

**Notes for presentation to Affordable Housing Network NSW  
workshop on  
Using panning agreements for affordable housing,  
Parramatta, Sydney, 9 December 2005**

A 15-minute presentation by Ray Darney, Director, Planning  
Development and Environmental Services, Byron Shire Council

**Introduction**

**PART 1 The Proposal**

**PART 2 The Process**

**PART 3 Lessons learned**

Conclusion

**PART 1 The Proposal**

The Site –  
Cnr Bangalow Rd

Walking distance to CBD, on Bus route

Currently providing affordable accommodation for 45 people in old  
homes

Last major undeveloped site on edge of CBD

**The Development Proposal**

Boarding house style accommodation in 11 houses each with nine  
bedrooms, 9 with two kitchens and two lounges

A range of rooms from single and double rooms, some with an  
ensuites, 6 are adaptable (wheelchair accessible)

For up to 132 people

An on-site manager's residence, community facilities and pool

A further 11 duplexes and free-standing homes, 3 and 4 bedrooms, in a village style community

### The Affordable Housing Contribution

Appropriate housing for up to 132 essential workers

Community and crisis housing organisations will be notified first of vacancies

First-right-of-refusal to rent, at a discount of 25% of market rate, up to 9 rooms for 8 years and 5 rooms in the subsequent 7 years.

The owners estimate the 25% rent subsidy will be between \$150,000 and \$250,000 over the 15 years

Protection of the agreement using the titles of the properties

The number of discounted rooms will decrease by one with each property removed from the complex but they will pay to Council a percentage of the value of the property at the time it is removed starting at 10% for the first 8 years then decreasing between year 8 and year 15

Developer to pay cost of registration of interest on the title, cost of registering the agreement and up to \$3000 toward Council's legal fees

### Council's Contribution

4.2% density concession over whole site to be concentrated on the Boarding house site (8.2%)

Site occupancy bonus (132 people)

\$6,000 grant in lieu of 50% of the portion of the development application that relates to the boarding house complex

Some soft engineering, some parking and possible layout concessions subject to DA and community

## PART 2 The Process

Council's Affordable Housing Strategy for Rural Areas 2002

12 months discussion with Affordable Housing Officer, existing tenants, councillors, Affordable Housing Committee, and three staff meetings (one paid for by developer) and a site visit

Affordable Housing Objectives in the Byron Bay Suffolk Park Draft LEP

First Motion to Council – in principle approval subject to protection of the AH provisions

The Negotiation phase –

A team of 4:

Director Planning;

Two Councillors from the Affordable Housing Committee

The Affordable Housing Officer

Legal review

Second Motion to Council – approve the core elements of a development agreement

## THE NEXT STEPS

Council approval in principle – 8<sup>th</sup> December

Further negotiation if necessary

Receive a draft agreement from the developer and contribution to legal costs

Legal review

Development Application and Agreement received

Agreement displayed for community comment

D.A. procedure

Council approval

Grant of \$6,000 paid when the boarding-house begins operations

PART 3 Lessons learned

The importance of the DCP for guidance

The need for financial disclosure to be able to assess the value of the contribution

The inadequacy of the Centre for Affordable Housing Density Bonus calculator for non-metropolitan areas

Essential team skills base –

- Planner

Social housing expert (AH officer and Centre for Affordable Housing Memorandum Of Understanding)

- Councillor
- Negotiator
- Financial analyst
- Legal advisor