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Tasmanian Housing Strategy Department of Communities Tasmania GPO Box 65 Hobart TAS 7001

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## **RE: TASMANIAN HOUSING STRATEGY**

To whom this may concern,

On behalf of the Tasmanian Chapter of the Australian Institute of Architects (the Institute), we thank you for the opportunity to contribute to the Tasmanian Housing Strategy (the Strategy).

The Australian Institute of Architects is the peak body for the architectural profession in Australia. It is an independent, national member organisation with around 13,500 members across Australia and overseas, with around 330 within Tasmania. The Institute exists to advance the interests of members, their professional standards and contemporary practice, and expand and advocate the value of architects and architecture to the sustainable growth of our communities, economy and culture. The Institute actively works to maintain and improve the quality of our built environment by promoting better, responsible and environmental design.

The Institute is supportive of measures to address the critical shortage of affordable housing in Tasmania. We recognise the urgency of the problem and the need for quick action to accelerate the supply of affordable housing stock. However, we would like to highlight the importance of enabling progressive solutions, which do not exacerbate social problems in the process or diminish the heritage and character of our state. This is important in designing for the future of Tasmania.

The Institute's <u>Affordable Housing Policy</u><sup>1</sup> describes housing as a basic human need and universal human right, and states that there is a critical need for more diverse and flexible housing solutions. There is no 'one size fits all' solution and finding a solution that works means all aspects must be considered, including not only the planning and construction of housing but also the associated city, transport and public amenities growth. The past release of new land on the city fringe without access to services has created ongoing problems and, without a definition of 'affordable housing', there is a deficiency in understanding how land release may address affordability. The issue of affordability now refers to 'affordable living' rather than housing to capture the importance of

<sup>&</sup>lt;sup>1</sup> Please note that the Institute's zero-carbon emissions target date is 2030, and this element of the Affordable Housing Policy is to be revised.

location. Understanding affordable housing in a commercial market is crucial to getting the right outcomes.

Recognising that social inequality can result from locating housing in marginal urban areas, we must resist further expansion of low-density, car-dependent suburbs. We need to ensure that land release is focussed as near as possible to population centres to make use of existing infrastructure and maximise efficiencies including urban consolidation. We also need to ensure that land release does not impact on the skyline and hill-face protection areas and does not contribute to urban sprawl.

It is important to focus on multi-residential developments and urban consolidation, with good design legislated, as with the <u>SEPP 65</u> legislation in New South Wales, to maintain high levels of amenity. The Institute acknowledges that an Apartment Code is currently being developed for Tasmania, which we welcome.

High-quality dwellings should be built to last, and well designed for sustainability, liveability and accessibility. The quality of design affects how spaces and places function and is able to stimulate the economy and enhance the environment. Good design adds value for all and can play a transformative role in the lives of every person. It is important to recognise the value and expertise that built environment design professionals, including planners, urban designers, engineers and architects, can bring to these projects to provide innovative and long-term solutions.

The Institute also advocates for the use of expert design review panels to ensure effective procurement and to provide independent feedback to the development team at key stages of design development. Comprising qualified, experienced built environment design professionals with high-level problem-solving skills, the panels provide a forum for review of complex projects. The benefits are many, and including ensuring that ideas can be tested with multi-disciplinary experts early in the design stages, decisions can be expedited, and alternative approaches brokered, all with the purpose of reaching the best design solution for each project. The current City of Hobart Urban Design Advisory Panel provides a useful case study for how design review panels could operate in other jurisdictions in the state.

Drawing on its extraordinary natural and historical environment, and its relative compactness, Tasmania has the potential to provide a unique model of low-rise, high-density housing within walkable neighbourhoods close to services and connected to centres with public transport. The Northern Suburbs light rail and ferry transits in Hobart create connected communities by providing the catalyst for new communities of affordable and social housing, without car dependence. To achieve the best land release results, we urge the government to prioritise strategic regional plans for Tasmania, in line with a state settlement and population policy.

## Focus Area 1 – Affordable Housing

Good design is a key lever to delivering affordable housing.

How good design stacks up economically is outlined in <u>The Case for Good Design</u>, published by the Office of the Victorian Government Architect (OVGA), as follows:

It has been demonstrated that 'Good design does not cost more when measured across the lifetime of the building or place.'<sup>2</sup> ..... Construction costs are typically 2–3 per cent of the whole-life costs, while operating costs are estimated to be 85 per cent. In comparison,

# design costs are small, between 0.3–0.5 per cent, yet they can significantly affect the function of a project across its lifespan, and the operating costs associated with this.<sup>3</sup>

It is also vital that affordable housing provides affordable living. Whilst the initial costs of the building construction and lifetime costs are critical considerations, there are many hidden and ongoing costs to factor in. For example, the initial cost of developing greenfield sites on the periphery of population centre can be lower, however there are social, environmental and sustainable costs to this. These developments require additional infrastructure that can take substantial time, and money, to construct. The people who live in these locations then need to spend more money and time commuting to access employment, education, and health services.

Housing needs to be connected through public transport and active transport infrastructure such as walking paths and cycling lanes to connect people to jobs, education, health care, retail centres and community hubs, and locating apartments around these hubs is essential, and makes economic sense.

As a state, we must be strategic about where we want development to occur and encourage densification – both in residential development in new areas, as well as densification of infill development. This requires strategic settlement planning, not only for our cities, but for our regional areas, so that there is clear direction for future development<sup>2</sup>.

Well-designed housing that considers the ongoing costs of the building can also reduce ongoing costs, including reducing costs of ongoing maintenance, and reducing energy consumption in the building, resulting in lower costs for occupants.

The Institute encourages government to work together with community and private sectors to provide housing solutions that are suited to individuals and families of all types and income levels.

One of our Institute members has been involved in early development of designs for low-cost rental apartments for the elderly – particularly single women. Their client is an established aged-care provider who owns the land, which is suitably located in very close proximity to services. Due to the recent and significant increases in construction costs, the project is no longer viable without a degree of financial assistance. Despite engaging in discussions and correspondence with government, they have been unable to gain any interest or support and the project is unable to proceed. Government assistance towards private development of this calibre would be an economical way of supplying the current housing demand to a marginalised demographic. The rejection of altruistic projects where the vast majority of costs can be covered privately, is disconcerting.

A previously successful co-housing project undertaken in South Hobart over 20 years ago is an example of governments working together with the private sector. This project was government funded and was then paid back by the residents. In today's market, shared equity projects could again be successful, however there would need to be government assistance to purchase land in the initial phases, as sites suitable for projects such as these are purchased very quickly. Likewise, suitable land that is close to services, including public transport, health care, education and employment is often difficult to find for community housing providers, and government assistance could help with this.

<sup>&</sup>lt;sup>2</sup> Further information can be found in the <u>Institute's response</u> to the 30-Year Greater Hobart Plan, under 'Where and how to grow' (p. 2-4).

The Institute suggests that affordable housing zoning is incorporated into the planning scheme, as currently exists other Australian states. Tasmania is experiencing a housing crisis, and there is a critical shortage of both social and affordable housing within the state. The benefits of providing housing for all in our community are clear, with the Give Me Shelter report finding that "failure to act on shelter needs will cost the community \$25 billion per year by 2051"<sup>3</sup>.

# Focus Area 2 – Housing Supply

Providing sufficient well-designed social and affordable housing to meets the diverse needs of the community in a timely manner is a priority. Private development is a key source of social and affordable housing which is delivered as part of the overall mix of housing provided for a location. It is also important that each development positively contributes to the broader community and its neighbourhood.

In addition to new housing stock, the existing building stock should also be considered, especially underutilised buildings that are suited for adaptive re-use as social and affordable housing. Whilst preserving older buildings delivers considerable cultural and social benefits to the community, adapting them for appropriate new uses delivers both economic and environmental sustainability benefits by negating the resource intensive demolition and rebuilding process.

To aide both approaches the Institute suggests that audits are undertaken to identify underutilised buildings suited to adaptive reuse for housing and underutilised public and private land for redevelopment for the provision of new housing. Proximity to existing social and physical infrastructure will be important, and in some cases, government-initiated incentives for redevelopment as social and affordable housing may be necessary.

Existing public and social housing stock should also be assessed, with government support provided to enable it to be adapted to cater for the needs of occupants of all demographics, including young people, families, the elderly and those with specific requirements.

Car parking requirements in the planning scheme often makes housing projects difficult to progress, and often these car parking requirements don't consider the actual number of carparks required by residents. Again, by locating housing near to services and amenities, including public transport, the requirement for cars, and carparking is reduced. This can reduce the cost of the development, and also ongoing living costs for occupants.

While there are current government incentives to increase rental housing stock, such as the ancillary dwelling grant program, it is questioned whether the financial incentive of these is significant enough to encourage people to take these up. Other incentives that could be explored by government could include incentivising owners of vacant homes to put them onto the rental market and encouraging older homeowners to downsize without forgoing any financial benefit they might gain from selling their larger properties.

#### Focus Area 3 – Sustainable Housing

New housing must be environmentally and socially sustainable. This includes the way it is designed and built, the way users can live in it, have low energy costs, and easy access to services and

<sup>&</sup>lt;sup>3</sup> Housing All Australians and SGS Economics, Give Me Shelter: The long-term cost of underproviding public, social and affordable housing <u>https://housingallaustralians.org.au/wp-content/uploads/2022/06/Give-MeShelter-HAA-Synopsis.pdf</u>

public transport. There are many exemplars of sustainable housing, with the Nightingale model an outstanding case study. Their housing is kind to the planet, comfortable, socially connected; and importantly affordable.

A key element of sustainability is utilising both existing public and private buildings and retrofitting them for energy efficiency and thermal comfort, and if suitable adapting them to suit the housing needs of their occupants.

Equally, existing rental housing stock should be improved with better thermal performance to suit Tasmania's climate, and energy efficiency in order to reduce operating costs, including for heating and cooling. The Institute suggests that minimum rental standards should be reviewed. The government could also provide financial incentives to encourage modifications to existing rental housing that improve their thermal comfort and energy efficiency.

Once again, thank you for the opportunity provide feedback on this important matter for the future of our state. We hope the outcomes of this consultation will provide meaningful avenues to assist with the housing crisis in Tasmania. Please feel free to contact us if you need further clarification or explanation on any of issues the Institute has raised.

Kind regards,

**Stuart Tanner** President, Tasmanian Chapter Australian Institute of Architects

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