Draft Housing Strategy- Investing in Our Housing Future

Strategic Alignment - Thriving Communities

Public

Tuesday, 7 November 2023 City Community Services and Culture Committee

Program Contact:

Sarah Gilmour, Associate Director Park Lands, Policy & Sustainability

Approving Officer:

Ilia Houridis, Director City Shaping

EXECUTIVE SUMMARY

The purpose of this report is to present a draft Housing Strategy, Investing in Our Housing Future (draft Strategy), for the purposes of public consultation. The draft Strategy has been prepared in response to recent Council directions, as follows:

- At a CEO Briefing held on 28 February 2023, Council identified the need to review its Homelessness, Social Housing and Housing Affordability Policy 2022-2025, adopted in May 2022, and create a separate housing policy.
- At the City Community Services and Culture Committee meeting held on <u>2 May 2023</u>, a workshop sought Council Member views on the housing policy parameters and the City of Adelaide's role in housing policy.

This report contains the information requested by the Council and seeks approval of the draft Housing Strategy as the basis for public consultation.

RECOMMENDATION

The following recommendation will be presented to Council on 14 November 2023 for consideration

THAT THE CITY COMMUNITY SERVICES AND CULTURE COMMITTEE RECOMMENDS TO COUNCIL: THAT COUNCIL:

- 1. Endorses the Draft Housing Strategy, Investing in Our Housing Future contained in Attachment A to Item 7.4 on the Agenda for the meeting of the City Community Services and Culture Committee held on 7 November 2023, for the purpose of public consultation.
- 2. Endorses the Draft Housing Strategy Engagement Plan contained in Attachment B to Item 7.4 on the Agenda for the meeting of the City Community Services and Culture Committee held on 7 November 2023, for the purpose of public consultation.
- 3. Authorises the Chief Executive Officer to make minor and technical amendments to the documents contained in Attachment A and Attachment B to Item 7.4 on the Agenda for the meeting of the City Community Services and Culture Committee held on 7 November 2023, for the purposes of finalising the documents for public consultation.

IMPLICATIONS AND FINANCIALS

City of Adelaide 2020-2024 Strategic Plan	Strategic Alignment – Thriving Communities
	1.5 Support health and housing for vulnerable people and young people.
	Note: Draft Strategic Plan 2024-2028
	Strategic Alignment – Our Community
	Review of the Housing and Homelessness Policy, defining the role of Council in providing solutions and creating an action plan.
Policy	This report presents a draft Housing Strategy, Investing in Our Housing Future for the purposes of public consultation. Consultation will be undertaken in accordance with Council's Community Consultation Policy dated 16 July 2019.
	The Housing Strategy, together with a Homelessness Strategy, will replace Council's Homelessness, Social Housing and Housing Affordability Policy 2022-2025; and Council's Residential Housing and Growth Action Plan.
Consultation	If the draft Housing Strategy is endorsed for the purpose of consultation, targeted stakeholder and broad community consultation will be undertaken in accordance with Council's Community Consultation Policy.
	Internal consultation to develop this Strategy has occurred with Strategic Property and Commercial, Regulatory Services, Finance teams and Adelaide Economic Development Agency (AEDA).
	Targeted external consultation has occurred with housing specialists to inform the draft Strategy.
Resource	Not as a result of this report
Risk / Legal / Legislative	Not as a result of this report
Opportunities	The development of a Housing Strategy will clarify Council's role across the housing spectrum and its strategic directions for housing for implementation.
	With the approval of the Housing Australia Future Fund by the Australian Government on 14 September 2023, confirming Council's policy and strategic position in relation to housing strengthens its opportunities to advocate for funding and investment in affordable housing in the city.
23/24 Budget Allocation	The 2023/24 budget includes 1.0 FTE for a Social Planner: Housing and Homelessness to support the development and implementation of Council's housing and homelessness programs.
	A two-year adaptive reuse project has commenced in 2023/24 and will receive \$500,000 in external funding over two financial years from the State Government.
Proposed 24/25 Budget Allocation	The draft Strategy includes a resource plan which will inform budget proposals for 2024/25. The additional cost, above current service levels, for implementation of key initiatives in financial year 2024/25 is estimated at \$60,000. This does not include direct delivery of housing projects.
Life of Project, Service, Initiative or (Expectancy of) Asset	The Housing Strategy is proposed to align with the City of Adelaide City Plan and be a 10-year strategy.
23/24 Budget Reconsideration (if applicable)	Not as a result of this report

Ongoing Costs (eg maintenance cost)	Not as a result of this report
Other Funding Sources	Not as a result of this report

DISCUSSION

Background

- 1. The purpose of this report is to present a draft Housing Strategy, Investing in Our Housing Future (draft Strategy) for the purposes of stakeholder and community consultation in response to Council's decision to separate the existing Homelessness, Social Housing and Housing Affordability Policy, adopted in May 2022, into a separate housing policy and homelessness policy.
- 2. The draft Strategy in **Attachment A** has been prepared in consultation with key internal and external stakeholders.
- 3. The following housing research projects have informed the preparation of the draft Housing Strategy:
 - 3.1. Housing Data Project by .id Consulting
 - 3.2. Housing Audit and Needs Analysis by SGS Economics & Planning, supported by URPS this included targeted external consultation with 10 housing specialists across government, private and not-for-profit.
 - 3.3. Housing Policy Interventions Options Paper prepared by Social Policy Solutions, with Viable Consulting.
- 4. Several forums and workshops with key stakeholders informed the development of this draft Strategy:
 - 4.1. Capital City Committee Adaptive Reuse Forum 5 May 2023 90 participants
 - 4.2. Homelessness Roundtable 10 August 2023 55 participants
 - 4.3. City Plan stakeholder forums from 1-15 September 203 participants
- 5. Feedback from Council Members via the workshop on the draft Housing Policy on 2 May 2023 has shaped the draft Strategy.
- 6. The draft Strategy has also been informed by Council's submission on the National Housing and Homelessness Plan Issues Paper endorsed by Council on 26 September 2023.

Strategy Scope and Approach

- 7. The proposed approach is the development of a consolidated Housing Policy and Strategy document (draft Housing Strategy) (**Attachment A**).
- 8. The draft Strategy addresses Council's approach across the housing spectrum from homelessness to home ownership. Whilst homelessness is referenced in the spectrum, separate work on the current direction for a dedicated homelessness policy has progressed.
- 9. The draft Housing Strategy identifies the roles of the tiers of government and the private and community sectors in the housing sector, acknowledging the increased role that the City of Adelaide is proposing to take particularly in the areas of affordable rental and adaptive reuse.
- 10. The draft Housing Strategy identifies three goals, each with measurable targets:
 - 10.1. Goal 1: Housing for all.
 - 10.1.1. Target: Affordable Housing, 15% of new dwellings are available as affordable purchase or rental to low to moderate income earners (defined in the Strategy).
 - 10.1.2. Target: Reduce Rental Stress, Reduce rental pressures by increasing supply and unlocking properties for long-term tenants.

- 10.2. Goal 2: Innovation and sustainability in housing.
 - 10.2.1. Target: Adaptive Reuse, deliver 50 dwellings annually, through adaptive reuse of underutilised buildings.
 - 10.2.2. Target: Electrify Homes, all new dwellings built from 2025 are fully electric (no internal gas supply).
- 10.3. Goal 3: Investing in our housing future.
 - 10.3.1. Target: Affordable Rental, attract investment to deliver 600 affordable rental properties by 2028.
 - 10.3.2. Target: Housing Diversity, new projects in the city use City of Adelaide incentive schemes or State Government schemes to increase diversity in housing, public realm, sustainability and community facilities.
- 11. Targets for population and household diversity in the draft Strategic Plan are supported through the draft Housing Strategy.
- 12. The draft Housing Strategy identifies key levers of change that Council can use to achieve the identified targets including partnerships, advocacy and Council programs and projects.
- 13. The draft Housing Strategy includes parameters to guide CoA when delivering or facilitating residential development projects with the intent to lead by example in affordability and sustainability outcomes, as well as principles for investment.

Next Steps

- 14. Pending decision by Council on the draft Housing Strategy for public consultation, targeted stakeholder and broader community consultation will be undertaken from 22 November 2023 to 10 January 2024 (Attachment B).
- 15. The updated Housing Strategy will be presented back to the City Planning, Development and Business Affairs Committee and Council for approval in February 2024.

DATA AND SUPPORTING INFORMATION

City Community Services and Culture Committee Workshop - 2 May 2023

ATTACHMENTS

Attachment A – Draft Housing Strategy, Investing in Our Housing Future Attachment B – Draft Housing Strategy Engagement Outline

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