Lismore City Council has previously offered discounts to a range of preferred types of development including affordable housing and higher density residential developments. The Infrastructure Discount policy ran from 2017 and lapsed in 2020, however an extension was granted to developments that had received approval but had not yet commenced. As of August 2021, Council has waived \$350,704 in infrastructure contributions to subsidise:

- 18 x secondary dwellings
- 4 x dual occupancies
- 2 x affordable ‘multi-dwelling’ housing developments
- 1 x CBD ‘change of use’ development

A further \$452,423 in forgone Section 64 and Section 94 Development Contributions is still pending, subject to eligible developments obtaining their Occupation Certificate within 12 months. The developments in this category include:

- 10 x secondary dwelling
- 10 x dual occupancies
- 3 x affordable ‘multi-dwelling’ housing developments
- 2 x CBD ‘change of use’ developments

No detailed analysis was undertaken to determine the effectiveness of the policy to attract the targeted development identified in the policy, or whether the cost to Council in foregone revenue was outweighed by the social benefits of facilitating some of the housing outcomes identified in the Lismore Housing Strategy. It is also extremely difficult to know how many of these developments would have occurred regardless of the discount policy and how many were made financially feasible because of the policy. Anecdotally, the 25% discount that was applied to the affordable housing developments (identified in the table at Section 3.3) was a significant factor in their viability. Whereas development approvals for secondary dwellings and dual occupancies after the discount policy lapsed appear to have continued at a similar rate as when the policy was applicable.

Consultation with industry indicates there may be some merit in delaying the payment of contributions until works have been completed rather than prior to construction. It is recommended that a new policy is presented to Council and adopted simultaneously with this strategy that provides discounts and deferral mechanisms to both Section 64 (Water and Sewer) and Section 94 (now called Section 7.11 or 7.12) Development Contributions to incentivise the following housing types:

Development Type	Proposed Incentive
Affordable Housing (managed by a registered community housing provider)	25% discount
Shop-Top Housing (change of use in the CBD)	100% discount
Secondary Dwellings (within sewerred areas)	Defer until prior to issue of Occupation Certificate
New 1-2 bedroom dual occupancies with a floor area <115m2per dwelling (within sewerred areas)	Defer until prior to issue of Occupation Certificate
Multi-Dwelling Housing	Defer until prior to issue of Occupation Certificate
Co-living housing (consistent with the requirements of the Housing SEPP)	Defer until prior to issue of Occupation Certificate
Residential Flat Buildings	Defer until prior to issue of Occupation Certificate
Seniors Housing	Defer until prior to issue of Occupation Certificate



## 4.2 Grant Funding for Affordable Housing

Lismore City Council has approximately \$3.5 million from a Building Better Regional Cities grant that must be utilised on facilitating affordable housing initiatives. The expenditure of this money will be allocated to various partnership and direct support projects identified in Section 5 of this strategy or to other partnering opportunities that are yet to be identified.

## 4.3 Planning Controls and Policy settings

Council is responsible for ensuring suitable land is available for residential use and that adequate infrastructure is provided to service it. Section 3.9 of this strategy identifies that Lismore has an adequate supply of land to meet population projections.

The Growth Management Strategy (GMS) was adopted by Council in 2015 and has a 20-year horizon. A review of the GMS was being undertaken concurrently with the development of this strategy and a new Growth and Realignment Strategy seeks to identify new greenfield and redevelopment sites outside of flood-impacted areas to accommodate future growth and relocation over time.

The Local Environmental Plan (2012) LEP and Development Control Plan (DCP) are the main planning controls that regulate local development within the Lismore LGA. Some minor amendments are recommended in Section 5 to ensure our planning controls facilitate preferred development types and do not hinder suitable developments.

## 4.4 Affordable Housing Contributions Scheme

An Affordable Housing Contributions Scheme (AHCS) is a mechanism in the *Environmental Planning and Assessment Act, 1979* that allows councils to levy developer contributions from landowners who benefit from an 'upzoning' of their land. The contribution may be in the form of land, housing or a monetary contribution made to Council that is to be utilised for the purpose of providing affordable housing by a registered Community Housing Provider.

The mechanism for introducing an AHCS requires councils to undertake a number of steps, including:

- Provide an evidence base that identifies affordable housing needs
- Identify in a housing strategy the areas of land for future rezoning that are to be included in an AHCS
- Develop an affordable housing contribution rate (either as a percentage of floor space or a monetary contribution, or a combination)
- Provide evidence that the rate is viable and will not impact upon development feasibility and overall housing supply. Different rates may be applied to different areas
- Produce a scheme using the template and guidelines provided by DPIE
- Submit a planning proposal to include the AHCS in the LEP
- If the proposal is consistent with requirements, a Gateway is issued and the proposal is publicly exhibited
- After community and stakeholder engagement, Council's LEP is amended to include a clause referencing the AHCS

After the LEP has been amended to reference the AHCS, Council may include a condition of consent to applicable developments. Funds are then collected in accordance with the AHCS.

This strategy provides the evidence base required to initiate the AHCS process and applicable land is to be identified in land is to be identified in Council's Growth and Realignment Strategy.



## 5. Programs & Projects

The following tables provide an action plan for Council to carry out a range of projects and programs that align with the three strategic principles identified in Section 4 of the strategy. The tables provide an indication of the role Council will take, the funding or resource commitments required and where the responsibility lies within Council for carrying out each identified action. The actions are not presented in any order of priority, but the table provides an indication of the timeframe in which each will be undertaken:

**Immediate:** Work has begun

**Short Term:** Within 12 months of adoption of the strategy

**Medium term:** Within 2-3 years of the adoption of the strategy

**Long Term:** Within 5 years of the adoption of the strategy



### Advocate

Action	Rationale	Council's Role	Timing	Resource Commitment & Program Area
1. Work with the Northern Rivers Reconstruction Corporation (NRRC) to advocate to both State and Federal Governments to assist in creating construction workers housing and models that allow FIFO and other targeted programs such as skilled migration to support post-flood housing.	A massive increase in skilled workers is required to support house relocation, house raising and new home building programs that are to be funded by NRRC. The current housing shortage will make it incredibly difficult to attract workers.  Construction workers' housing could eventually be transitioned to permanent low-cost housing.	<ul style="list-style-type: none"> <li>Lobbying activities.</li> </ul>	Short Term	Staff Time  (Various including General Manager / Growth & Economy)
2. Advocate to the State Government through the NSW Land & Housing Corporation and Landcom agencies that significant affordable rental housing and social housing is constructed in regional cities such as Lismore.	Provision of affordable housing is primarily a State Government responsibility and long-term secure and affordable rental housing is most likely to be achieved outside of the private market.	Lead Role: <ul style="list-style-type: none"> <li>Lobbying activities could be undertaken by Lismore in conjunction with other regional Councils.</li> </ul>	Short term - ongoing	Staff Time  (Various including General Manager/ Assets/Strategic Planning)
3. Participate in the Northern Rivers Housing Affordability Roundtables.	A DPIE initiative in the North Coast Regional Plan (2041) to improve industry collaboration and knowledge and improve affordable and diverse housing outcomes.	Participant:	Short Term	Staff Time  (Strategic Planning)
4. Advocate to DPIE for measures that prohibit 'land banking'.	Landowners sitting on residential zoned land has been identified by the Regional Housing Taskforce as a factor that contributes to the scarcity of land and drives up land prices.	Participant: <ul style="list-style-type: none"> <li>Lobbying activities are to be undertaken by a range of Local Government Areas.</li> </ul>	Short Term	Staff Time  (Strategic Planning)

## Advocate

Action	Rationale	Council's Role	Timing	Resource Commitment & Program Area
<p><b>5.</b> Encourage industry innovation and networking through activities such as:</p> <ul style="list-style-type: none"> <li>Information events and seminars that connect the local development and building industry with not-for-profit housing providers, landowners, manufacturers (pre-fab houses/tiny houses etc) and service providers (care and homelessness etc.)</li> <li>Sponsor and organise innovation awards for affordable and sustainable housing products.</li> </ul>	<p>Promotion and networking of various stakeholders will help to create an environment of innovation.</p>	<p>Lead Role:</p> <ul style="list-style-type: none"> <li>Develop and implement a program of events.</li> </ul>	<p>Medium Term</p>	<p>Staff Time (various)</p> <p>Eg. Strategic Planning/ Community Engagement/ Development &amp; Compliance/ Media/Economic Development</p> <p>Budget allocation required</p>
<p><b>6.</b> Work with businesses to promote Lismore as a place to live and work to attract key workers.</p>	<p>Aligns with the Economic Development Strategy and promotes the growth of new jobs and attracts and retains younger residents.</p>	<p>Lead Role:</p> <ul style="list-style-type: none"> <li>Update marketing activities such as the Lismore Prospectus (2018).</li> </ul>	<p>Ongoing</p>	<p>Staff Time (Economic Development)</p>
<p><b>7.</b> Work with health sector to promote direct investment in housing for key workers.</p>	<p>Lobby NSW Health to investigate the viability of developing housing projects.</p>	<p>Lead Role</p> <ul style="list-style-type: none"> <li>Initiate conversations to gauge potential for direct investment into the market.</li> </ul>	<p>Medium - Long Term</p>	<p>Staff Time (Strategic Planning &amp; Economic Development)</p>
<p><b>8.</b> Work with CHPs to encourage more housing stock in the private rental market to be made available for social and affordable housing through 'head-leasing'.</p>	<p>Increasing the amount of private dwellings available to CHPs will assist in the provision of affordable housing, while providing landowners with benefits including full market rent and management of their properties.</p>	<p>Education and promotion.</p>	<p>Medium Term - Ongoing</p>	<p>Staff Time (various incl. Strategic Planning/Media/ Community Engagement)</p>
<p><b>9.</b> Work with local organisations to encourage a Housing Trust(s) that could assemble and develop land for local and affordable housing as well as test innovative and creative housing delivery options.</p>	<p>Activating and assisting local community action will increase density and housing delivery.</p> <p>Testing options for alternative housing delivery pathways will provide great insight into best practice, particularly for alternative models of housing.</p>	<p>Participant</p> <ul style="list-style-type: none"> <li>Work with organisations on promotion and advocacy.</li> </ul>	<p>Ongoing</p>	<p>Staff time (Strategic Planning/ Economic Development)</p>

## Facilitate

Action	Rationale	Council's Role	Timing	Resource Commitment / Program Area
<b>10.</b> Identify land for potential rezoning or upzoning to increase the supply of flood-free residential land and the opportunity for greater density and diversity.	Ensure supply of suitably serviced land is available for new housing over the next 20 years.	Sole Responsibility.	Immediate	Staff Time (Strategic Planning)  GMS review undertaken and a Draft Growth and Realignment Strategy prepared.
<b>11.</b> Investigate housing opportunities adjacent to the CBD to facilitate additional CBD living opportunities, subject to sewage capacity and flooding constraints.	Aligns with LSPS Planning Priority to revitalise the City's Heart.	Sole Responsibility.	Immediate	Staff Time (Strategic Planning)
<b>12.</b> Amend the LEP to allow multi-dwelling housing (limited to three dwellings) on land zoned RU1 (Primary Production).	Dual occupancies (two dwellings) are currently permitted with consent in this zone. Permissibility for an additional dwelling may facilitate some additional rental housing or accommodation for rural workers or extended families on rural properties.	Sole Responsibility.	Immediate	Staff Time (Strategic Planning)
<b>13.</b> Amend Council's DCP (Chapter 1) planning controls to allow for increased density and reduced on-site parking requirements for Affordable Housing developments in circumstances where the provisions of the Housing SEPP (Part 2) are not applicable.	The Housing SEPP provides density and parking bonuses for Affordable Housing developments that are within 800m of nominated business zones. Similar planning controls in the DCP may encourage Affordable Housing developments in other suitable residential areas.	Sole Responsibility.	Short – Medium Term	Staff Time (Strategic Planning)
<b>14.</b> Development of an Affordable Housing Contributions Scheme (AHCS).	Generate a pool of funds (or assets) specifically for Council to provide affordable housing.	Lead Role:  • Council to engage with landowners and test economic viability.	Medium Term	Staff Time (Strategic Planning)
<b>15.</b> Investigate budget implications to additional staff resourcing and innovative software solutions in DA assessment to facilitate quicker processing times and better access to pre-lodgement services to streamline the process.	Feedback from industry is that delays are costly and improving service will improve confidence and investment.	Sole Responsibility.	Short Term	Budget allocation required to increase staff levels and/or outsourcing of some assessment work.

## Facilitate

Action	Rationale	Council's Role	Timing	Resource Commitment / Program Area
16. Investigate the development of a Council policy for the use of Voluntary Planning Agreements (VPAs) to provide for affordable housing in new large-scale residential developments on land already zoned for residential use.	A VPA allows councils to negotiate with a developer for the provision of infrastructure to support communities. A VPA may be appropriate where it is consistent with the Ministerial Direction and the land is not identified as part of a AHCS.	Sole Responsibility.	Short - Medium term	Staff Time (Strategic Planning)
17. Consider site suitability for increased density and diversity and/or housing for specific communities (such as seniors) and encourage this at the Planning Proposal stage.	Often landholders engage Council in a pre-lodgement meeting. Most commonly, this meeting takes place at an early stage of development planning and Council therefore has an opportunity to negotiate with landholders around the social outcomes that could be achieved on the site.	Sole Responsibility.	Ongoing	Staff time

## Partnerships & Direct Support

Action	Rationale	Council's Role	Timing	Resource Commitment / Program Area
18. Provide affordable housing at the Bristol Circuit & Cynthia Wilson Drive Developments.	Council will develop and provide affordable rental housing options on two Council-owned sites in Goonellabah.	Lead Role in a Partnership: <ul style="list-style-type: none"> <li>Provide land</li> <li>Partner with Community Housing Provider and Landcom.</li> <li>Provide grant funding to subsidise construction costs to ensure viability of the project.</li> </ul>	Immediate	Funding provided through the Building Better Regional Cities (BBRC) grant.
19. Investigate the sale of Council land identified in the Pocket Park Divestment Strategy through a tender process to first-home buyers.	Land that has been identified as not being suitable as recreation space is already earmarked to be sold, with money to be re-invested into sport and recreational facilities. Selling it to first-home buyers may assist young people and key workers to get into the housing market.	Sole Responsibility.	Short Term	Staff Time (Various incl. Assets/Strategic Planning/Sport & Recreation).  Reduced revenue implications.
20. Develop an Expressions of Interest (EOI) process for any unspent funds in the Building Better Regional Cities (BBRC) Reserve fund that deliver innovative housing projects that increase affordable housing stock in the Lismore urban area.	Council will consider financial assistance for housing projects on private land that are consistent with Council's strategic objectives and the requirements for the expenditure of the BBRC funding.	Undertake and assess applications.  Provide funding and support as a project partner.	Short Term	Funding provided through the Building Better Regional Cities (BBRC) grant.

## Partnerships & Direct Support

Action	Rationale	Council's Role	Timing	Resource Commitment / Program Area
<p><b>21.</b> Partner with State Govt agencies and community housing providers to identify sites for the development of affordable housing. Examples could be:</p> <ul style="list-style-type: none"> <li>• Infill sites in existing residential areas</li> <li>• Greenfield sites in new residential areas</li> <li>• Repurposing of existing buildings</li> </ul>	Identifying other sites for affordable housing development beyond Council-owned land.	<ul style="list-style-type: none"> <li>• Partnership, support role.</li> </ul>	Medium term - Ongoing	Staff Time (Assets/ Strategic Planning)
<p><b>22.</b> Financial incentives through Development Contributions Discounts or Deferrals for preferred housing types including:</p> <ul style="list-style-type: none"> <li>• Affordable Housing (managed by a registered Community Housing Provider)</li> <li>• Shop-Top Housing</li> <li>• Secondary Dwellings (within sewerred areas)</li> <li>• New 1-2 bedroom dual occupancies with a floor area &lt;115m2 per dwelling (within sewerred areas)</li> <li>• Multi-Dwelling Housing</li> <li>• Co-living housing (consistent with the requirements of the Housing SEPP)</li> <li>• Residential Flat Buildings</li> <li>• Seniors Housing</li> </ul>	Aligns with the objectives of this strategy to encourage and stimulate affordable and diverse housing.	<ul style="list-style-type: none"> <li>• Adopt a policy with clear criteria for contributions discount or deferral for targeted housing types in the urban area.</li> </ul>	Short Term	Staff Time (Strategic Planning/ Finance/DA Assessment)  Reduced revenue implications.
<p><b>23.</b> In developing an Affordable Housing Contribution Scheme, ensure all Aboriginal CHPs are informed of and supported to apply to the Expressions of Interest and/ or tendering process.</p>	Ensures equal opportunity to manage new affordable homes.	Lead Role.	Short Term	Staff Time (Strategic Planning)

## Partnerships & Direct Support

Action	Rationale	Council's Role	Timing	Resource Commitment / Program Area
<p><b>24.</b> Test community interest in urban regeneration at a small scale (street or neighbourhood level) within the R3 zoned areas. Research and consider Council's potential role as a catalyst in driving urban regeneration to increase density and improve liveability in line with the principles of 'Greening the Greyfield'.</p>	<p>Aims to facilitate density increases within previously zoned R3 areas where market has been slow to respond.</p>	<p>Lead role, potential to evolve into a partnership.</p>	<p>Long Term</p>	<p>Staff Time (Strategic Planning and Community Engagement)</p> <p>Budget allocation required for engagement.</p>
<p><b>25.</b> Investigate potential for a private/public partnership between Council and the local Native Title Prescribed Body Corporate with the aim to deliver Aboriginal housing.</p>	<p>Aims to provide culturally specific and affordable homes to the Aboriginal community.</p>	<p>Partner.</p>	<p>Long Term</p>	<p>Staff Time (Strategic Planning and Property)</p>
<p><b>26.</b> Apply for NSW Government funding available as a result of the Regional Housing Taskforce Report and Recommendations.</p>	<p>Increases Council's financial capacity to carry out work relating to housing delivery.</p>	<p>Lead Role.</p>	<p>Short Term</p>	<p>Staff Time (Strategic Planning)</p>
<p><b>27.</b> Collaborate with the Northern Rivers Reconstruction Corporation on housing projects, including land swaps and housing relocations.</p>	<p>The relocation of existing housing stock can offer a more affordable option, compared with rebuilding, for flood impacted residents.</p>	<p>Partnership support, advocate.</p>	<p>Short Term</p>	<p>Staff Time</p>



## Appendix - Policy Context

The Lismore Affordable and Diverse Housing Strategy does not exist in a vacuum. Rather it sits within a framework that includes a raft of Federal, State, Regional and Local policies and plans that, to varying degrees, have an impact upon housing demand and supply and affordability.

### Federal

The Federal Government has a major influence on the housing market through the setting of economic policies, taxation policies, levels of support through social security payments and a range of other factors that influence interest rates, income levels and employment.

From 2008-2014 the Federal Government's National Rental Affordability Scheme (NRAS) provided subsidies and incentives to develop private rental dwellings that were capped at 80% of market value to the eligible tenants. NRAS was discontinued in the 2014/15 budget. In 2018 the Federal Government introduced the National Housing Finance and Investment Corporation (NHFIC) which effectively lends money to not-for-profit community housing providers on a long-term, low interest basis.

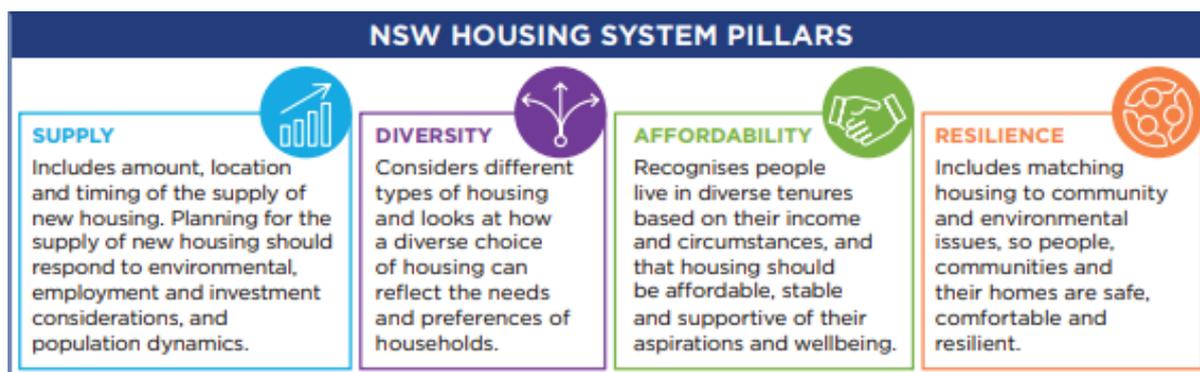
### State

The State Government is responsible for the provision of social housing. The NSW Land and Housing Corporation (LAHC) is a self-funded public trading enterprise that is responsible for new social housing. It generates its income through rent and also through the sale of its existing properties to fund new constructions. Landcom is a separate state-owned corporation tasked with delivering housing projects with a range of social and economic benefits.

Beyond these two agencies, the State Government influences housing demand, supply and affordability through a diverse range of policies and planning controls. The main ones relating to affordability and diversity are:

### NSW Housing Strategy (Housing 2041)

Housing 2041 is the NSW State Government's 20-year vision to deliver better housing outcomes by 2041. It establishes four guiding pillars and various means for achieving identified objectives. The four pillars are:



As a long-term state-wide strategy, Housing 2041 does not provide specific initiatives for regional councils to implement affordable housing initiatives. Rather it provides an overarching framework and directions such as consideration of government-owned land to be developed for affordable housing and incentives that encourage new communal living models and mixed-tenure communities. An initial action plan (2021-22) includes working with local governments and communities to achieve NSW Government housing objectives as a priority.

The NSW Housing Strategy supports the realisation of the National Agreement on Closing the Gap (2019-2029) which includes ensuring appropriately sized and affordable housing for Aboriginal people.





## **NSW Aboriginal Housing Office Strategy - Strong Family, Strong Communities (2018-2028)**

The Aboriginal Housing Office (AHO) is the only legislative authority in Australia delivering housing solely for Aboriginal people. Its 10-year strategy is supported by an Implementation Plan (2019 - 2022) which includes four key pillars of housing delivery:

- Housing Solutions, including supply of new homes
- Client Outcomes, including improved access to housing
- Growing the Sector, including improving and creating new Aboriginal CHP
- Data and Evidence

## **Housing SEPP**

The Housing SEPP (State Environment Planning Policy) came into effect in November 2021 and replaces five other housing related SEPPs including:

- Affordable Rental Housing
- Housing for Seniors and People with a Disability
- SEPP 70 - Affordable Housing (Revised Schemes)
- SEPP 21 - Caravan Parks
- SEPP 36 - Manufactured Homes Estates

The Housing SEPP provides the planning framework for the delivery of a diverse range of housing types such as boarding houses, co-living housing, seniors housing, secondary dwellings, group homes and vertical villages, and provides a range of concessions and incentives for the development of affordable housing where the housing is managed by a registered community housing provider for a minimum of 15 years.

## **North Coast Regional Plan (2036)**

The North Coast Regional Plan (NCRP) is the overarching land use planning strategy for the region and sets out the vision, goals and directions for the North Coast region to 2036. It includes a range of relevant directions including:

- Direction 22 - Deliver greater housing supply
- Direction 23 - Increase housing diversity and choice
- Direction 25 - Deliver more opportunities for affordable housing
- The NCRP includes a target of having 40% of all new housing to be 'multi-dwelling housing' by 2036

## **Local**

Lismore City Council's planning and policy documents that impact upon housing are:

### **Lismore Housing Strategy (2012)**

The Lismore Housing Strategy was the culmination of a detailed analysis of future housing needs undertaken in 2011. It identified a range of issues and responses to encourage a greater diversity of housing types and densities in Lismore and targetted the development of housing for particular demographics and socially disadvantaged groups within the community.

A review of the Housing Strategy was undertaken concurrently with the development of this strategy. Any relevant outstanding actions or outcomes from the 2012 Housing Strategy have been incorporated into the projects and programs identified at Section 5. The Affordable and Diverse Housing Strategy updates and replaces the 2012 Housing Strategy.





### **Lismore Growth Management Strategy (2035)**

The Lismore Growth Management Strategy (GMS) is the key strategic planning document for identifying the future growth needs for residential, commercial and industrial land within the Lismore LGA. Areas identified for future growth in the GMS inform other key planning strategies including the Lismore Local Strategic Planning Statement and the North Coast Regional Plan.

The GMS was adopted by Council in May 2015 and had a 20-year horizon for addressing land-release requirements. The GMS was reviewed concurrently with the development of this strategy.

### **Lismore Local Strategic Planning Statement (Inspire Lismore 2040)**

The Local Strategic Planning Statement (LSPS) sets out Council's vision and planning priorities for the next 20 years. The LSPS identifies that residential growth be consolidated around Lismore City, the CBD and villages, that growth is aligned with infrastructure and that the diversity of housing stock is increased.

### **Lismore Regional City Action Plan**

The Regional City Action Plan (RCAP) sets out specific goals, objectives and actions for Lismore to capitalise on its strengths and support growth while maintaining its unique character. It includes an objective to 'support community aspirations for greater housing diversity and choice'.

### **Lismore Local Environmental Plan 2012 (LEP) & Development Control Plan (DCP)**

The LEP and DCP are the planning controls that regulate local development within the Lismore LGA. While there are no particular initiatives specifically for affordable or diverse housing, the LEP determines what types of development can occur within geographical locations through zoning and height limits, while the DCP has various requirements for open space and carparking for residential developments that impact upon density.

### **Lismore Community Strategic Plan (Imagine Lismore)**

The Community Strategic Plan (CSP) is a requirement under the *Local Government Act 1993* and sets out a 10-year plan for the delivery of Council services that reflects the community's priorities and aspirations. It feeds into a four-year delivery program (the length of a council term) and a one-year operational plan (budget) that provide specific details of Council's programs, projects and events.

A key objective of Lismore's CSP is that "Our community has a diversity of affordable housing options" and that we plan for a mix of housing needs and facilitate increased supply of affordable housing.

