Residential Renter Report

Tuesday, 12 July 2022 Council

Council Member Councillor Martin

Public

Contact Officer: Ilia Houridis, Director City Shaping

MOTION ON NOTICE

Councillor Martin will move a motion and seek a seconder for the matter shown below to facilitate consideration by the Council:

'That Council:

Asks the administration to prepare a report, including possible strategic actions, for the August meeting of Council detailing;

- 1. Any potential mechanisms open to Council to assist residential tenants in the City of Adelaide enduring financial hardship that would impact on their continuing occupancy.
- 2. Existing or potential levers to assist tenants disadvantaged by the condition or the standard of the leased property.
- 3. Any policy proposals that would inform Council's treatment of current or future tenants of any residential property under its ownership or management.'

ADMINISTRATION COMMENT

- 1. Council adopted a Homelessness, Social Housing and Housing Affordability Policy 2022-2025 and Residential Housing and Growth Action Plan in May 2022.
- 2. In relation to housing affordability, actions for the City of Adelaide include:
 - 2.1 Advocating to the State and Federal Governments for increased funding to deliver more subsidised rental accommodation.
 - 2.2.1 Advocating to the State Government for changes to the *Residential Tenancies Act 1995 (SA)* to improve conditions for renters.
- 3. Council also adopted a *Residential Housing and Growth Action Plan* in May 2022. A further focus area is new housing products and models to unlock new land opportunities and ensuring the right structures are in place to accelerate a diversity of residential development. Actions for the City of Adelaide include:
 - 3.1 Working with the State Government and private sector to investigate 'Build to Rent' development in the city as a demonstration project.
 - 3.2 Advocating to the State Government to establish a partnership entity to deliver significant affordable, social and specialised housing in the City.
 - 3.3 Advocating and investigating a range of housing options that deliver affordable living opportunities.
- City of Adelaide investigates and responds to building compliance issues on a case-by-case basis, in line
 with legislative and construction code requirements. Priority is given to address situations where potential
 threats to life safety exist.

- 5. Building compliance matters, including new and renovated properties, are managed in accordance with Council's powers under the *Planning, Development and Infrastructure Act 2016 and the National Construction Code.* The Residential Tenancies Tribunal may have powers to assist tenants in cases where Council is unable to action.
- 6. The City of Adelaide currently provides affordable rental housing at its properties at 12 Sydney Place and the Ergo Apartments on Frew Street. The Sydney Place building provides 12 two-bedroom apartments as affordable rental housing at 75 percent of the market rental rate. To be eligible for the affordable rental housing offered in this building, prospective tenants must satisfy the following eligibility criteria:
 - Must be aged between 18-30 years
 - Must be working or studying in the CBD or within the City of Adelaide council area; and
 - Must be earning between \$29,700 and \$44,550 per annum.
- 7. The City of Adelaide owns 20 apartments within the Ergo Apartment buildings on Frew Street that are rented at 75 percent of market rent, which is subsidised through the National Rental Affordability Scheme (NRAS). Prospective tenants must satisfy the relevant income limits and eligibility criteria prescribed under the NRAS.
- 8. All 32 apartments owned by the City of Adelaide as affordable rental housing are currently fully tenanted.
- 9. The City of Adelaide in responsible for the maintenance of all apartments that it owns as affordable rental accommodation and responds to any requests for maintenance and repairs received from its tenants.
- 10. The Project Development Agreement between Council and the Central Market Arcade Re-development developer, ICD Property, incorporates a commitment by ICD Property to follow the State's Affordable Housing Policy allowing for the provision of 15% affordable housing within the apartment mix subject to demand.
- 11. As part of the negotiation process for the Eighty-Eight O'Connell development, it was agreed that the developer would comply with a minimum 15 % affordable housing target policy.
- 12. Council has hardship guidelines in place that only refer to rates, as the hardship provisions for renters are covered by the *Residential Tenancies Act 1995 (SA)*.
- 13. Council takes a generous approach to hardship for renters. Every opportunity is provided to renters with the City of Adelaide for assistance which go further than the minimum requirements of the Residential Tenancies Act.
- 14. The Commonwealth Government has responsibility for financial supports to Australian residents and offers rental assistance programs based on financial affordability. Accessibility and assessment of these programs is administered by Centrelink for individuals or Office of Business and Consumer Affairs for businesses.

Should the motion be carried, the following implications of this motion should be considered. Note any costs provided are estimates only – no quotes or prices have been obtained:	
Public consultation	Not Applicable
External consultant advice	Not Applicable
Legal advice / litigation (eg contract breach)	Not Applicable
Impacts on existing projects	Not Applicable
Budget reallocation	Not Applicable
Capital investment	Not Applicable
Staff time in preparing the workshop / report requested in the motion	Not Applicable

Other	Not Applicable
Staff time in receiving and preparing	To prepare this administration comment in response to the motion on
this administration comment	notice took approximately 5.5 hours.

- END OF REPORT -