

Planning for Affordable Housing in Coastal Sea Change Communities

Caroline Squires

School of Architecture, Design Science and Planning
The University of Sydney NSW 2006

Nicole Gurrán

School of Architecture, Design Science and Planning,
The University of Sydney NSW 2006
Email: ngurran@arch.usyd.edu.au

Abstract

Over the past few decades, increasing numbers of Australians have migrated to high amenity non-metropolitan coastal destinations. This movement, widely referred to as the 'sea change' phenomenon, is often motivated by factors relating to housing affordability with lower income groups leaving the city in search of cheaper housing, while more affluent sea changers realise high capital gains from their city properties and 'down size' in lifestyle destinations (see, Gurrán, et. al., 2005). However, there is evidence that coastal areas are becoming less affordable. Land values in many coastal areas have risen dramatically in recent years and levels of housing stress in some coastal areas now exceed that experienced in some of the major capitals. This is occurring in a context of high levels of socio-economic disadvantage with many non-metropolitan coastal communities characterised by high proportions of low-income households and unemployment. Gentrification of existing housing stock, limited supply due to high levels of holiday home ownership and environmental constraints are some of the factors underlying affordability issues in coastal sea change communities. The issue of housing affordability in non-metropolitan Australia has received limited research and policy attention to date (Wulff, et. al., 2005). This paper first discusses housing affordability issues in non-metropolitan coastal Australia. The effectiveness with which existing local planning frameworks have addressed the issue is then examined and opportunities to strengthen planning for affordable housing in non-metropolitan coastal regions are proposed in conclusion.

1. Introduction

Over the past few decades, increasing numbers of Australians have migrated to high amenity non-metropolitan coastal destinations. This movement, widely referred to as the 'sea change' phenomenon, has resulted in rapid population growth in many coastal regions. Along with rapid population growth, there is increasing concern that housing in coastal areas is becoming less affordable (see, NCOSS, 2004; Northern Rivers Social Development

Council, 2004; Pendergast, et. al., 2004; Productivity Commission, 2004; Queensland, Department of Housing, 2002; Sunshine Coast Regional Housing Council Inc, 2003; *The Age Newspaper*, 2004; *Australian Financial Review*, 2004). However, the issue of housing affordability in non-metropolitan Australia generally has received limited research and policy attention (see, Wulff et. al., 2005) and few studies have investigated housing affordability in coastal areas.

Research presented here aims to address this gap by examining affordable housing problems in selected high growth coastal regions in three States (New South Wales, Queensland and Victoria). House price and rent inflation for the period 1995 to 2004 was examined in a sample of coastal areas in each State using Residex house price data (2004a, 2004b, 2004c) and State rent reports (see, NSW Department of Housing, 1996-1997, 1998-2004; Queensland Residential Tenancies Authority, 2005; Victorian Department of Human Services, 2005¹). The capacity of local people to pay for housing was also examined in a sample of coastal local government areas within each State using Census and ABS National Regional Profile data (see, ABS, 2003a, 2005).

The paper also evaluates the extent to which current local planning frameworks address housing affordability. The planning system has an important influence on this issue, as planning decisions largely affect the location, design, quality, appropriateness and cost of housing within a particular area. For this study, a search of local policies and housing strategies developed by non-metropolitan coastal councils in Australia was undertaken. The websites of all coastal councils in the six Australian States were searched in July 2005 to identify relevant planning and housing policies. State government planning policy websites were also searched. A range of options for high growth coastal councils to plan for affordable housing was then developed by drawing on this existing practice and adapting approaches currently advocated for metropolitan areas (see, Gurrán, 2003; Milligan, et. al., 2004) to the specific conditions characterising the coast.

The paper first discusses housing affordability issues in non-metropolitan coastal Australia. The extent to which existing local planning frameworks have addressed the issue is then examined. Opportunities to strengthen planning for affordable housing in non-metropolitan coastal regions are proposed in conclusion.

2. Housing Affordability Issues in Non-Metropolitan Australia

Housing costs in sea change communities are rising as a result of the rapid movement of people to these areas. With the influx of large numbers of city residents, house prices on the coast increasingly reflect metropolitan mortgage capacity and earnings (see, O'Connor, 2004). There are particular concentrations of 'unaffordable housing' in coastal New South Wales, selected areas of coastal Queensland and Victoria, than in the State capitals (see, Taylor, et. al., 2004²).

¹ Median rent data which is comparable over time is published from 1996 onwards for New South Wales; and 1999 onwards for Victorian non-metropolitan regions. In this paper, rent data is therefore shown between 1996-2004; and 1999-2004 for these two states.

² Taylor et al's (2004) measure of 'unaffordable housing' is consistent with the widely used '30 per cent cut off' measure for housing stress. Housing was classified as being 'unaffordable' if a household was in the bottom 40 per cent of gross household income distribution and if housing costs (rents and mortgages) for the household were equal to or greater than 30 per cent of gross income.

Demand for residential and tourism development can gentrify high amenity areas by increasing property prices and leading to the redevelopment of traditional low-cost housing stock, like caravan parks, older holiday houses or flats (which are often an important source of affordable retirement, long-term rental and crisis accommodation for low income households) (see, Beckwith, 1998; Burnley and Murphy, 2004; Medhurst, et. al., 2001; Wensing, et. al., 2003). Areas on the mid and far north coast of New South Wales have experienced significant declines in permanent caravan park accommodation. A total of 420 permanent sites are estimated to have been lost between November 2001 and January 2004 on the north coast of New South Wales, and a significant amount of remaining caravan park accommodation is at risk of being redeveloped (see, Connor, 2004).

High numbers of vacant holiday homes, the influx of holiday-makers in the summer months and the prevalence of properties available for short-term holiday rental (rather than long-term private rental stock) can also limit housing available to low-income households (see, Burnley and Murphy, 2004; Medhurst, et. al., 2001). Significant vacancy rates exist in many coastal sea change communities, with particularly high proportions of unoccupied dwellings in Victorian and southern New South Wales coastal towns. For example, almost half the housing stock in the Bass Coast and Surf Coast local government areas of Victoria was unoccupied in 2001 (44 per cent and 42 per cent respectively), while in Eurobodalla (NSW) 30 per cent of dwellings were unoccupied (see, ABS, 2003a, Squires 2006).

The dominance of larger dwelling types and lot sizes on the coast can also limit the availability of lower cost housing, particularly for long-term renters (see, Medhurst et. al., 2001). In 2001, detached three-bedroom dwellings were the most prevalent type of housing in many areas of coastal New South Wales, Queensland and Victoria, with separate houses making up 94 per cent of housing stock in South Gippsland (Vic), 92 per cent of the housing stock in Bass Coast (Vic) and 91 per cent of stock in Surf Coast (Vic) (see, ABS 2003a, 2003b, Squires forthcoming).

Environmental policies to restrict growth in sensitive areas can also result in a shortage of affordable housing (see, Anthony, 2003; Banfield, 2000; Green, 2001). This is discussed in greater detail in the third section of the paper with regard to Noosa and Douglas Shires in Queensland.

Investigation of Affordable Housing Problems on the Coast

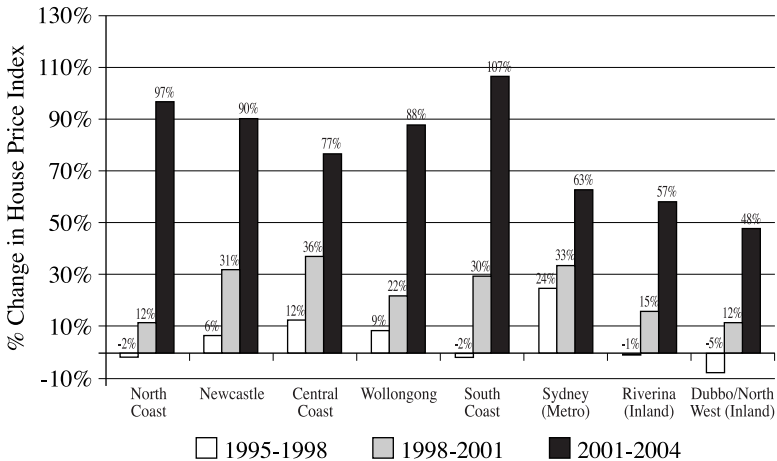
This section examines affordable housing problems in coastal New South Wales, Queensland and Victoria for the period 1995 to 2004 using median rent / sales data³.

³ These regions were selected because they represent different coastal growth scenarios. Rates of growth in New South Wales sea change communities have slowed over the past decade with some coastal areas now experiencing slightly slower rates of growth than the State overall. Growth in most Queensland coastal areas has been consistently high throughout 1991 and 2004. Coastal Victoria has experienced a recent acceleration in population growth (see, Gurrán, et. al., 2005). As the research also sought to compare coastal house price inflation to that of metropolitan and rural inland areas, the high value metropolitan housing markets of Sydney, Brisbane and Melbourne and the smaller markets in the rural centres of Dubbo and Griffith (NSW); Rockhampton and Mount Isa (Qld) and Bendigo and Wodonga (Vic) provide interesting counter-points to trends in the coastal regions. It is noted that the geographic areas for which data is analysed in this section of the paper vary in terms of name and size. Median sales data is published for particular coastal areas defined by Residex Pty Ltd, while median rent and socio-economic data is published by State authorities and the ABS according to local government and statistical division boundaries. The sample areas examined in this study were selected to ensure as much consistency as possible.

The data shows that non-metropolitan coastal areas in these states have experienced significant increases in the cost of housing. As shown in Figure 2.1, the cost of purchasing a house in most areas of coastal New South Wales, Queensland and Victoria has grown dramatically over the past decade, particularly between 2001 and 2004 when house price inflation frequently exceeded house price growth in the State capitals and inland rural regions. Areas to experience the most significant increases in house prices during this period were the New South Wales south and north coasts (107 per cent and 97 per cent increase respectively, compared to 63 per cent growth in Sydney); the Queensland Sunshine Coast and Surfers Paradise (120 per cent and 93 per cent increase respectively, compared to 91 per cent growth in Brisbane); and in Victoria, Portland and the Mornington region (91 per cent and 78 per cent increase respectively, compared to 53 per cent growth in Melbourne).

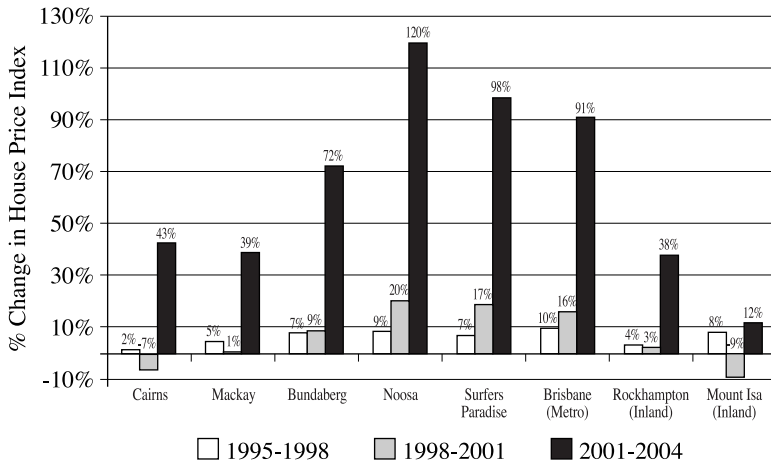
Figure 2.1: Change in Median House Price, New South Wales, Queensland and Victoria: 1995-2004

New South Wales



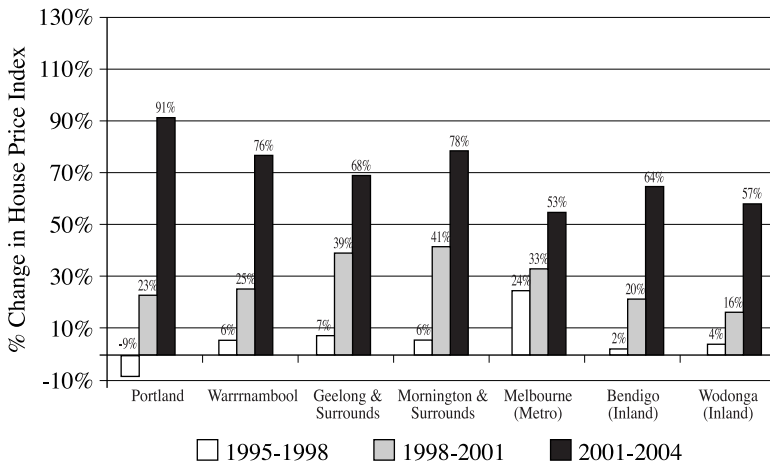
Source: Residex (2004a)

Queensland



Source: Residex (2004b)

Victoria



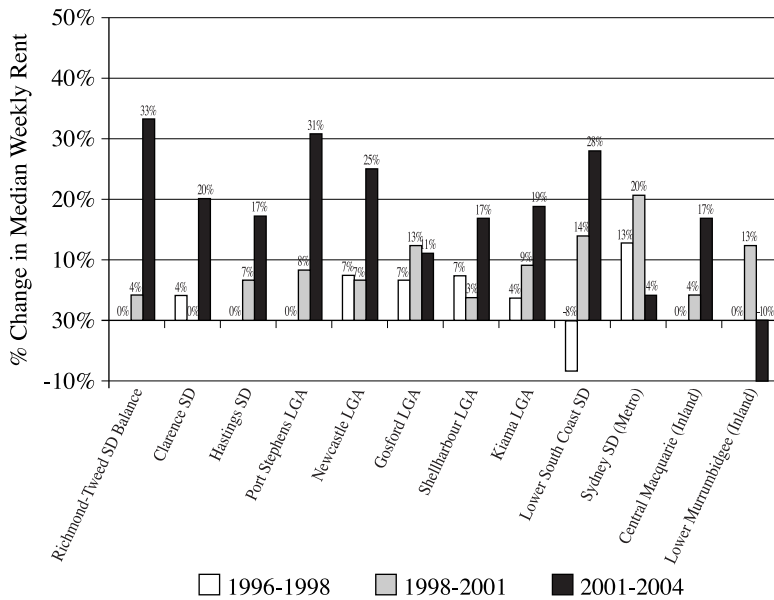
Source: Residex (2004c)

A similar trend occurred in relation to rents, which experienced little to no change early in the decade, then increased dramatically during the 2001-2004 period, albeit at a lesser rate than house prices. As shown in Figure 2.2, rents in coastal New South Wales, Queensland and Victoria generally increased at a far greater rate than rents in the State capitals between 2001 and 2004. In New South Wales, rents for 2-bedroom dwellings in

Richmond-Tweed Balance SD (including Byron Bay) increased by 33 per cent and 3-bedroom dwellings increased by 37 per cent; while in the Lower South Coast SD, rents for 2-bedroom dwellings increased by 28 per cent and for 3-bedroom dwellings increased by 33 per cent, (compared to a 4 per cent increase in Sydney rents over the same period). Maroochy, Caloundra and areas of the Gold Coast experienced the most significant increases in the cost of rental accommodation in Queensland. Growth in these areas was particularly high compared to the 9 per cent increase in rent for 2-bedroom flats and 7 per cent increase in rent for 3-bedroom houses in Brisbane. Rents for all coastal areas of Victoria in the sample increased at a more rapid rate than the 14 per cent increase in the cost of two-bedroom flats and 10 per cent increase in rents for three-bedroom houses in Melbourne.

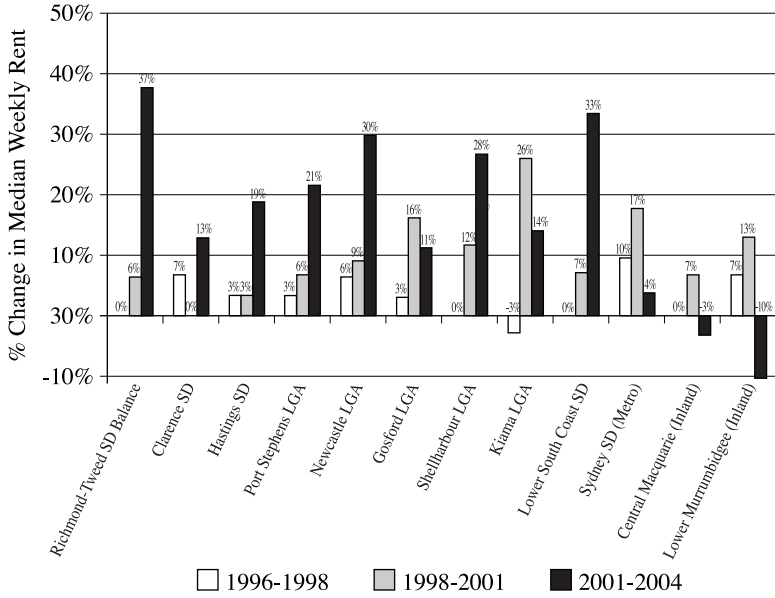
Figure 2.2: Change in Median Rents, New South Wales, Queensland and Victoria

New South Wales (2 Bedroom Dwellings)



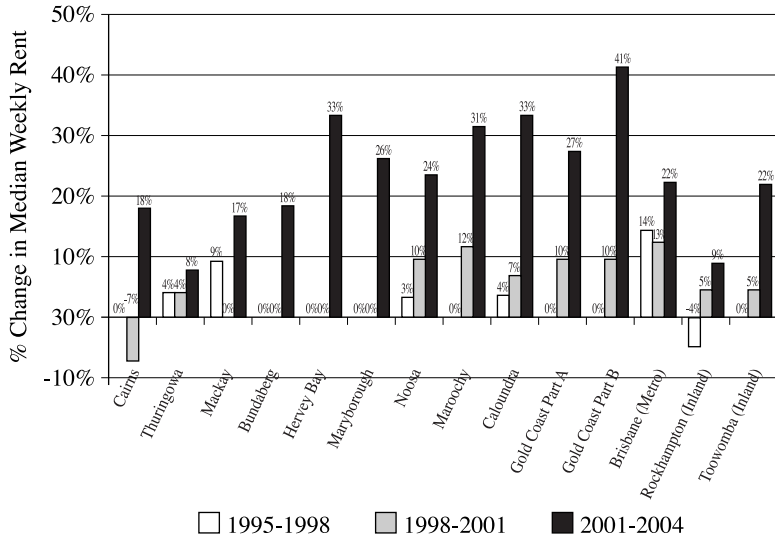
Source: NSW Department of Housing (1996-1997, 1998-2004)

New South Wales (3 Bedroom Dwellings)



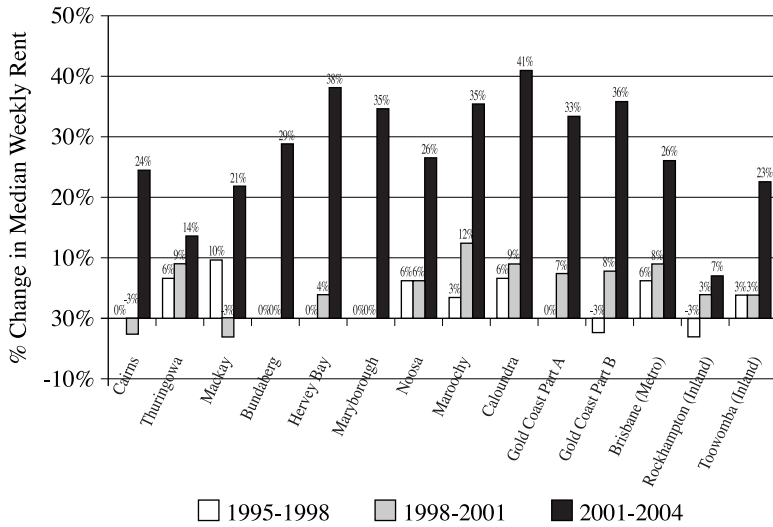
Source: NSW Department of Housing (1996-1997, 1998-2004)

Queensland (2 Bedroom Dwellings)



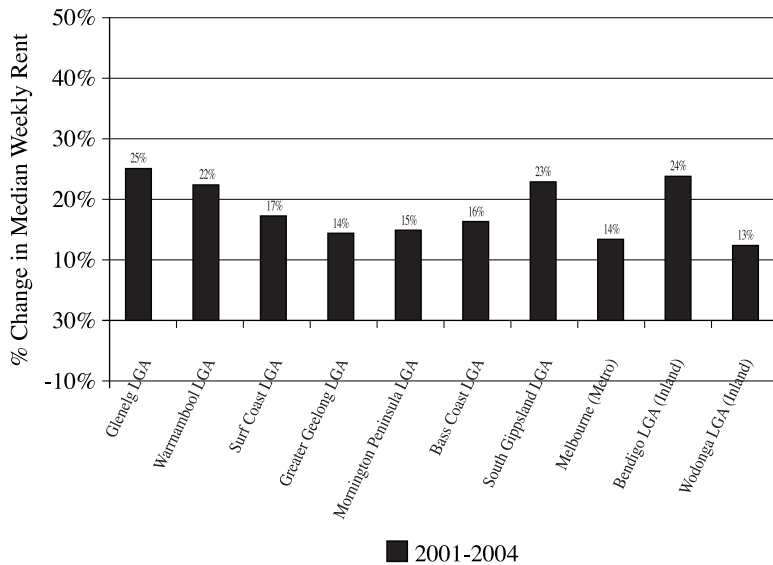
Source: Queensland Residential Tenancies Authority (2005)

Queensland (3 Bedroom Dwellings)



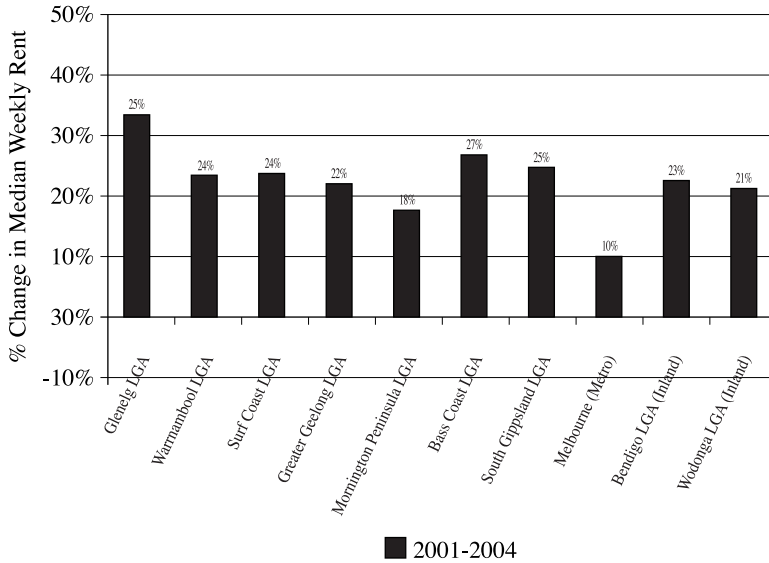
Source: Queensland Residential Tenancies Authority (2005)

Victoria (2 Bedroom Units)



Source: Victorian Department of Human Service (2005)

Victoria (3 Bedroom Houses)



Source: Victorian Department of Human Service (2005)

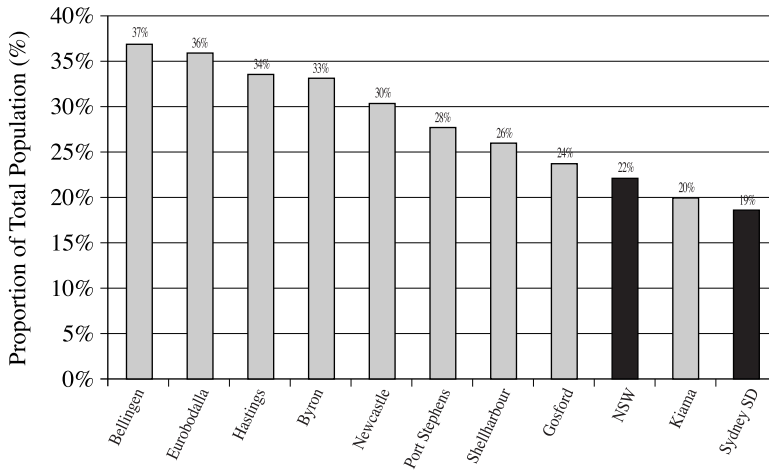
These rapid increases in house prices and rent levels are occurring in a context of low income levels and socio-economic disadvantage, further reducing local people’s capacity to pay for housing. Census and ABS National Regional Profile data shows that many non-metropolitan coastal communities are characterised by the following:-

- *High proportions of low-income households.* For instance, household income levels in all coastal local government areas studied were below metropolitan averages (with the exception of Pine Rivers and Thuringowa in Queensland) (ABS, 2003a);
- *High rates of unemployment.* Unemployment rates are high on the coast compared to metropolitan and State averages, exceeding 10 per cent in a number of council areas in the sample (ABS, 2005);
- *A high and growing proportion of part-time employed.* The proportion of part time employees was generally higher in coastal local government areas than State and metropolitan averages. Part-time employment in the majority of coastal areas in the sample increased by between eight and ten percentage points between 1991 and 2001, compared to Sydney, Melbourne and Brisbane where the proportion of part-time employed increased by five, seven and six percentage points respectively (ABS, 2003a).
- *High proportions of income support recipients (including disability support, single parent and age pensioners, Youth and Newstart Allowance customers).*

As shown in Figure 2.3 below, most coastal local government areas (shown in grey) have a greater proportion of income support recipients than State and metropolitan averages (shown in black).

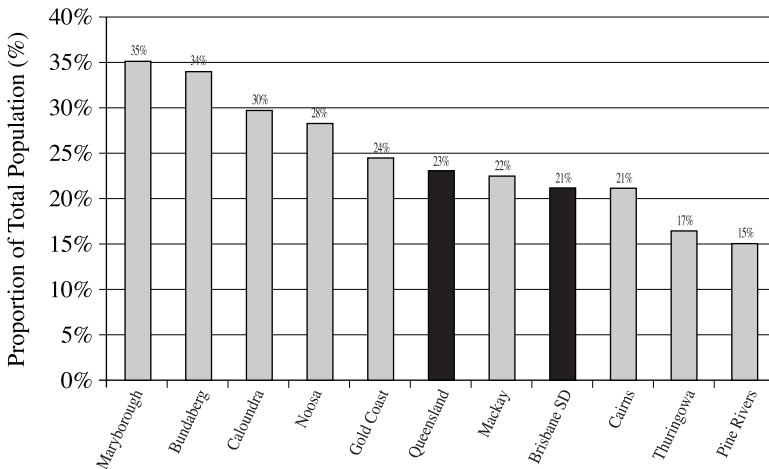
Figure 2.3: Proportion of Income Support Recipients, New South Wales, Queensland and Victoria: 2003

New South Wales



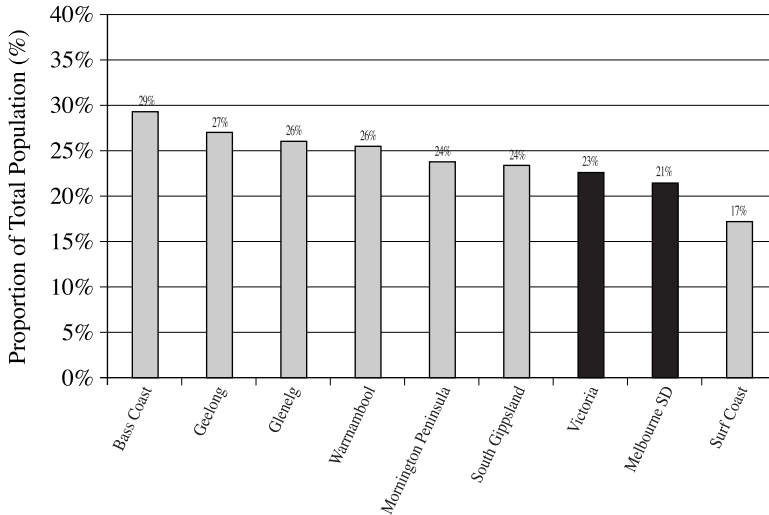
Source: ABS (2005)

Queensland



Source: ABS (2005)

Victoria



Source: ABS (2005)

Additionally, coastal areas are generally characterised by higher levels of socio-economic disadvantage (determined according to the ABS’s ‘Index of Relative Socio-Economic Advantage / Disadvantage’)⁴. Relative socio-economic disadvantage was higher in all coastal local government areas than in the State capitals (with the exception of Pine Rivers (Qld), Mornington Peninsula (Vic) and Surf Coast (Vic)).

Given that rapid population growth and relative levels of socio-economic disadvantage are the major drivers of housing unaffordability in coastal New South Wales, Queensland and Victoria; similar housing issues are likely to be apparent in other high growth regional coastal areas of Australia, particularly parts of Western Australia, South Australia and Tasmania. Concerns relating to housing affordability in these three States have recently been expressed (see, Beer, 2004; Pendergast, et. al., 2004; Wilson, 2005).

3. Existing Responses to Local Planning for Affordable Housing on the Coast

In this section of the paper we review current practice in planning for affordable housing in coastal Australia. As discussed above, approaches were identified through a search of all coastal council websites (in the six coastal States) and Government planning policy websites⁵. This information was checked against previous studies on local government housing activity (see, Johnston, 2005; Shantz, 2002; Victorian Department of Sustainability and the Environment, 2005).

⁴ The ABS’s Index of Relative Socio-Economic Advantage / Disadvantage is derived from 2001 Census data using variables such as income, educational attainment, income, occupation and employment (see, ABS, 2005).

⁵ The authors acknowledge that not all local housing activities may be identifiable through a web search and we welcome advice regarding additional or emerging approaches not captured by this study to date.

Of the 143 local government areas examined, less than one-third (36 councils) were found to have developed planning instruments and policies specifically aimed at addressing the affordability of housing in the local area. Within this group, the extent of activity and innovation varied considerably.

The main policy and planning approaches identified through our review are summarised in Table 3.1 (All planning responses identified in this study are shown in Table A.1, Appendix A).

Table 3.1: Main Approaches to Planning for Affordable Housing in Non-metropolitan Coastal Communities

Approach	No. of Councils*
Affordable housing strategy (current or being prepared)	11
Planning instrument contains general aim to promote affordable housing through diversity in dwelling types or lot sizes	19
Planning instrument promotes affordable housing by permitting conversion of existing housing for seniors / dependents (eg, 'granny' flats etc).	4
Planning instrument protects or promotes caravan parks as a form of long-term affordable accommodation	3
Planning instrument requires assessment / mitigation of impacts on low-cost accommodation	5
Planning instrument offers incentives for the production of new affordable housing (eg, <i>Newcastle Development Control Plan 40: City West</i> ; <i>Wollongong Development Control Plan No.9 Residential Standards</i> ; <i>Augusta-Margaret River Structure Plan 2005</i>)	3
Planning instrument encourages facilitation of social housing stock (eg, <i>Byron Development Control Plan Part 3: Residential Development</i> ; <i>Ballina Local Environment Plan 1987</i>)	2
Planning instrument aims to provide affordable accommodation for local employees (eg, <i>Hinchinbrook Draft Planning Scheme 2004</i> ; <i>Robe Development Plan (Draft Amendment) 2003</i>).	2

* The total number of council areas in this table does not equal the total number found to contain existing or proposed policies aimed at addressing the affordability (36) as some council areas have more than one approach.

A number of councils have developed, or are developing, comprehensive housing strategies which analyse affordability issues in their area and identify a range of actions to address these issues. Strategies include *Byron Shire Affordable Housing Strategy for Urban Areas 2002 (NSW)*; *Gosford Affordable Housing Strategy 2005 (NSW)*; *Newcastle Affordable Housing Strategy 2005 (NSW)*; *Housing for All of Us: A Strategy for Gold Coast City Council (draft) 2004 (Qld)*; *Mornington Peninsula Triple AAA Housing Policy 2002 (Vic)*; and *Wanneroo Draft Local Housing Strategy Framework 2004 (WA)* and housing strategies are currently being prepared by Hastings (NSW), Townsville (Qld), Bass Coast (Vic) and Surf Coast (Vic) councils. While it is difficult to gauge the extent to which these strategies have yet been implemented through land use planning and strategic policy frameworks, the existence of a strategy has itself been regarded as an indicator of a council's commitment to housing policy (see, Gurrán, 2003). This proves to be true in the case of the coastal council areas that have a comprehensive housing strategy and the

number and extent of planning policy responses to affordable housing appears to be strongest in these communities. Some councils have also identified a shortage of affordable housing in their areas and suggested ways to address the issues within their social or community plan. A number of these plans have been made relatively recently (eg, *Kiama Social / Community Plan 2004-2009 (NSW)*; *Caloundra City: The Strategy for Young People - 2005-2010 (Qld)*).

Seeking to encourage affordable housing through an objective in their local planning instrument was found to be by far the most common mechanism used by the councils in this study. Nineteen councils used this approach, most sought to achieve this aim by promoting diversity of housing types and lot sizes.

Some of the more innovative mechanisms used to promote new affordable housing included aims to encourage specific housing types such as adaptable housing (*Gold Coast Planning Scheme 2003 (Qld)*), shop-top housing (*Gosford Local Environment Plan 443, 2004 (NSW)*) and relatives' / ancillary accommodation (*Busselton Relative Accommodation Policy (WA)*, *Draft Planning Scheme for Burdekin Shire Council 2005 (Qld)*). Affordable housing for local workers was addressed in a number of planning instruments - for example, a draft amendment to the *Robe Development Plan 2003 (SA)* aims to encourage the provision of accommodation for seasonal agricultural workers, and the draft *Hinchinbrook Planning Scheme 2004 (Qld)* aims to encourage tourist development in locations that have an adequate existing supply of affordable accommodation. Both Ballina (*Ballina Local Environment Plan 1987 (NSW)*) and Byron Shires (*DCP Part 3: Residential Development (NSW)*) actively facilitate new social housing developments by allocating certain sites in the local area for affordable housing development by social housing providers.

Specific mechanisms to encourage the retention of existing low-cost accommodation have been incorporated within the planning framework of a small number of councils. Gosford City Council's *Local Environmental Plan 443, 2004 (NSW)* directly seeks to restrict the loss of long-term residential caravan park accommodation. Some coastal councils require a social impact assessment to be conducted on proposals that could result in the loss of, or increased need for, affordable housing (eg, Hastings, Newcastle, Shellharbour, Tweed Councils in New South Wales and Busselton in Western Australia).

Newcastle City Council's *Development Control Plan 40: City West (NSW)* represents one of few attempts to encourage the production of new affordable housing. This development control plan offers developers a floor space bonus as an incentive for the construction of affordable dwellings within new developments. However no developer has taken advantage of this provision to date (Newcastle City Council, 2005).

Some planning controls, such as larger minimum lot sizes and growth controls which limit new housing supply, act as a barrier to the provision of low-cost housing. Such controls are referred to as 'exclusionary' (see, Katz and Turner, 2003). This issue has been explicitly addressed by some coastal councils in their planning instruments and strategies. For example, Richmond Valley Council's *Draft Casino Urban Land Release*

Strategy 2004 (NSW) recommends that “existing planning instruments be reviewed for ‘exclusionary’ controls and amended with the aim of reducing the cost of new development and promote affordable housing outcomes” (p.17); Tweed Shire Council stipulates in their *Development Control Plan No.39 Energy Smart Homes Policy 2003 (NSW)* that new ‘energy smart’ homes should aim to remain affordable to purchase; and the *Gold Coast Planning Scheme 2003 (Qld)* contains the specific aim to discourage new housing estates which provide only one type of housing.

In contrast, Ballina Shire and Gold Coast City Council policies relating to caravan parks are examples of planning mechanisms which may act against the provision of affordable housing in these local government areas. *Ballina Development Control Plan - Caravan Parks: Long Term Residents 2004 (NSW)* establishes that the primary aim of local caravan parks is as providers of short-term tourist accommodation and council has the ‘long-term goal’ to remove long-term residents from caravan parks through ‘attrition’ (as residents leave, no new leases are provided). Gold Coast City Council also has a policy of attrition in relation to most caravan parks in the local government area (see, Gold Coast City Council, 2005).

Douglas and Noosa Shires in Queensland have specific policies to restrict population growth in sensitive environmental contexts. As highlighted previously in this paper, such policies to restrict growth can result in a shortage of affordable housing (see, Anthony, 2003; Banfield, 2000; Green, 2001). While we strongly support limits to growth based on environmental capacity, where it is determined that these approaches are resulting in a shortage of affordable housing, it is important to balance these impacts with mitigating policies designed to address the issue such as those outlined below.

4. Opportunities to Strengthen Planning for Affordable Housing in Coastal Communities

Drawing on the emerging planning practice in coastal areas documented above, as well as metropolitan approaches to affordable housing used both in Australia and internationally (see, Gurrán, 2003; Milligan, et. al., 2004), the following section of the paper proposes a range of options to address affordable housing in Australian sea change communities. We conceptualise these approaches along a spectrum ranging from strategies to *protect* existing sources of affordable housing; strategies to *promote* new sources of low-cost housing stock; and, strategies to directly *produce* new subsidized affordable housing supply (see, Gurrán, 2005). These approaches are summarised in Table 4.1 following.

Table 4.1: Planning Approaches to Protect, Promote and Produce Affordable Housing

Aim	Possible Approach
<i>Protection of existing low-cost housing stock</i>	<ul style="list-style-type: none"> • Planning instrument aims to retain affordable housing; • Requirement for social impact assessment / mitigation; • Controls protect particular types of housing stock (eg, caravan parks, boarding / rooming houses, older housing stock from gentrification).
<i>Promotion of new affordable housing</i>	<ul style="list-style-type: none"> • Planning instrument explicitly aims to promote affordable housing; • Housing conversion for seniors / dependents (eg, garden / 'granny' flats) permitted; • Remove constraints on new housing supply (ie, long-term planning to ensure sufficient land supply, efficient assessment and approval processes); • Remove 'exclusionary' controls and ensure that new low-cost housing is permissible; • Diverse housing forms required.
<i>Production of new affordable housing</i>	<ul style="list-style-type: none"> • Provide incentives to generate new low-cost housing stock (eg, floor space bonuses); • Mandatory requirements for developers to contribute to affordable housing (ie, inclusionary zoning provisions); • Voluntary contributions through developer agreements; • Package of options for developers to show they meet affordable housing objectives (eg, donate funds or dwellings, provide housing 'at cost' to a social housing provider).

Source: Derived from Gurran (2005)

Particular approaches likely to be important for coastal areas include:-

- *Social impact assessment / mitigation for proposed coastal developments likely to result in the loss of low-income housing supply or create additional demand for affordable housing.* As discussed above, growing demand for new residential development on the coast can threaten the existing supply of affordable housing when existing low-cost stock such as caravan parks, older holiday houses or flats are replaced or upgraded. A social impact assessment framework provides for some regulatory control over the loss of low-cost housing types and enables the consent authority to require mitigating strategies to offset this impact (eg, *Hastings Social Impact Assessment Policy (NSW)* and *Tweed Shire Council Development Control Plan No 45 - Socio-Economic Impact Assessment, 2002 (NSW)*).
- *Controls to protect and provide sources of affordable housing supply important to coastal communities.* As discussed above, many types of low-cost accommodation on the coast are under significant threat of redevelopment. Planning instruments can be used to protect specific forms of affordable housing. For example, under Gosford City Council's *Local Environmental Plan 443 (NSW)* the consent authority must not approve an application relating to caravan parks unless it has considered the potential decline in low-cost accommodation, whether sufficient comparable accommodation exists in the local area, the likely social and economics impacts of the development on existing residents, and whether adequate arrangements have been made to assist displaced residents relocate to suitable accommodation. Controls to provide a minimum amount of permanent residential sites in caravan parks and to promote the construction of new caravan parks could also be used by coastal councils (see, Byron Shire Council, 2002).

- *Planning provisions to permit flexible housing options to cater for ageing populations.* Coastal sea change areas are ageing rapidly and there is a need to cater for future housing demand by seniors to ensure that it remains affordable. Councils can achieve this by permitting the construction of appropriate accommodation for dependents such as garden / 'granny' flats (eg, *Busselton Shire Relative Accommodation Policy*, (WA)) and through specific mechanisms to encourage new housing development to be 'adaptable' to the needs of older people (eg, *Gold Coast Planning Scheme 2003*). Other approaches could also include enabling shared living spaces and permitting new residential development types such as eco-villages and co-housing (see, Byron Shire Council, 2002).
- *Planning requirement to contribute to the provision of new affordable housing or employee housing.* Intense development pressure, particularly for the provision of tourist facilities, often results in the need for affordable workers accommodation. 'Inclusionary zoning provisions' require that a proportion of all development within the zone be dedicated for affordable housing (provided as a monetary contribution or an equivalent number of housing units, located on or off site, to be managed as subsidized rental housing for low income groups). Inclusionary zoning has been used in some high value urban areas of Sydney to offset the loss of affordable housing during a process of significant urban renewal (see, Milligan, et. al., 2004). The approach has also been demonstrated successfully in the ski resort town of Banff in Canada, where commercial developers are required to provide a proportion of housing for employees as a condition of development approval (Town of Banff, 1998). Thus, inclusionary zoning may be suitable for implementation within very high value coastal housing markets; or as a way of ensuring provision for employee housing within coastal resorts.
- *Removal of potential barriers to the provision of affordable housing on the coast.* It is important that coastal councils review the impact of existing and future policies on housing affordability to ensure a balance between affordability and their land use planning objectives. For instance, planning authorities need to review standards that make housing more expensive, such as large lot sizes; and carefully assess subdivisions designed to create 'exclusionary' residential areas, such as 'gated communities' (see, Katz and Turner, 2003, Milligan, et. al., 2004).

Additional mechanisms and activities to address the shortage of affordable housing on the coast include: investigating lower cost infrastructure and development options such as smaller lot sizes, set backs, semi-detached homes and soft engineering in residential areas; establishing a council register of potential sites (or resources, such as building materials) that could be used for local affordable housing projects; and deferring development application fees for low income earners and specific affordable housing projects (see, Byron Shire Council, 2002).

5. Conclusion

The affordability of housing is a significant issue facing many non-metropolitan coastal communities, as demonstrated by recent inflation in house and rent prices in New South Wales, Queensland and Victorian coastal areas and the limited capacity of local people to pay for housing. Similar trends are apparent in the other coastal areas of Australia (see, Pendergast, et. al., 2004; Wilson, 2005). Local land-use planning frameworks offer an important way for councils to address housing affordability issues within their area. Although less than one-third of the non-metropolitan coastal councils in Australia have explicitly identified housing affordability as an important policy issue and have begun to develop a range of local responses to housing need, there is significant potential for State and local policy makers to support local councils in building on this emerging practice by developing holistic housing strategies to protect existing sources of affordable housing, promote new low-cost housing options and in some cases, directly produce new affordable housing in coastal Australia.

Appendix A

The following table shows local policies and planning instruments designed to address housing affordability in non-metropolitan coastal Australia, as identified in this study. Council areas are arranged in alphabetical order by State.

Table A.1: Current Practice in Planning for Affordable Housing in Non-metropolitan Coastal Communities

COUNCIL	PLANNING INSTRUMENT (Date Adopted / Amended)	APPROACH
Ballina (NSW)	<i>Ballina Local Environment Plan 1987 (amended 25 February 2005)</i>	Aims to facilitate low cost affordable housing developments on certain sites in accordance with the “ <i>Ballina Green Street Housing Project</i> ”.
Byron (NSW)	<i>Byron Shire Affordable Housing Strategy for Urban Areas 2002 (16 August 2002)</i>	Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies.
	<i>Development Control Plan Part 3: Residential Development (Amended November 2004)</i> <i>Affordable Housing Development Control Plan</i>	Aims to facilitate low cost affordable housing developments by the NSW Department of Housing (or nominated community housing provider) on certain sites. Currently being prepared.
Eurobodalla (NSW)	<i>Eurobodalla Urban Local Environment Plan 1999 (28 February 2005)</i> <i>Residential Design Code (1 February 2005)</i>	Aims to encourage a range of dwelling types. Reinforced through the <i>Residential Design Code</i> (see below). Aims to encourage a range of lot sizes and housing types to cater for affordability.
Gosford (NSW)	<i>Local Environment Plan 443 (incorporated into the Gosford PSO 1968, as amended 4 June 2004)</i> <i>Gosford Affordable Housing Strategy 2005</i>	Aims to ensure the wellbeing of residents displaced due to caravan park redevelopment and protects against the loss of long-term residential caravan park accommodation. Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies.

Table A.1: Current Practice in Planning for Affordable Housing in Non-metropolitan Coastal Communities (continued)

COUNCIL	PLANNING INSTRUMENT (Date Adopted / Amended)	APPROACH
Grafton (NSW)	<i>Grafton Local Environment Plan 1988 (Amended 29 October 2004)</i>	Explicit aim to provide affordable housing in a variety of types and tenures in a particular zone.
Hastings (NSW)	<i>Hastings Social Impact Assessment Policy</i> <i>Affordable Housing Strategy</i>	Social impact assessment and mitigation required for loss of low-cost housing stock. Currently being prepared
Kempsey (NSW)	<i>Development Control Plan 13 - Code for Development of Mobile Home Estates and Caravan Parks Intended for Long Term Occupation</i> <i>Newcastle Local Environment Plan 2003 (8 September 2003)</i> <i>Social Impact Assessment Policy for Development Applications</i>	Recognises caravan parks and manufactured home estates as a viable form of housing. Newcastle (NSW) Requirement for social impact mitigation. Reinforced through the <i>Social Impact Assessment Policy for Development Applications</i> (see below). Social impact assessment and mitigation required, particularly if low-rent housing stock.
Newcastle (NSW)	<i>Newcastle Development Control Plan 40: City West</i> <i>Newcastle Affordable Housing Strategy 2005</i> <i>Affordable Housing Policy</i> <i>Adaptable Housing Development Control Plan</i>	Offers developers floor space bonuses for the production of new affordable housing. To date, no developer has taken advantage of this provision. Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies. Currently being prepared Currently being prepared
Richmond Valley (NSW)	<i>Richmond Valley Council (draft) Casino Urban Land Release Strategy 2004</i>	Recommends medium density housing in particular areas to encourage a range of dwelling types. Recommends that existing planning instruments be reviewed for 'exclusionary' controls and amended with the aim of reducing the cost of new development and promote affordable housing outcomes.
Shellharbour (NSW)	<i>Social Impact Assessment Policy 2001</i>	Social impact assessment required for loss of affordable housing stock
Tweed (NSW)	<i>Tweed Local Environment Plan 2000 (3 June 2005)</i> <i>Development Control Plan No.39 Energy Smart Homes Policy (October 2003)</i> <i>Tweed 4/24 Strategic Plan 2004-2024</i>	Social impact assessment and mitigation required for loss of affordable housing stock. Reinforced through <i>Development Control Plan 45 Socio-Economic Impact Assessment</i> (2002). Addresses the affordability of housing in a potentially 'exclusionary' control by stipulating that new "energy smart" homes should aim to remain affordable to purchase. Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies.
Wollongong (NSW)	<i>Development Control Plan No.9 Part 1 Residential Standards (18 September 1991); DCP No.9 Part 2 Residential Design Guidelines (17 October 1994)</i>	Allows higher density standards to assist in the provision of low cost housing.

Table A.1: Current Practice in Planning for Affordable Housing in Non-metropolitan Coastal Communities (continued)

COUNCIL	PLANNING INSTRUMENT (Date Adopted / Amended)	APPROACH
Bowen (QLD)	<i>Bowen Shire IPA (Draft Statutory Instrument) 2005</i>	Aims to ensure that housing is affordable and diverse.
Burdekin (QLD)	<i>Draft Planning Scheme for Burdekin Shire Council 2005</i>	Aims to ensure that housing is affordable. Provides for the development of “Relatives’ apartments” - “A dwelling unit used only for the residential accommodation of a person or persons directly related to the registered proprietor of the land and to the family or household residing in the dwelling house”.
Burnett (QLD)	<i>Burnett Shire (draft) Planning Scheme 2005</i>	Aims to ensure that housing is affordable and to encourage a range of dwelling types and densities.
Cairns (QLD)	<i>The Cairns Plan (1 March 2005)</i>	Aims to ensure that housing is affordable and that accommodation for tourists does not affect the affordability of housing for permanent residents.
Gold Coast (QLD)	<i>Housing for All of Us: A Strategy for Gold Coast City Council, 2004</i>	Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies.
Gold Coast (QLD)	<i>Gold Coast Planning Scheme, 18 August 2003 (Amended 7 March 2005).</i>	Contains specific objectives which aim to:- <ul style="list-style-type: none"> • Provide a range of dwelling types and densities and discourage new housing estates that provide only one type of housing; • Avoid developments which limit opportunity for specialist housing needs in key locations and encourage the provision of affordable housing with good access to public transport, community services and facilities; • Encourage ‘urban renewal’ programs to incorporate affordable housing and encourage new developments that integrate a proportion of low-cost housing; • Discourage ‘identifiable’ public housing estate development; • Encourage adaptable housing;
Hinchinbrook (QLD)	<i>Draft Planning Scheme 2004</i>	Aims to encourage a range of affordable housing options and tourist developments in locations which have adequate existing supply of affordable housing.
Maroochy (QLD)	<i>The Maroochy Plan 2000</i>	Aims to facilitate a range of lot sizes, housing types and higher density accommodation and allows for low-cost housing.
Townsville (QLD)	<i>Affordable Housing Strategy</i>	Currently being prepared.
	<i>Towards an Affordable Housing Strategy for the Townsville Region, (December 2004)</i>	Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies.
Bass Coast (VIC)	<i>Affordable Housing Strategy</i>	Currently being prepared.
Colac-Otway (VIC)	<i>Colac Housing and Accommodation Strategy (22 May 2002)</i>	Commissioned in response to a perceived shortage of owner-occupied and rental properties in the area which was said to be inhibiting employment growth.

Table A.1: Current Practice in Planning for Affordable Housing in Non-metropolitan Coastal Communities (continued)

COUNCIL	PLANNING INSTRUMENT (Date Adopted / Amended)	APPROACH
East Gippsland (VIC)	<i>East Gippsland Planning Scheme, Amendment C31 and C43, (20 June 2005)</i>	Aims to encourage developments which increase the affordability of housing.
Mornington Peninsula (VIC)	<i>Mornington Peninsula Triple AAA Housing Policy (June 2002)</i>	Acknowledges lack of affordable housing is a problem. Outlines ways to address this through planning strategies.
	<i>SEE-Change home and belonging - Caravan Park Living on the Mornington Peninsula: Caravan Park Project Report 2004</i>	Aimed to document the impact of the loss of permanent caravan park accommodation on local residents.
Surf Coast (VIC)	<i>Housing Strategy</i>	Currently being prepared.
Copper Coast (SA)	<i>Copper Coast Development Plan, (11 September 2003)</i>	Aims to promote a range of dwelling types and encourage affordable housing.
Onkaparinga (SA)	<i>Onkaparinga Development Plan, (15 March 2005)</i>	Aims to promote a range of dwelling types and densities and encourage affordable housing.
Robe (SA)	<i>Robe Development Plan (Draft Amendment), 18 September 2003.</i>	Aims to promote the development of affordable housing for seasonal agricultural workers by allowing worker accommodation in the Primary Industry Zone (proposed to be called the "Workers Accommodation" zone).
Yorke Peninsula (SA)	<i>Yorke Peninsula Development Plan, 16 December 2004.</i>	Aims to promote affordable housing.
Augusta-Margaret River (WA)	<i>Augusta-Margaret River Structure Plan, 2005</i>	Proposes that density bonuses are offered for the provision of affordable housing on specific sites.
Busselton (WA)	<i>Relatives' Accommodation Policy (no date)</i>	Allows for the development of "granny flats".
	<i>Preparation of Social Impact Assessment Policy, (9 September 1998)</i>	Social Impact Assessment is required for some types of development, including tourist developments and caravan parks
Carnarvon (WA)	<i>Ningaloo Reef Resort Coral Bay Outline Development Plan, April 2005</i>	Identifies the need for local planning instruments to be changed in order to provide workers accommodation for the proposed 'Hilton Spa Resort' development.
Kwinana (WA)	<i>Town Planning Scheme No.</i>	Aims to ensure that residential development remains affordable to all people in the community.
Wanneroo (WA)	<i>Draft Local Housing Strategy Framework, 21 September 2004</i>	Aims to "ensure that an adequate supply of affordable accommodation is provided, particularly for first home buyers".
	<i>Wanneroo Smart Growth Strategy 2004</i>	Promotes the principle of housing choice as part of council's local sustainability framework.
Brighton	<i>Brighton Planning Scheme 2000</i>	(TAS)Aims to develop a range of affordable homes and range of lot sizes (specific to an area of proposed residential expansion)
West Tamar (TAS)	<i>Draft West Tamar Planning Scheme 2004</i>	Aims to encourage the supply of affordable housing.

References

- ABS (2003a), 'Census 2001 Time Series Profiles' (Cat. No. 2003.0), Commonwealth of Australia, Canberra.
- ABS (2003b), 'Census 2001 Expanded Community Profiles' (Cat. No. 2005.0), Commonwealth of Australia, Canberra.
- ABS (2005), 'Regional Profiles' (Cat. No. 1379.0.55.001), Commonwealth of Australia, Canberra.
- Anthony, J. (2003), 'The Effects of Florida's Growth Management Act on Housing Affordability', *Journal of the American Planning Association*, v69 (3): 282-296.
- Banfield, K. (2000), 'Recognising Ecological Obligations in Planning', Royal Australian Planning Institute Limits to Growth Forum, Coffs Harbour, June 2000.
- Beckwith, J. A. (1998), 'The Role of Caravan Parks in meeting the Housing needs of the Aged', *Urban Policy and Research*, v16(2): 131-137.
- Beer, A. (2004), 'On Wine, Rent and Regions: Labour Market Change and Housing Market Processes in Non-metropolitan South Australia', *European Planning Studies*, v12(1): 57-84.
- Burnley, I. and Murphy, P. (2004), 'Sea Change: Movement from Metropolitan to Arcadian Australia', UNSW Press, Sydney.
- Byron Shire Council (2002), 'Byron Shire Affordable Housing Strategy for Urban Areas 2002', (16 August 2002), Byron Shire Council, Byron Bay NSW.
- Connor, J. (2004), 'Home Among the Gum Trees: Securing the Future for Older People Who Live in Residential Parks in NSW', Discussion paper prepared for the NSW Ministerial Advisory Committee on Ageing by Parks and Village Services (PAVS) at the Combined Pensioners and Superannuants Association of NSW, Sydney.
- Gold Coast City Council (2005), 'Housing for All of Us: A Strategy for Gold Coast City Council (draft)', Gold Coast City Council, Nerang, Queensland.
- Green, G. P. (2001), 'Amenities and Community Economic Development: Strategies for Sustainability', *Journal of Regional Analysis and Policy* v31(2): 61-75.
- Gurrán, N. (2003), 'Housing Locally: Positioning Australian Local Government Housing for a New Century', *Urban Policy and Research*, v21(4): 393-412.
- Gurrán, N. (2005), 'Planning for Affordable Housing: Australian Approaches and Perspectives', Presentation to the National Affordable Housing Conference, Darling Harbour, 22 June 2005.
- Gurrán, N., Squires, C. and Blakely, E. (2005), 'Meeting the Sea Change Challenge: Sea Change Communities in Coastal Australia', Report for the National Sea Change Taskforce, Planning Research Centre, University of Sydney.
- Johnston, C. (2005), 'Local Planning Instruments for Affordable Housing', Shelter New South Wales, (prepared September 2004; updated 21 January 2005), accessed online @ <http://www.sheltersw.infochange.net.au/ahn/ahn_posts.html> on 7/07/05.
- Katz and Turner (2003), 'Rethinking Local Affordable Housing Strategies: Lessons from 70 Years of Policy and Practice', Discussion paper prepared for Brookings Institute Center on Urban and Metropolitan Policy and the Urban Institute, Washington.
- Medhurst, D., Pritchard, B. and Lea, J. (2001), 'Housing Assistance and Regional Disadvantage', AHURI Work In Progress Report, University of Sydney Research Centre, Sydney.

- Milligan, V., Phibbs, P., Fagen, K. and Gurran, N. (2004), 'A Practical Framework for Expanding Affordable Housing Services in Australia: Learning from experience', AHURI Final Report, AHURI Sydney Research, Sydney.
- NCOSS (Council of Social Service of New South Wales) (2004), 'Counting the Cost: What Future for Human Services in Rural NSW?', NCOSS Discussion Paper, Council of Social Service of New South Wales, Sydney.
- New South Wales Department of Housing (March Quarter 1996 - March Quarter 1997), 'NSW Rent Report' (Issue 35, 39) New South Wales Government.
- New South Wales Department of Housing (March Quarter 1998 - March Quarter 2004), 'NSW Rent and Sales Report', (Issue 43, 47, 51, 55, 59, 63, 67) New South Wales Government.
- Newcastle City Council (2005), 'Newcastle Affordable Housing Strategy', Newcastle City Council, Newcastle NSW.
- Northern Rivers Social Development Council (2004), 'Northern Rivers Housing Action Plan: A Home for Everyone (Draft)', accessed online @ <<http://www.nrsdc.org.au/AffordableHousing.htm>>, 12/05/05.
- O'Connor, K. (2004), 'Understanding and Managing Coastal Economic Development', Paper prepared for the Griffith University/Gold Coast City Council National Coastal Symposium, 29 March 2004.
- Pendergast, P., Lambert, S. and Eringa, K. (2004), 'But Where Will the Cleaner Live?: Final Report on the Busselton and Margaret River Housing Forums', Shelter WA, Perth.
- Productivity Commission (2004), 'First Home Ownership, Productivity Commission Report', No.28, 31 March 2004, Commonwealth of Australia, Melbourne.
- Queensland Department of Housing (2002), 'Discussion Paper: Affordable Housing, Residential Development and Community Well Being', accessed online @ <http://www.housing.qld.gov.au/strategic_policy/legislation/new/dp_ah.htm> (09/03/05).
- Queensland Residential Tenancies Authority (2005), 'Rental Data for Selected Areas Throughout Queensland', data provided on request (27/04/2005).
- Residex (2004a), 'The Sydney and Country NSW Residential Property Return Report', March 1994 to March 2004, Residex Pty Ltd, North Sydney.
- Residex (2004b), 'The Brisbane and Queensland Country Residential Property Return Report', March 1994 to March 2004, Residex Pty Ltd, North Sydney.
- Residex (2004c), 'The Melbourne and Country Victoria Residential Property Return Report', March 1994 to March 2004, Residex Pty Ltd, North Sydney.
- Shantz, T. (2002), 'Social Impact Assessment For the New South Wales Far North Coast Discussion Paper', September 2002, Prepared for the Northern Rivers Regional Strategy, accessed online @ [www.nrrs.org.au/pdf/](http://www.nrrs.org.au/pdf/Social%20Impact%20Assessment%20final.pdf) <<http://www.nrrs.org.au/pdf/Social%20Impact%20Assessment%20final.pdf>> (24/06/2005).
- Squires, C. (2006), 'Planning for Affordable Housing in Coastal Australia', Masters Dissertation, University of Sydney Faculty of Architecture, Design Science and Planning, Sydney.

- Sunshine Coast Regional Housing Council Inc (2003), 'Submission to Senate Community Affairs References Committee Inquiry into Poverty in Australia', Submission 100, accessed online @ www.aph.gov.au/senate/committee/clac_ctte/completed_inquiries/2002-04/poverty <http://www.aph.gov.au/senate/committee/clac_ctte/completed_inquiries/2002-04/poverty> (24/02/05).
- Taylor, E., Harding, A., Lloyd, R. and Blake, M. (2004), NATSEM (National Centre for Social and Economic Modelling, University of Canberra) 'Housing Unaffordability at the Statistical Local Area Level: New Estimates Using Spatial Microsimulation', Paper presented to the 2004 ANZRSI Conference, Wollongong, NSW, September 2004.
- Victorian Department of Human Services (2005), 'Rental Report', data provided on request (29/04/2005).
- Victorian Department of Sustainability and the Environment, Victoria (2005), 'Housing Strategies - Regional Victoria', accessed online @ www.dse.vic.gov.au/DSE/dsenres.nsf/LinkView/1609DE315CA840F9CA256FDD0027BAE106C7DF80826B65674A256DEA002C0DCA on 9/07/05 .
- Wensing, E., Holloway, D. and Wood, M. (2003), 'On the Margins? Housing Risk Among Caravan Park Residents', AHURI Final Report, UNSW-UWS Research Centre, Sydney.
- Wilson, T. (2005), 'The Dark Side of the Boom: An Analysis of the Private Rental Support Service in North and North-West Tasmania', Social Action and Research Centre Anglicare Australia, Hobart.
- Wulff, M., Legg, S., Reynolds, M., Healy, E., Hooper, A. and Baum, S. (2005), 'Trends in Australian Non-metropolitan Housing Markets', 1991-2001, AHURI Positioning Paper, Swinburne-Monash Research Centre, Melbourne.

Newspaper articles

- The Age Newspaper*, 15 January, 2004, 'Surf Coast Property Boom Drives Locals Out of Town', Millar, R. and Rood, D.
- Australian Financial Review*, 3-5 September 2004, 'Sea Change and Ripple Effect: With the Pressure on City Property Prices Spreading to the Coast, the Time has Come for a Tree Change', Tyndall, F.