

18 December 2018

Director, Housing Policy
Department of Planning and Environment,
GPO Box 39,
Sydney NSW 2001

Evolve Housing Limited (Evolve) Submission on draft amendment to SEPP Affordable Rental Housing 2009

Thank you for the opportunity to comment on the draft amendment to SEPP Affordable Rental Housing 2009. Evolve Housing strongly supports the use of the planning system to expand the provision of affordable rental housing through this SEPP. However, we do not support the introduction of a cap to the number of rooms permitted in R2 Low Density Residential zones due to potential reductions in development viability and opportunity. In our experience, when managed by a Community Housing Provider, New Generation Boarding Houses under current controls do not adversely impact on local communities and can be compatible with local character and built form, even in low density areas. Please find attached our submission.

Yours sincerely,



Andrea Galloway
Chief Executive Officer, Evolve Housing

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Introduction

Evolve Housing (Evolve) is one of the largest not-for-profit Community Housing Providers (CHP) in Australia. We have 3,400 properties in NSW housing some 7,500 residents.

As a Tier 1 registered CHP we have a long history of providing quality social and affordable housing and linking our residents to the support services they need. We have approximately 2,500 social housing properties more than 900 affordable housing properties throughout Metropolitan Sydney, the Central Coast and Hunter regions. We are a registered Specialist Disability Accommodation provider, provide transitional housing support services for homeless youth through our Evolve Housing for Youth Division and deliver supported housing in a three-way partnership between Evolve, our support providers and the clients of our support providers. We have also recently established Safe Foundations a housing model to provide medium term housing and support to women and children fleeing domestic and family violence exiting from crisis housing.

We manage our affordable housing through a division of Evolve called ECHO Realty, Evolve's for-purpose real estate agency specialising in property management. The affordable housing we manage consists mostly of National Rental Affordability Scheme (NRAS) properties, dwellings delivered under the Affordable Housing Rental SEPP and housing managed on behalf of City of Parramatta and Willoughby Councils, but also includes some private market properties, including New Generation Boarding Houses. Unlike traditional real estate agencies whose sole objective is to generate profits, Echo Realty is a profit- for- purpose real estate agency where all profits are reinvested to grow the supply of affordable and social housing and to fund social inclusion programs. Evolve owns and manages housing across 38 LGAs in NSW.

Evolve's current New Generation Boarding House portfolio

Evolve has already used the *SEPP-ARH* provisions to expand the supply of genuinely affordable rental housing. Evolve currently owns and manages 6 New Generation Boarding Houses (including 4 at various stages of development), and manages a further 6 under private ownership. The total number of boarding house rooms currently managed or under development by Evolve is 329. This includes a mix of tenure types, including both social and affordable units, and transitional accommodation for women escaping domestic and family violence as well as longer term accommodation. These are located in a mix of zones, including in R2 Low Density Residential.

Evolve's position on the proposed changes to Boarding Houses Reforms - SEPP-ARH 2009

- Evolve does not support introducing a cap to the number of rooms permitted in boarding house developments in R2 low-density residential zones due to potential reductions in development viability and opportunity.
- In Evolve's experience, when boarding houses are managed by a CHP they do not adversely impact on local communities, and proactive tenancy management and existing controls adequately protect the amenity of local residents.

New Generation Boarding Houses

In a general sense, Evolve supports the controls for New Generation Boarding Houses development under the *SEPP-ARH 2009* in enabling expanded affordable housing provision. When New Generation Boarding Houses are well designed, appropriately managed by a CHP, and rented at genuinely affordable prices, they provide suitable accommodation for low-income single people and couples, including older single women, women escaping domestic violence, and younger people, and do not adversely impact on the local communities they are embedded in. The issues of overlooking and overshadowing raised in the EIE are adequately addressed by existing controls, as are concerns about car parking impacts, which we believe were mitigated through the amendments to the SEPP introduced earlier this year.

Reduced Development Viability

We oppose a cap on the number of rooms in R2 zones for CHP owned or managed boarding houses, particularly outside of Sydney. A number of our boarding house developments are in the Central Coast region, and we are actively exploring opportunities to expand affordable rental housing provision in this area. We note that outside of Metropolitan Sydney there are many areas with high levels of amenity that are zoned R2, including areas adjacent to train stations and other transport infrastructure and within 400m of commercial zones. This includes areas zoned R2 where residential flat buildings are a permissible use, and a density bonus would be applicable under cl. 29 (1)(c). Depending on site-specific Floor Space Ratio, height, and setback controls, a cap of 12 rooms may restrict our ability to achieve maximum development potential at such sites, many of which have a large lot size. A cap on the number of rooms will reduce overall development viability and will likely limit opportunities for Evolve to expand affordable housing provision in these areas.

Boarding House Management

Whilst Evolve may have encountered some opposition from local communities to our boarding house developments at the Development Assessment stage, we have not had complaints from neighbours once our boarding houses are tenanted, including for the boarding house we manage in an R2 zone. CHPs have substantial experience in providing intensive and supportive tenancy management, and in effectively managing any local impacts resulting from our developments.