

18 April 2018

Director, Housing & Infrastructure Policy  
Department of Planning & Environment  
PO Box 39  
SYDNEY NSW 2000

Dear Sir / Madam,

**Re: Proposed amendment to parking provisions for boarding housing under the Affordable Rental Housing (State Environmental Planning Policy) 2009**

The Urban Taskforce thanks the Department of Planning and Environment for the opportunity to comment on the proposed changes to parking provisions for boarding houses under the *Affordable Rental Housing (State Environmental Planning Policy) 2009* (ARHSEPP). Our comments are provided below for consideration.

We understand that the Department of Planning and Environment proposes to increase parking rates for approved boarding houses to 0.5 parking spaces per boarding room. The current rate per room is 0.2 spaces per boarding room in certain low density residential areas if located within an 'accessible' area (within 400 metres of a bus stop with frequent services) and 0.4 spaces per room for boarding houses not in an accessible area. According to the *Explanation of Intended Effect* accompanying the proposed changes, the change is proposed to address 'feedback received from the community and local councils indicates that impacts on on-street parking availability for neighbours is an issue in some areas'.

The Urban Taskforce does not support these changes, for the reasons outlined below.

**Changes to the provisions will make boarding houses financially unviable**

The proposed parking rates will have the unintended result of adding additional cost to the development of boarding houses and will effectively prohibit small-scale boarding houses in many suburban areas. This will impact greatly on areas of NSW with higher land prices, such as inner Sydney, where affordable housing options such as boarding houses are needed the most. The only financially viable proposals will be on big, isolated sites and will most likely be large scale proposals.

**Boarding houses are a key supplier of affordable housing and must be encouraged**

The ARHSEPP was introduced in 2009 to address encourage development of affordable housing, and to address a growing need for lower cost rental options, including boarding houses. NSW and Sydney in particular has been experiencing a housing affordability crisis and boarding houses play a critical role in providing low cost accommodation. Importantly, boarding houses cannot be subdivided and sold and as such they provide a valuable contribution to the supply of long-term rental accommodation in NSW.

Since the end of the Second World War, the percentage of one-person households has increased in Australia by 300% - from 8% in 1946 to 24% in 2011, due to a range of demographic and social factors such as an ageing population and increased divorce rates. There is significant demand for affordable single-person accommodation that is properly build, includes access for disabled residents and adheres to fire safety measures such as boarding houses. Ideally, this type of accommodation would be located close to public transport.

Any changes to planning controls which will making boarding house developments financially unviable will remove this vital component of housing from the market and further exacerbate housing affordability.

### **Further investigation of parking is needed**


There is little factual evidence to suggest that there is a high rate of car ownership amongst boarding house tenants. Boarding houses cater to an increasingly diverse range of cohorts, including international and local students, retirees, people with 'additional needs' that occupy assisted boarding houses and people working in key local services industries. Relying on the anecdotal evidence of the community, who may believe that boarding housing will negatively impact upon their property values, should be avoided, and the issue of carparking investigated independently before any changes to policy are made.

Please find attached our Media Release on this issue, *Excessive car parking requirements will make boarding houses unviable* (17 April 2018) for your information.

We request that the Department of Planning reconsider implementing these changes for the reasons provided above.

The Urban Taskforce is always willing to work closely with the Government to provide a development industry perspective on these issues. Please feel free to contact me on telephone number 9238 3927 to discuss this further.

Yours sincerely



Chris Johnson AM  
Chief Executive Officer  
**Urban Taskforce Australia**

# Excessive car parking requirements will make boarding houses unviable

Tuesday, 17 April 2018

The proposed changes to the NSW Affordable Rental Housing SEPP to increase car parking requirements will make boarding houses unviable, says the Urban Taskforce.

"The whole point of the Affordable Rental Housing State Environmental Planning Policy is to provide housing at low rentals in areas close to transport nodes." says Urban Taskforce CEO, Chris Johnson. "It is vital that the construction costs of these projects is kept low to make the rooms affordable so the requirement has been for 0.2 car parking spaces per unit in accessible areas. The proposed change will lift this to 0.5 spaces per room for accessible locations which will either require extensive basement levels or use valuable land."

"With Sydney housing being amongst the most expensive in the world when related to household incomes it is essential that government's do all they can to support affordable housing. Under the proposed changes a 40 room boarding house located close to a railway station would have to provide 20 basement car parking spaces compared to the current requirement of 8. At a cost of \$70,000 a space the extra 12 car parking spaces would add \$840,000 to the cost of the boarding house thus making it unviable."

"The NSW Government should be encouraging affordable boarding house rooms close to transport nodes and these should have minimal car parking requirements. The change of policy will only have the effect of driving boarding houses onto cheaper land away from public transport in amongst suburban housing."

"The Urban Taskforce calls on the NSW Government to help with housing affordability and to help decongest our roads by keeping a very low car parking requirement for boarding houses."

The **Urban Taskforce** is a property development industry group, representing Australia's most prominent property developers and equity financiers.

Media Enquires: **Chris Johnson, Chief Executive Officer: 0412 258 283.**

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