



Affordable Housing Contribution Scheme 01

Exhibition Version

Byron Shire Council

February 2022



Acknowledgement to Country

Byron Shire Council recognises the traditional owners of this land, the Bundjalung of Byron Bay, Arakwal people, the Widjabal people, the Minjungbul people and the wider Bundjalung Nation.

We recognise that the most enduring and relevant legacy Indigenous people offer is their understanding of the significance of land and their local, deep commitment to place.

The Byron Shire Affordable Housing Contribution Scheme Planning Proposal respects and embraces this approach by engaging with the community and acknowledging that resources are precious and must be looked after for future generations.

INFORMATION ABOUT THIS DOCUMENT

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1 Strategic Context and Background

1.1 Objectives of the Affordable Housing Contribution Scheme

In accordance with section 1.3(d) and Division 7.2 of the *Environmental Planning and Assessment Act 1979 (NSW)* ('the Act'), and the *Byron Shire Affordable Housing Contribution Policy*, the objectives of the Byron Shire Council Affordable Housing Contribution Scheme are to:

- To facilitate the provision of affordable housing options within the Byron Shire Council area to meet the needs of very low, low and moderate income households so as to promote diversity, equity, liveability and sustainability; and
- To set out how, where and at what rate development contributions will be collected by Byron Shire Council to provide fairness, certainty and transparency for the local community, developers and other stakeholders.

1.2 Where does the Affordable Housing Contribution Scheme apply?

The Affordable Housing Contribution Scheme ('the Scheme') applies to development applications lodged for land and development within the local government area of the Byron Shire.

The Scheme principally applies to the affordable housing contribution areas (AHCA) as shown on Affordable Housing Contribution Scheme Maps - Byron Bay, Mullumbimby, and Bangalow.

The area covered by these AHCA is shown in maps at **Appendix B**.

1.3 What types of development does the scheme apply to?

The Scheme applies to all residential development within the precincts as permitted by the zoning of the land listed in Section 1.2 above, including:

- Development and subdivision for residential lots by Torrens Title subdivision;
- Strata subdivision for residential lots;
- Multi dwelling housing;
- Residential flat buildings;
- Dual occupancy;

- Community Title;
- Co-operatives;
- Company Title; and
- Other arrangement facilitating residential development.

The Scheme does not apply to development where an Affordable Housing Contribution has previously been applied.

The Scheme excludes the types of development listed in Section 2.5 below, such as development by a social housing provider.

1.3.1 Relationship to planning agreements

As *the Act* does not prescribe any particular means by which the developer's performance of a planning agreement may be enforced, should a party fail to meet its planning obligation under a planning agreement to contribute for the purpose of providing affordable housing the Scheme applies.

1.4 Overview of Affordable Housing Need

1.4.1 The Growing Affordable Rental Crisis

Byron Shire Council has undertaken extensive affordable housing research and needs assessment over some years. This analysis has consistently found that there is substantial and growing unmet affordable housing need in its community that will not be met without strong planning intervention, in particular, affordable housing contributions, and the direct creation of affordable housing through government funding of social housing.

Rental affordability is at crisis point for many local people, as the influx of well-off and retired 'sea-changers' and 'tree-changers' from metropolitan areas continues to grow, leaving an increasing number of local people no option but to live in severe housing stress, situations of primary, secondary or tertiary homelessness, or to relocate to other areas where they do not have historical connections or social support.

The high rate of properties let as short-term holiday accommodation, and seasonal demand for such accommodation, also has a significant impact on the cost and availability of properties for long-term rental, and the seasonal displacement of local renters by holiday makers. Other factors driving up the cost of housing in the Shire are its proximity to South East Queensland, strong employment and population growth in sectors related to tourism and the service sector, its destination for retirement and leisure living, and the high cost of residential land.¹

¹ Council adopted Byron Shire (2020) Residential Strategy, p 21

1.4.2 Housing Stress, Homelessness and Housing Unaffordability

The rate of **housing stress among all relevant income groups is far higher than average**, with 85% of very low-income renting households in the LGA compared with 77% for Rest of NSW; and is particularly high for low- and moderate-income renting households (80% and 71% respectively compared with only 59% and 31% for Rest of NSW). This is due to the very high cost of rent compared with most other regional areas of NSW, and the fact that local incomes are lower than average.²

Recent rental data shows³ that the rent for all housing products in the LGA is around double that for Rest of NSW and is far less affordable than other NSW regions. Of the dwellings for rent in Byron LGA in 2020, **no housing product was affordable to very low- or low-income renting households**. The only housing product affordable to moderate income renting households was a 1-bedroom unit, and then to only the upper 60% of such households.

The results of a rental snapshot for Byron LGA in early 2020⁴ reveal a similarly serious local rental situation. Of the 92 properties identified for rent, only one 1-bedroom apartment was affordable to a very low income household (1% of dwellings), two 1-bedroom dwellings were affordable to a low income household (2% of dwellings), and 12 were affordable to moderate income households (12% of dwellings). Only one town in the LGA (Brunswick Heads) had a median rental dwelling that was affordable to any moderate-income households.

No surprisingly in this context, the LGA has also experienced growing homelessness over some decades.⁵ Although detailed homelessness data is not available for the LGA, ABS (2016) indicators that are available indicate that there were 58 people living in severely overcrowded dwellings (needing an additional four or more bedrooms), and 283 people living in improvised dwellings or sleeping rough out. People living in improvised dwellings comprised 0.84% of people in Byron LGA, compared to 0.14% of people for Rest of NSW (around 7 times the NSW average). In addition, 2.3% of occupied private dwellings in Byron LGA in 2016 were located in caravan parks or camping grounds,⁶ with permanent residents in caravan parks more than double the Rest of NSW rate (1%).⁷

However, detailed research conducted for Byron's first *Affordable Housing Strategy*⁸ showed that such Census data was really the 'tip of the ice berg', with hundreds of families paying relatively high rent to live in insecure, severely inadequate and often unsafe and unapproved accommodation on rural properties in the Byron hinterland; and many individuals and families with children including those with serious mental health issues and other vulnerabilities living in informal, primitive camping grounds without basic amenities. The severity of the housing

² ABS (2016) Census.

³ Department of Communities and Justice, Rent and Sales Report, June Quarter 2020.

⁴ Using domain.com.au in January 2020.

⁵ Judith Stubbs and Associates (2009)

⁶ Excluding visitor only households.

⁷ This may include some of the improvised dwellings identified under homelessness, such as people living in tents in caravan parks.

⁸ Judith Stubbs and Associates (2009)

crisis related to high and increasing rental costs, and a severe shortage of appropriate, affordable rental accommodation is among the worst in regional NSW.⁹

1.4.3 Social & Economic Impacts of the Housing Affordability Crisis

Byron Shire's Council adopted *Residential Strategy* also highlights the serious impacts of the local rental crisis on particular groups and on local economic development.

Unlike many other regional areas, the number of younger people in Byron Shire is increasing, with the rate of 18 to 34 years older higher than the State average. Many of these young people are very low- and low-income workers in the retail, tourism, hospitality, community and personal service sectors upon which the local economy depends. The Strategy highlights the range of housing issues young people face due to lack of housing affordability and diversity, including living in poor quality housing with conditions such as overcrowding, dampness and mould growth, and lack of basic amenities; and being homelessness, including widespread 'couch-surfing' rather than sleeping rough and often being itinerant due to unstable tenures linked to the holiday letting market. This is also effects employers' access to the pool of workers needed to work in local key worker and service sector jobs.¹⁰

Serious housing impacts related to affordability were also identified in the Strategy for a range of other groups including parents, families, older workers and pre-retirees (35–59 years). The Strategy notes that local residents have a strong, often inter-generational connection to the area. Many of these families are being forced to leave the area due to increasing pressure on the housing market, and many others are currently at risk of displacement, severing valuable community ties and social connection.

The Strategy also notes both social and economic impacts from housing affordability problems for middle aged workers, noting that workforce participation in the Shire is relatively high for people aged 35 to 59 years. It highlights the main housing issues for the 35- to 59-year-olds in both the purchase and rental market being increasing displacement of this group and loss of essential workers; and relocation where parents separate, where often both parents and their children will need to leave the LGA as there is either nothing appropriate or affordable to rent. Again, this results in children and parents moving away from their schools, communities and social and support networks, and longer commutes to work as gentrification increases.

The Strategy notes that the large and growing older population also face significant impacts associated with the lack of diverse, affordable housing in the Shire. This includes unmet demand for affordable, small, low-maintenance dwellings within easy access to services in established locations; and the serious shortage in supply of affordable seniors' living options. Similar issues are faced by people with a disability and their families, and mean that older people and those with a disability are often living in after housing poverty, and in inappropriate, unsafe and poorly located accommodation.¹¹

⁹ Judith Stubbs and Associates (2009)

¹⁰ Byron Shire (2020) Residential Strategy, p 19

¹¹ Council adopted Byron Shire (2020) Residential Strategy, p 20

Not surprisingly, there has been a decline in local labour market containment, with the proportion of local workers who also live in the Shire reducing 4 percentage points to 74% between 2011 and 2016. The main sectors experiencing a decline in resident local workers are in the lower paying sectors of retail, manufacturing, accommodation and food services, health care and social assistance, even though the local workers employed in these industry sectors has risen in that same period.¹²

The Strategy also highlights another growing workforce sector as local Bundjalung workers employed in areas such as National Parks and in the accommodation sector. It notes that land is of great significance to Aboriginal and Torres Strait Islander people; and that, while their work is giving these workers connection to Country, they cannot afford to live locally on Country, which compounds the impact of dislocation.

Finally, the Strategy notes that high housing costs are a risk to local business growth, with local businesses indicating that the unaffordability of housing is affecting their ability to attract and retain employees, including critical skilled workers and aged and disability care workers. The need for workers to commute from other areas is also a contributing factor to congestion on local roads and impacts on environmental sustainability.

1.4.4 The Need for Strong Planning Intervention

It is clear that the **private market in Byron Shire is unable to supply affordable rental accommodation** to the vast majority of very low-, low- and moderate-income households who need it. Ongoing real increases in rents over some years, and projected population growth of around 0.8% per annum, means that it is even less likely to do so in the future. Essentially, no one apart from a moderate-income lone person household can be housed affordably and appropriately in Byron's private rental market. No families with children have any opportunity to rent affordably in the LGA.

This indicates stronger intervention through the planning system in the form of **mechanisms to capture an equitable share of land value uplift**, as well as the direct creation of affordable housing on public land through development partnerships, will be required to achieve affordability for the vast majority of relevant target groups, in particular all very low- and low-income households, and moderate-income family households including key worker households.

Although a significant problem for affordability, high land values and significant land value uplift provide **a real opportunity in the Shire to engage the planning system in the creation of affordable housing contributions** that are not available in many other regional areas of NSW.

1.5 Legislative Basis for Affordable Housing Contributions

The legislative basis for affordable housing contributions is provided for in Section 1.3(d) and Division 7.2 of the *Environmental Planning and Assessment Act 1979* (the Act). Specifically, the following provides the legal framework for contributions in this Scheme.

¹² Council adopted Byron Shire (2020) Residential Strategy, p 21

The objective of **Section 1.3(d)** is to ‘promote the delivery and maintenance of affordable housing.’

Section 7.32(1) outlines the circumstances under which conditions can be imposed on a development consent requiring land or money for affordable housing, these being that the land that the development application relates to must be located in an area identified as having a ‘need for affordable housing’ in a State environmental planning policy, and the consent authority must be satisfied that the proposal will or is likely to:

- reduce the availability of affordable housing within the area (**s7.32(1)(a)**); or
- create a need for affordable housing within the area (**s7.32(1)(b)**); or
- is allowed only because of the initial zoning of a site, or the rezoning of a site (**s7.32(1)(c)**); or
- the regulations provide for this section to apply to the application (**s7.32(1)(d)**).

In this case, under **section 7.32(2)**, the consent authority may grant consent to a development application subject to a condition requiring the dedication of part of the land, or other land of the applicant, free of cost to be used for the purpose of providing affordable housing (**s7.32(2)(a)**); the payment of a monetary contribution to be used for the purpose of providing affordable housing (**s7.32(2)(b)**); or both.

Subsection (3) requires that a condition may be imposed only if that condition complies with all relevant requirements made by a State environmental planning policy (**s7.32(3)(a)**); is authorised to be imposed by a local environmental plan and related contributions scheme (**s7.32(3)(b)**); and requires a reasonable dedication or contribution having regard to the extent of affordable housing need, the scale of the proposed development, and any other contributions required to be made by the applicant (**s7.32(3)(c)**).

A consent authority must also take into account any other previous dedications or contributions to affordable housing within the area otherwise than as a condition of consent (**s7.32(4)**); and also provides for other conditions related to affordable housing, such as covenants or contractual arrangements (**s7.32(5)**).

Finally, the Act provides that such a condition is not to be imposed in relation to development that is within a ‘special contributions area’ if a determination under section 7.23 identifies affordable housing as a class of infrastructure for which development contributions may be required (**s7.32(6)**).

The relevant State environmental planning policy for the purpose of identifying an area as having a ‘need’ for affordable housing is **State Environmental Planning Policy (Housing) 2021** [NSW] (previously the SEPP No. 70 – Affordable Housing) which identifies that there is a need for affordable housing within each area of the State. This includes Byron Shire.

1.6 Relationship to other affordable housing contributions

The Scheme is part of a broader affordable housing framework to provide, maintain or retain affordable housing within Byron Shire.

1.6.1 Affordable Housing Policy

Byron Shire's *Affordable Housing Contribution Policy*, and accompanying *Affordable Housing Contribution Procedure*, adopted by Council on 13 August 2020, sets out Council's affordable housing contributions framework, including a framework by which Council will enter into Planning Agreements where affordable housing contributions form part of the agreement.

The policy considers three mechanisms for affordable housing contributions. These are:

- *Local Environmental Plan 2014 Additional local provisions Clause 6.7 Affordable housing in residential and business zones* to enable imposing conditions relating to providing, maintaining or retaining affordable housing. This provision is currently operational.
- Planning Agreements ("PAs") with negotiated terms for affordable housing contributions as part of the early implementation affordable housing project. This is set out in Council's *Affordable Housing Contribution Procedure*; and
- State Environmental Planning Policy (Housing) 2021 [NSW] (previously SEPP 70) Affordable Housing Contribution Scheme for lands that undergo an upzoning, as set out in this Affordable Housing Contribution Scheme.

Although this Scheme provides that a specified contribution rate will be levied in a designated area, there may be cases where a PA that involves a contribution to affordable housing is offered in addition to this levy, for example, where a variation to height controls is proposed in relation to a specific site or development.

In all cases, contributions required under this Scheme will be levied as a base contribution, and any additional contribution offered under a PA will be considered at Council's discretion. In cases where a PA involving an affordable housing contribution is offered in addition to the mandatory affordable housing contribution, Council will review this with regard to the cumulative impact of the mandatory contribution and the proposed PA.

1.6.2 LEP 2014 Clause 6.7

The scheme operates independent of LEP 2014 clause 6.7 which enables Council to:

Development consent must not be granted for the purposes of residential accommodation or to the subdivision of any land in Zone R2 Low Density Residential, Zone R3 Medium Density Residential, Zone B2 Local Centre or Zone B4 Mixed Use unless the consent authority has considered—

- (a) the need for providing, maintaining or retaining affordable housing, and
- (b) the need for imposing conditions relating to providing, maintaining or retaining affordable housing including, but not limited to, imposing covenants and the registration of restrictions about users.

1.7 Affordable Housing Principles

In accordance with State Environmental Planning Policy (Housing) 2021 [NSW] (previously SEPP 70 Schedule 2), the following principles underpin the Byron Shire Affordable Housing Scheme:

- Affordable rental housing will be provided and managed in Byron Shire so that a socially diverse residential population representative of all income groups is maintained;
- Affordable rental housing that is provided is to be made available to a mix of households on very low to moderate incomes;
- Affordable rental housing that is provided is to be rented to eligible households at an appropriate rate of gross household income;
- Land or units dedicated for the purpose of providing affordable housing, or the full proceeds from the sale of land or units dedicated to affordable housing, is to be used for the purpose of the provision of affordable housing;
- Dwellings provided for affordable rental housing are to be managed so as to maintain their continued use for affordable rental housing;
- Monetary contributions provided as an affordable housing contribution are to be used for the provision of affordable housing;
- Surplus rent from affordable housing, after deduction of strata levies, management fees, maintenance and other charges, is to be used for the purpose of improving or replacing affordable housing or for providing additional affordable housing;
- Affordable rental housing is to consist of dwellings constructed to a standard which, in the opinion of the Council, is consistent with other dwellings in Byron Shire; and
- Affordable rental housing acquired or constructed as a result of contributions under this Scheme will be a mix of dwellings in terms of size/bedroom numbers, with the mix determined by Council based on need and social inclusion considerations. This will also include adaptable dwellings under AS4299.

In addition, affordable rental housing created under this Scheme should be:

- **Appropriate** – the needs of different target groups or sub-markets will be explored and provided for in the planning and provision of affordable housing in terms of appropriateness of housing type, tenure, design, location, accessibility and price point;
- **Sustainable** – the evaluation of appropriate sites and precincts for affordable housing, and the planning for housing type, design and location will take into account key considerations such as whole of life costs, accessibility to transport, services and facilities, reduction of car dependency, and relevant environmental, heritage or other constraints.

1.8 Definitions

Terms used in the Scheme are defined as follows:

Act means the Environmental Planning and Assessment Act 1979 (NSW)

Affordable housing has the same meaning as in the Act

Affordable housing contribution area: Bangalow means the area shown in the map at Appendix B.

Affordable housing contribution area: Byron Bay means the area shown in the map at Appendix B.

Affordable housing contribution area: Mullumbimby means the area shown in the map at Appendix B.

Affordable rental housing is affordable housing that is rented by a very low, low or moderate income household, for a rent that is affordable to them in accordance with statutory benchmarks, and managed by an eligible community housing provider.

Council means Byron Shire Council

Development Application has the same meaning as in the Act.

development contribution means the kind of provision made by a developer under a planning agreement under Division 1 Subdivision 2, or an affordable housing contribution under Division 7.2 of the Act, being a monetary contribution, the dedication of land free of cost or the provision of any other material public benefit

fit for purpose – the land has been improved from a natural state and provided with urban servicing including as water, sewerage, stormwater drainage and a sealed road access to a standard appropriate for residential building construction

Guideline means the NSW Department of Planning and Environment (2019) Guideline for Developing an Affordable Housing Contribution Scheme

in-kind contribution refers to the contribution of physical affordable housing dwellings or land

in-lieu contribution refers to monetary contribution towards the provision of affordable housing dwellings

Median household income means the median income for a very low, low or moderate income household as set out in the most recent ABS Census, indexed regularly in accordance with the Consumer Price Index.

Planning Agreement is a voluntary agreement between the Council and a landowner or developer who seeks an amendment to the planning controls for land or who seeks approval for a proposed development. The developer may be required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or any combination of them, to be used for or applied towards a public purpose under a Planning Agreement.

Policy means the Affordable Housing Contribution Policy adopted by Byron Shire Council

public includes a section of the public

public benefit is the benefit enjoyed by the public as a consequence of a development contribution.

nominated community housing provider means those that may receive funds or dwellings resulting from this Scheme, including those that are:

- registered as Class 1 or Class 2 providers on the Register of Community Housing Providers which is managed and maintained by the Registrar of Community Housing; or
- classified as a Tier 1 or Tier 2 providers under the National Regulatory Code

Regulation means the Environmental Planning and Assessment Regulation 2000

Residential Lots means a parcel or parcels of land on which additional residential development can occur, whether facilitated by Torrens Title subdivision, Strata subdivision, dual occupancy, Community Title, Co-operative, Company Title or other arrangement

Scheme means the Byron Shire Affordable Housing Contribution Scheme

2 Affordable Housing Contributions

2.1 Contribution Rates

2.1.1 Overview

A developer may provide land, affordable housing dwellings on-site, affordable housing dwellings in another location within the Byron Shire area, or pay an equivalent monetary contribution to allow affordable housing dwellings to be built or purchased elsewhere in the Byron Shire area.

However, Council prefers that contributions are provided in the form of land within the development to which the contribution applies, and the form of contribution (in-lieu or in-kind) is entirely at the discretion of Council.

The amount of the payment would be equivalent to the market value of the land that would otherwise be required. The monetary contribution required will be calculated based on recent sales of equivalent land in the town in which the Area is located, carried out by a registered valuer and agreed to by Council. Council may engage a valuer at the developer's expense to confirm the value of the land.

Determining which option is most appropriate in the context of the development will be negotiated between the applicant and Council at development application stage, and the agreement reached will form a condition of development consent.

For staged development, an affordable housing contribution is to be provided in each development stage or in an agreed consolidated form.

Contribution rates are set out below.

2.1.2 Affordable housing contribution area: Byron Bay

- On-site: 20% of the area of residential lots in the development must be provided as an affordable housing contribution.
- Monetary: 20% of the area of residential lots in the development must be provided as an affordable housing contribution monetised.
- Other in-kind (dwellings): 20% of the area of residential lots in the development must be provided as an affordable housing contribution, as in-kind (dwellings) of equivalent value.
- Combined: 20% of the area of residential lots in the development must be provided as an affordable housing contribution, in kind and monetised.

2.1.3 Affordable housing contribution areas: Mullumbimby

- On-site: 20% of the area of residential lots in the development must be provided as an affordable housing contribution.

- Monetary: 20% of the area of residential lots in the development must be provided as an affordable housing contribution monetised.
- Other in-kind (dwellings): 20% of the area of residential lots in the development must be provided as an affordable housing contribution, as in-kind (dwellings) of equivalent value.
- Combined: 20% of the area of residential lots in the development must be provided as an affordable housing contribution, in kind and monetised.

2.1.4 Affordable housing contribution areas: Bangalow

- On-site: 20% of the area of residential lots in the development must be provided as an affordable housing contribution.
- Monetary: 20% of the area of residential lots in the development must be provided as an affordable housing contribution monetised.
- Other in-kind (dwellings): 20% of the area of residential lots in the development must be provided as an affordable housing contribution, as in-kind (dwellings) of equivalent value.
- Combined: 20% of the area of residential lots in the development must be provided as an affordable housing contribution, in kind and monetised.

2.2 Dedication of land

Where an affordable housing contribution is made **in the form of land**, the following applies:

- A land contribution to Council for the purpose of affordable housing requires the land is fit for purpose;
- Land will be owned by Byron Shire Council;
- Land will be developed for affordable housing, or where the land is subsequently sold, the net proceeds of the sale will be used exclusively for the purpose of affordable housing;
- Affordable housing dwellings created will be retained as affordable housing in perpetuity;
- Dwellings will align with the affordable housing principles in Part 1.7 of this Scheme;
- The area to be provided as land is the sum of the area of lots to be provided as an affordable housing contribution;
- For staged development, land is to be provided in each development stage or in an agreed consolidated form.
- Odd shaped or poorly located lots will not be accepted.

Worked Example 1 Torren Title

Sum of the area of residential lots within the development = 10,000 m²

Contribution Rate = 20%

Affordable Housing Contribution = 10,000 m² X 20%

= 2,000 m²

In kind affordable Housing Contribution = Four lots at 450 m²=1,800 m²

Balance to be provided as a monetary contribution:

2,000 m² - (4 X 450 m²)

=200 m².

Worked Example 2 – Community Title

Example 2a

Area of lot = 10,000 m²

Affordable Housing Contribution = 10,000 m² X 20%

= 2,000 m²

Common property area within the development = 3700 m²

Sum of house lot area within the development = 6300 m² (63% of area of lot)

Number of residential lots within the development = 14

Average size of 'house' (H) lot = 450 m²

Apportionment of Common property (CP)/lot = 3700 m² / 14 = 264 m²/lot

Average apportionment of land contribution /H lot = h lot (450 m²) + CP lot (264 m²) /lot = 714m²

In kind affordable Housing Contribution = Two lots at 714 m²= 1,428 m²

Balance to be provided as a monetary contribution:

2,000 m² - (2 X 714 m²)

= 572 m²

Example 2b

Area of lot = 10,000 m²

Affordable Housing Contribution = 10,000 m² X 20%

= 2,000 m²

Common property area within the development = 1000 m²

Sum of house lot area within the development = 9000 m² (90% of area of lot)

Number of residential lots within the development = 20

Average size of 'house' (H) lot = 450 m²

Apportionment of Common property (CP) /lot = 1000 m² / 20 = 50 m²/lot

Average apportionment of land contribution /H lot = h lot (450 m²) + CP lot (50 m²) /lot = 500 m²

In kind affordable Housing Contribution = Four lots at 500 m²= 2,000 m²

No balance to be provided as a monetary contribution:

2,000 m² - (4 X 500 m²)

= 0 m²

2.3 Dedication of dwellings

Where an affordable housing contribution is made **in the form of dwellings**, the following applies:

- Dwellings will be owned by Byron Shire Council;
- Dwellings will be provided and retained as affordable rental housing in perpetuity;
- Dwellings will align with the affordable housing principles in Part 1.7 of this Scheme;
- The market value of the dwellings provided as affordable housing is equal to the market value of land required as an affordable housing contribution;
- Affordable dwellings within the development provided as a contribution under this Scheme must consist of dwellings constructed to a standard that, in the opinion of the consent authority, is consistent with the same type of dwelling within the development to which the development application relates in terms of size, internal fittings and finishes, solar access and privacy and in accordance with the Byron Shire Development Control Plan unless negotiated otherwise with Council;
- Affordable dwellings provided outside the development as a contribution under this Scheme must be constructed to a standard that is acceptable to Council;
- The transfer of title must occur prior to the issuing of an occupation or subdivision certificate (whichever comes first) for the development;
- At least 50% of the dwellings are to be adaptable;

- The allocation of car spaces for affordable housing dwellings is to be consistent with the relevant car parking requirements for that dwelling size in the Byron Shire Council Development Control Plan;
- For staged development, affordable housing is to be provided in each development stage or in an agreed consolidated form.

Worked Example

Sum of the area of residential lots within the development = 10,000 m²

Contribution Rate = 20%

Affordable Housing Contribution = 10,000 m² X 20%

= 2,000 m²

Independent Valuation: 450 m² lot valued at \$1,000,000

Monetary contribution = \$1,000,000 X (2,000 m²/ 450 m²)

=\$4,444,444.

Independent Valuation: 2 bedroom apartment valued at \$500,000

Equivalent contribution =\$4,444,444/\$500,000

=8.888 apartments

Contribution is 8 Apartments at \$500,000

Balance to be provided as a monetary contribution:

\$500,000 X (8.888 – 8)

= \$444,000

Where dwellings are to be provided off site, the value of the dwellings is to be the same as the Equivalent Monetary Contribution as set out in 2.3 below.

Worked Example

Sum of the area of residential lots within the development = 10,000 m²

Contribution Rate = 20%

Affordable Housing Contribution = 10,000 m² X 20%

= 2,000 m²

Independent Valuation: 450 m² lot valued at \$1,000,000

Monetary contribution = \$1,000,000 X (2,000 m²/ 450 m²)

=\$4,444,444.

Independent Valuation: 2 bedroom apartment valued at \$500,000

Equivalent contribution = $\$4,444,444 / \$500,000$

= 8.888 apartments

Contribution is 8 Apartments at \$500,000

Balance to be provided as a monetary contribution:

$\$500,000 \times (8.888 - 8)$

= \$444,000

2.4 Equivalent Monetary Contribution

In certain circumstances, alternative arrangements may be made such that an in lieu monetary payment may be provided so that affordable rental housing can be provided elsewhere within the Byron LGA. A monetary contribution is also required where provision of part of a parcel of land would be required to achieve the area required to be provided as an affordable housing contribution.

Determining which option is most appropriate will be negotiated between the applicant and Council at development application stage, and the agreement reached will form a condition of development consent. However, the final form of the contribution will be entirely at the discretion of Council.

The amount of the payment will be equivalent to the market value of the land that would otherwise be required or an appropriate proportion of the market value of a block of land where provision of part of a block would be required to achieve the area required to be provided as an affordable housing contribution. The monetary contribution required will be calculated based on recent sales of equivalent dwellings in the town in which the Precinct is located, carried out by an independent valuer nominated by Council.

Worked Example

Sum of the area of residential lots within the development = 10,000 m²

Contribution Rate = 20%

Affordable Housing Contribution = 10,000 m² X 20%

= 2,000 m²

Independent Valuation: 450 m² lot valued at \$1,000,000

Monetary contribution = $\$1,000,000 \times (2,000 \text{ m}^2 / 450 \text{ m}^2)$

= \$4,444,444.

Payment will be by unendorsed bank cheque to Byron Shire Council prior to issue of construction certificate. Instructions on how to make payment will be available on the Byron Shire Council website.

Prior to granting an occupation or subdivision certificate (whichever comes first) for the development, the principal certifying authority is to ensure that the in lieu monetary contribution has been paid in full.

2.5 Development that is exempt from the Affordable Housing Contribution Scheme

Development that will be exempt from contributions are subdivision for:

- Public housing as defined in section 3 of the *Housing Act 2001*; and
- Community housing as defined in section 3 of the *Housing Act 2001*.

Actively facilitating the above types of development will make a contribution to affordable rental housing, including for very low income households and those with special needs. There should be no impediments to these types of development.

2.6 Conditions of consent for Affordable Housing

Where an **in-kind contribution (land)** is being made, the condition of consent is to contain the following information:

- The area of the land to be dedicated;
- The number of lots to be dedicated;
- the lots must be shown on the approved plans, and referenced in the affordable housing condition;
- the developed area of the development that was used to calculate the contribution; and
- a requirement that prior to the granting of an occupation or subdivision certificate (whichever comes first), evidence be provided of a legally binding agreement to transfer title of the land to Council.

Where an **in-lieu (monetary) contribution** is being made, the condition of consent will contain the following information:

- the monetary contribution required;
- the developed area of the development that was used to calculate the contribution;
- the contribution period at the time of determination;
- the amount of the affordable housing contribution; and

- a requirement that the condition be fulfilled to Council's satisfaction prior to the issue of an occupation or subdivision certificate (whichever comes first).

Where an **in-lieu (housing) contribution** is being made, the condition of consent will contain the following information:

- the equivalent contribution required;
- the developed area of the development that was used to calculate the contribution;
- the contribution period at the time of determination;
- the amount of the affordable housing contribution; and
- a requirement that the condition be satisfied to Council's satisfaction prior to the issue of an occupation or subdivision certificate (whichever comes first).

3 Administration and Implementation

3.1 How to make a contribution

3.1.1 Affordable housing implementation and delivery program

Council will prepare an affordable housing implementation and delivery program. A framework for this program is only provided in Appendix C as this stage as there are no concept plans for the precincts and all are subject to rezoning. The outcome for the precincts will be determined in consultation with individual owners at the Planning Proposal stage and a Community Housing Provider will need to be nominated as part of those Planning Proposals.

3.1.2 Dedication of Land

Completed **lots** are to be dedicated free of cost to Byron Shire Council. The development application to Council must identify the lots to be dedicated. The application will be referred to Council to:

- Assess the suitability of the proposed in-kind contribution with reference to the Affordable Housing Principles set out in this Scheme; and
- Receive the lot(s).

Where the proposed lot(s) are not appropriate for the purpose of affordable housing, Council may recommend changes or alternatively may require a monetary contribution.

Where the proposed lots are approved by Council, a condition of consent requiring dedication of the lot(s) will be imposed by the consent authority.

Land will be owned by Byron Shire Council, classified as Operational Land.

3.1.3 Monetary Contribution

In the case of **monetary contribution rates in-lieu** of providing land in part or in full, the contribution will be calculated based on an independent valuation of the sales price of equivalent lots.

Payment will be by unendorsed bank cheque to Byron Shire Council prior to issue of an occupation or subdivision certificate (whichever comes first). Instructions on how to make payment are available on the Byron Shire Council website.

3.1.4 Dedication of Dwellings

In the case of **a dwelling contribution in-lieu** of providing land in part or in full, the contribution will be calculated based on an independent valuation of the sales price of equivalent lots and an independent valuation of the dwellings proposed as the contribution.

The proposal will be referred to Council to:

- Assess the suitability of the proposed in-kind contribution with reference to the Affordable Housing Principles set out in this Scheme; and
- Receive the dwelling(s).

Where the proposed dwelling(s) are not appropriate for the purpose of affordable housing, Council may recommend changes or alternatively may require a monetary contribution.

Transfer of title to Byron Shire Council will be required prior to issue of an occupation or subdivision certificate (whichever comes first).

Dwellings will be owned by Byron Shire Council, classified as Operational Land.

3.2 Indexing of payments

3.2.1 Contribution Amount

Where a condition requiring a monetary contribution has been imposed, the **contribution amount** will be adjusted over time. For example, if a consent is issued in June of a given year and the applicant does not wish to pay the contribution and develop the site until August of the following year, the contribution amount will be adjusted to the period in which it is paid.

Monetary contributions are adjusted by Byron Shire Council and confirmed with the applicant prior to payment being made. The formula for adjusting a contribution amount in a condition if consent is:

Monetary Contribution = Base Contribution Amount x (MDP2/MDP1), where:

- The Base Contribution Amount is the amount obtained from the Notice of Determination and based on the contribution rates at the time of determination of the development application.
- MDP1 is the median dwelling price as published in the NSW Government's Rent and Sales Report for Byron LGA that applied at the time of consent.
- MDP2 is the median dwelling price as published in the NSW Government's Rent and Sales Report for Byron LGA that applies at the time of payment.

3.3 Process for distribution & management of funds

Funds collected in lieu of affordable housing lots or from the sale of affordable housing lots will be deposited in Council's fund set up to manage and administer Council's affordable housing program. Council will develop an Implementation and Delivery Program including priorities for use of resources held in the affordable housing fund and will manage, account for and report on the status of the affordable housing fund annually.

Further details are contained in Appendix C – Affordable Housing Implementation and Delivery Program Framework.

3.4 Registered Community Housing Providers and Delivery Program

The dwellings provided under the Affordable Housing Implementation and Delivery Program will be owned and/or managed by a Community Housing Provider nominated by Council at a rental that does not exceed a benchmark of 30% of actual household income. Rental income will be used to meet management and maintenance costs and all rates and taxes payable in connection with the dwelling/s.

Rental income will be used to cover all reasonable costs of managing and maintaining the affordable rental dwellings, and any surplus from rental income will be deposited in Council's Affordable Housing Fund to be used only for the purpose of improving, replacing or providing additional Affordable Housing stock within the Byron Shire Council local government area.

Council will enter into a legal agreement with a nominated community housing provider to manage dwellings and land obtained through this Scheme. Funds collected through the Scheme will be deposited in Council's affordable housing fund and expended on affordable housing projects including upgrade, construction and acquisition.

Properties acquired by Council under this Scheme will be managed in accordance with a **Residential Property Management Agreement** including matters related to:

- Roles and responsibilities of each party;
- Property maintenance and management;
- Tenancy management;
- Allocation of dwellings;
- Financial arrangements, management costs and fees;
- Dealing with short falls and surplus funds;
- Trust fund administration;
- Accountability and reporting procedures;
- Conflict and dispute resolution and procedures.

Neither a Community Housing Provider nor a list of eligible Community Housing Providers (CHP) can be nominated by Council at this time (or before the LEP amendment is made) as there are no concept plans for the precincts and all are subject to rezoning. The outcome for the precincts will be determined in consultation with individual owners at the Planning Proposal stage and a CHP will need to be nominated as part of those Planning Proposals.

Further details are contained in Appendix C – Affordable Housing Implementation and Delivery Program Framework.

3.5 Monitoring and Review of Scheme

The Scheme will be monitored and an annual report prepared for Council that presents key performance indicators including:

- land holdings and status of development;
- amount of funds received and in waiting;
- surplus rent accumulated;
- allocation of funding in that year; and
- number of delivered affordable housing dwellings acquired by through the Scheme.

This report will be made available on Byron Shire Council's website.

In addition to the annual monitoring and reporting, an annual review of the scheme should be undertaken, with updates undertaken if necessary. Otherwise, the maximum period between updates should be every five years.

The aim of the annual review is to ensure that the scheme is effective and that any impacts on housing supply, delivery and affordability can be addressed as soon as possible.

Amending the Affordable Housing Contribution Scheme will generally require amendment to LEPs that directly refer to the document as dated.

4 Appendix A – Local Housing Needs Assessment

4.1 Demographic Analysis

4.1.1 Population Change

The 2019 Population Projections indicate that the population of Byron LGA is estimated to increase by 4,550 people between 2016 and 2041, from 33,400 to 37,950. This is a 14% increase.

Byron is estimated to continue growing as people move into the area, particularly those around retirement age.

The working age population (aged 15-64) is estimated to remain stable, moving from 22,350 in 2016 to 21,450 in 2041 – a change of 900.

The number of children aged 14 and under is estimated to change by 50 children, from 5,650 in 2016 to 5,700 in 2041.

The number of people aged 65 and over is estimated to increase from 5,450 in 2016 to 10,800 by 2041 – a change of 5,350.¹³

4.1.2 Population Age

The graph below shows estimated population change by age group for Byron Shire between 2016 and 2041.

¹³ NSW Government (2019) Byron Shire Council 2019 NSW Population Projections.

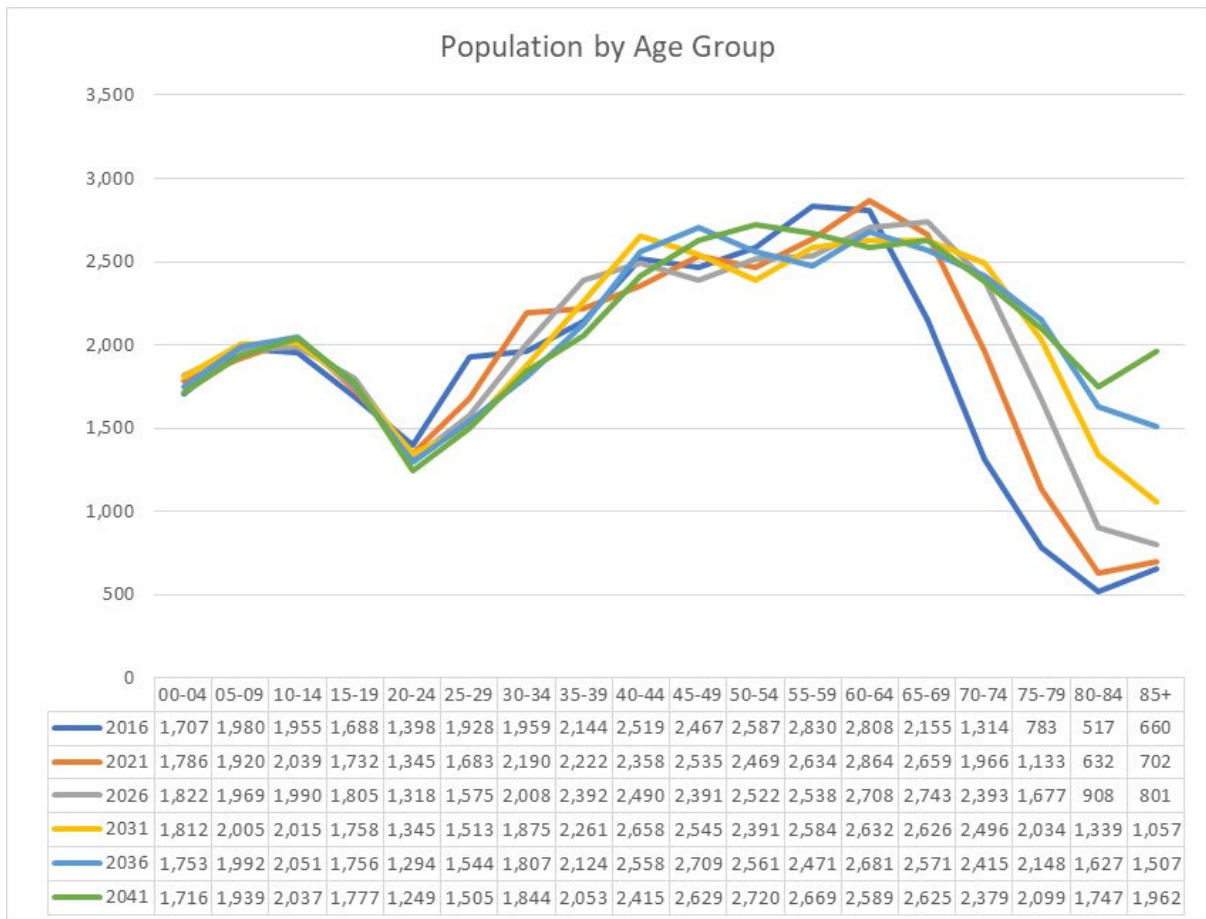


Figure 4.1: Byron LGA Population change over time by age group

Source: NSW Government 2019, JSA calculations

The graph below shows the proportional change in the age distribution in Byron Shire over time. On a proportional basis, the Shire is expected to age, with the proportion of people aged over 65 increasing from 16.3% in 2016 to 28.5% in 2041.

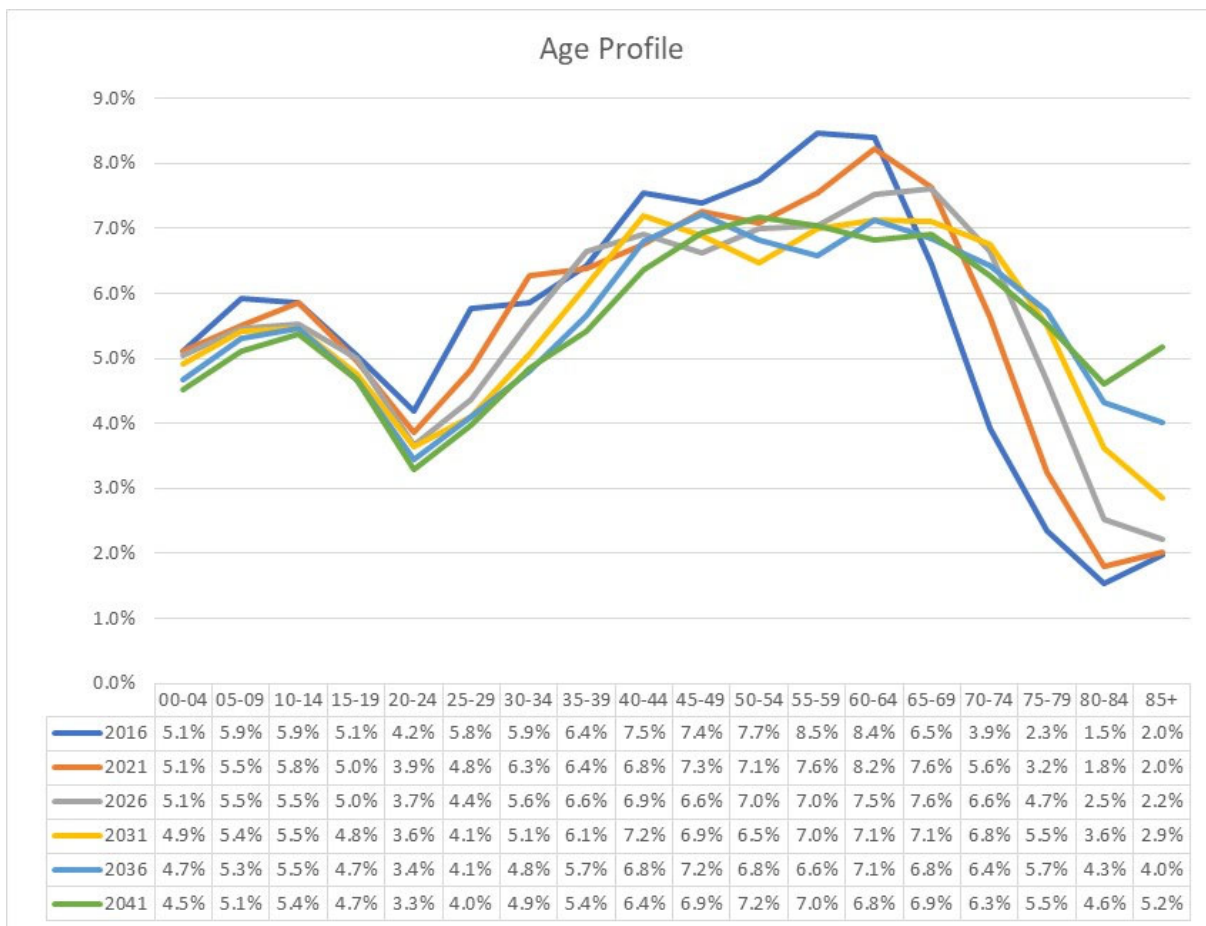


Figure 4.2: Byron LGA Proportional population change over time by age group

Source: NSW Government 2019, JSA calculations

4.1.3 Dwelling requirements

The graph below shows the implied dwelling projections for Byron Shire for 2016-2041. An additional 3,393 dwellings are required between 2016 and 2041, a proportional increase of 20%. This is greater than the expected 14% increase in population and this would be expected due to the ageing population and the commensurate reduction in average household size.

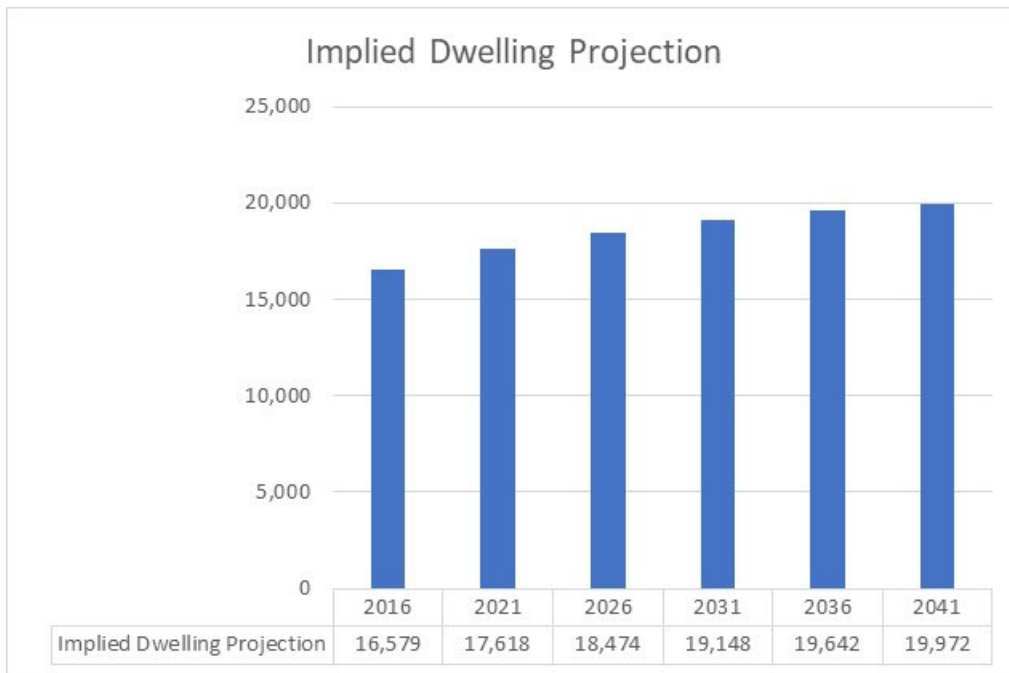


Figure 4.3: Byron LGA Implied dwelling projections over time

Source: NSW Government 2019, JSA calculations

4.1.4 Household numbers and types

The graphs below show the historical and projected change in household numbers and types over time. The number of households is projected to increase over time, in line with implied dwelling projections. As would be expected from the predicted ageing of the population, the majority of the growth is in Couple Only and Lone Person households.

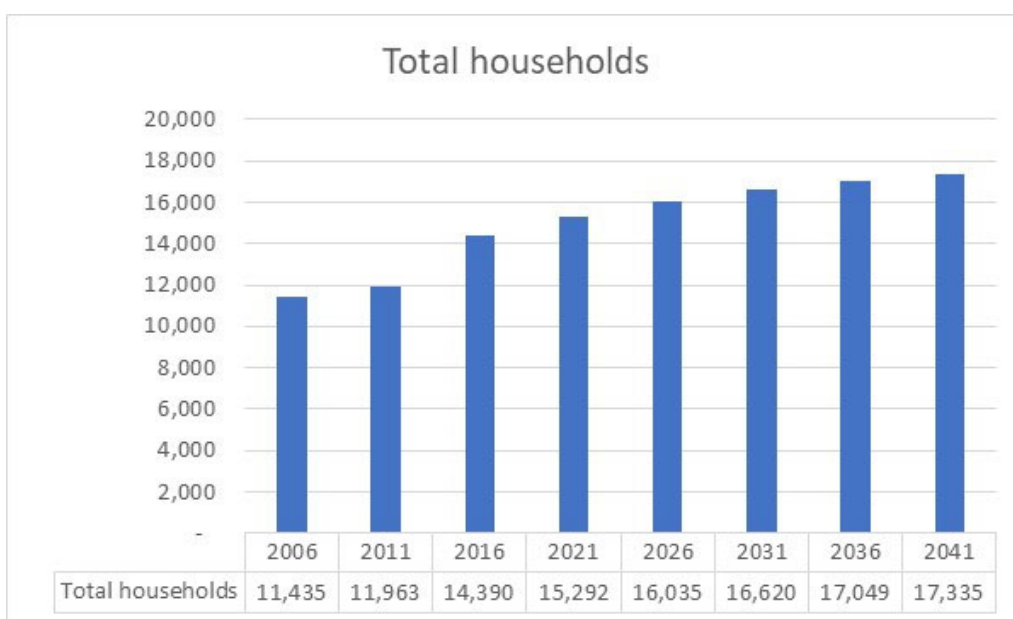


Figure 4.4: Byron LGA Total households and projections over time (Historical Census data adjusted for Census undercounting).

Source: ABS Census, NSW Government 2019, JSA calculations

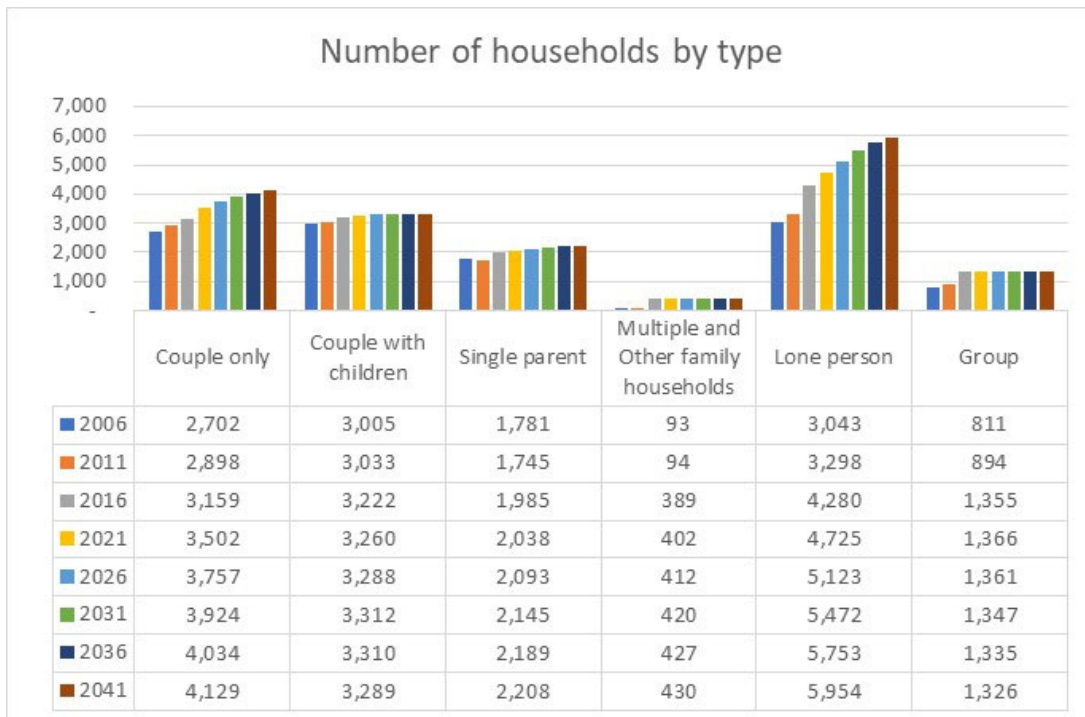


Figure 4.5: Byron LGA Household type and projections over time by number (Historical Census data adjusted for Census undercounting).

Source: ABS Census, NSW Government 2019, JSA calculations

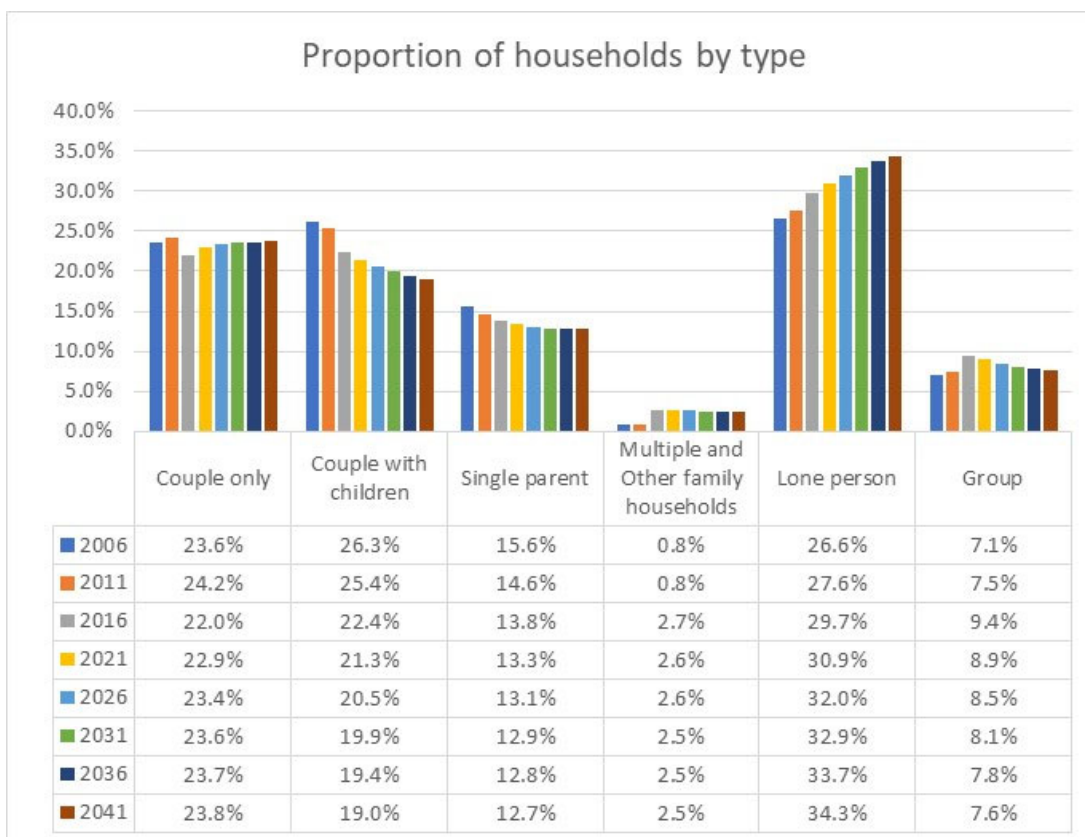


Figure 4.6: Byron LGA Household type and projections over time by proportion (Historical Census data adjusted for Census undercounting).

Source: ABS Census, NSW Government 2019, JSA calculations

4.1.5 Dwelling Structure

The mix of dwellings in Byron Shire is similar to Rest of NSW (NSW excluding Greater Sydney), although there is a high proportion of other dwellings, with these consisting of caravans, cabins and people living in improvised dwellings. Compared to NSW, Byron is undersupplied with apartments.

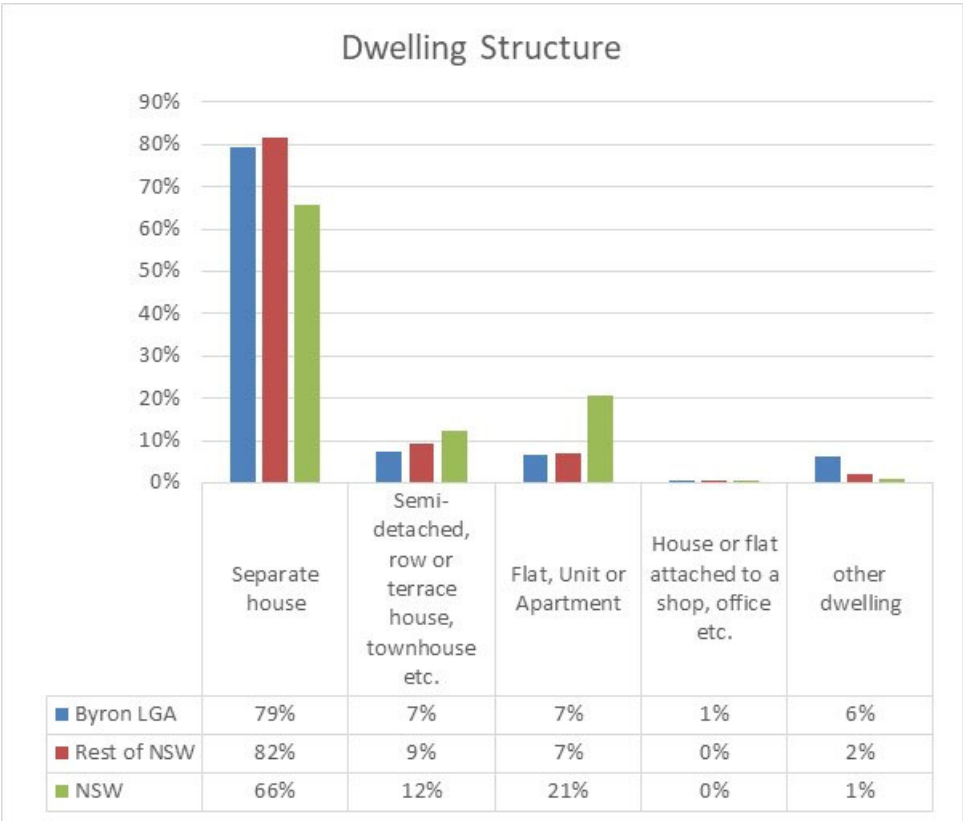


Figure 4.7: Byron LGA Dwelling structure compared to Rest of NSW and NSW.

Source: ABS Census, JSA calculations

4.1.6 Tenure and Landlord types

The graph below shows tenure and landlord types for Byron LGA compared to Rest of NSW and NSW. Compared to Rest of NSW, Byron LGA is characterised by high levels of private rental, low levels of social rental (rental from State Housing Authority and from Community Housing Providers), and lower levels of purchasing.

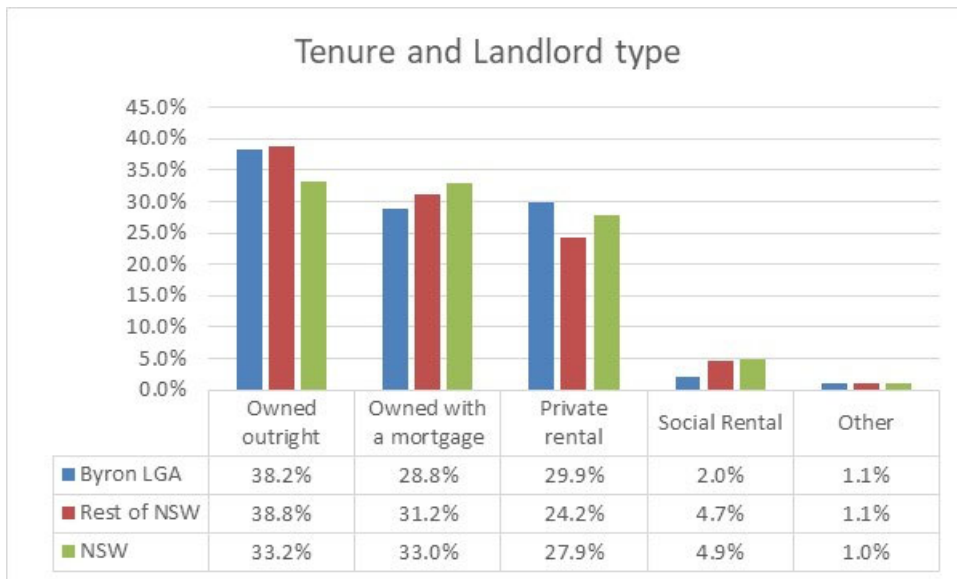


Figure 4.8: Byron LGA Tenure and landlord type compared to Rest of NSW and NSW.

Source: ABS Census, JSA calculations

4.1.7 Household Income

In 2016, the median household weekly income in Byron LGA was \$1,143 compared to \$1,166 for Rest of NSW and \$1,482 for NSW.

Using the definitions in State Environmental Planning Policy (Housing) 2021 [NSW] (previously SEPP 70 section 8), for the Rest of NSW in 2016 very low income households earned less than \$583 per week, low income households earned between \$583 and \$933 per week and moderate income households earned between \$933 and \$1,399 per week.

The table below shows the distribution of household incomes for Byron LGA compared to Rest of NSW. Byron LGA has slightly higher proportions of very low income households and moderate income households, and lower proportions of higher income households.

Table 4.1: Proportion of very low, low and moderate income households in Byron LGA compared to Rest of NSW

	Byron LGA	Rest of NSW
Very low income households (less than \$583 per week)	22.1%	21.0%
Low income households (\$583-\$933 per week)	18.3%	18.8%
Moderate income households (\$933-\$1,399 per week)	18.9%	17.8%
Higher income	40.7%	42.4%

households (more than
\$1,399 per week)

Source: ABS Census 2016, JSA calculations

Table Notes:

(1) Excludes Negative and Nil Income

(2) Results obtained from linear interpolation within Census income bands

The graph below shows the income distribution for Byron LGA compared to Rest of NSW and NSW.

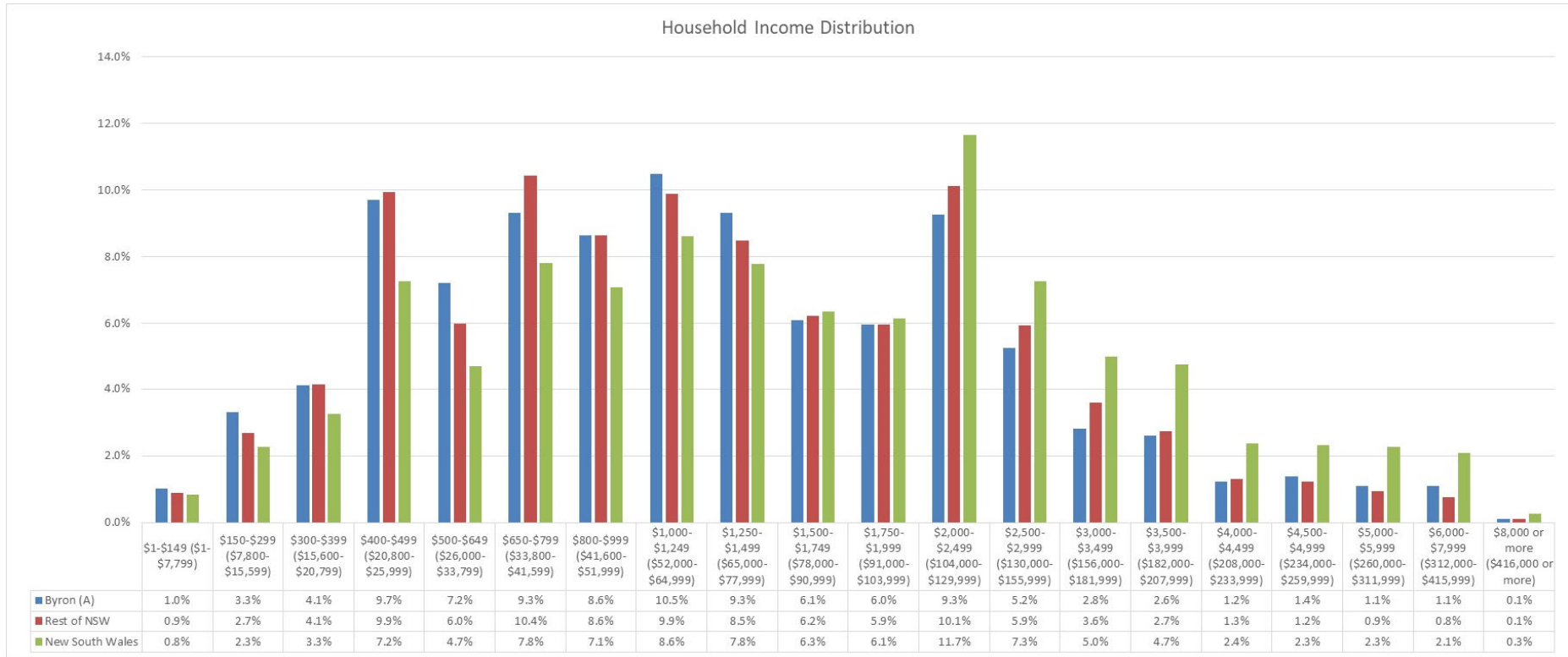


Figure 4.9: Byron Household income distribution compared to Rest of NSW and NSW.

Source: ABS Census, JSA calculations

4.1.8 Rental and Mortgage Stress

Housing is 'affordable' when very low, low and moderate income households are able to meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care and education. This is generally accepted to be where such households pay less than 30% of their gross household income on housing costs. Households paying more than 30% of total household income in mortgage or rental payments are considered to be in rental or mortgage stress.

The table below shows housing stress for renters in Byron LGA compared to Rest of NSW. Byron LGA has very high levels of housing stress by comparison with Rest of NSW, and, contrary to Rest of NSW, a large majority of moderate income households are in housing stress. Amongst very low income households, 60% are spending more than 50% of gross household income on rental, compared to 43% for Rest of NSW.

Table 4.2: Number and proportion of Households in rental stress in Byron LGA compared to Rest of NSW

	Byron LGA	Rest of NSW
Very low income households (less than \$583 per week)	85% (801 households)	77%
Low income households (\$583-\$933 per week)	80% (581 Households)	59%
Moderate income households (\$933-\$1,399 per week)	71% (538 Households)	33%

Source: ABS Census 2016, JSA calculations

Table Notes:

(1) Excludes Negative and Nil Income

(2) Results obtained using centres of income and rental payment bands

The table below shows housing stress for purchasers in Byron LGA compared to Rest of NSW. Byron LGA has high levels of housing stress by comparison with Rest of NSW, and, similar to renters, there are higher levels of housing stress among low and moderate income households.

Table 4.3: Number and proportion of Households in mortgage stress in Byron LGA compared to Rest of NSW

	Byron LGA	Rest of NSW
Very low income households (less than \$583 per week)	65% (184)	58%
Low income households (\$583-\$933 per week)	62% (220)	49%
Moderate income households (\$933-\$1,399 per week)	47% (264)	36%

Source: ABS Census 2016, JSA calculations

Table Notes:

(1) Excludes Negative and Nil Income

(2) Results obtained using centres of income and rental payment bands

4.1.9 Homelessness

Detailed homelessness data is not available for Byron LGA, however some indicators are available. In 2016, there were 58 people living in severely overcrowded dwellings (needing an additional four or more bedrooms) in Byron LGA, and there were 283 people living in improvised dwellings or sleeping out. People living in improvised dwellings comprised 0.84% of people in Byron LGA, compared to 0.14% of people for Rest of NSW.

4.1.10 Other forms of Accommodation

In addition, 2.3% of occupied private dwellings in Byron LGA in 2016 were located in caravan parks or camping grounds,¹⁴ compared with 1.0% for Rest of NSW.¹⁵

Byron LGA is also undersupplied with self contained accommodation in retirement villages with this comprising 0.5% of occupied private dwellings compared to 2.0% for Rest of NSW.

4.1.11 Employment Profiles

Employment Sectors

The graph below shows the main industries of employment for people who live in Byron LGA. The profile is generally similar to that for Rest of NSW, however there are higher levels of

¹⁴ Excluding visitor only households.

¹⁵ This may include some of the improvised dwellings identified under homelessness, such as people living in tents in caravan parks.

employment in accommodation and food services and in professional, scientific and technical services; and lower levels of employment in agriculture, forestry and fishing, mining and manufacturing.

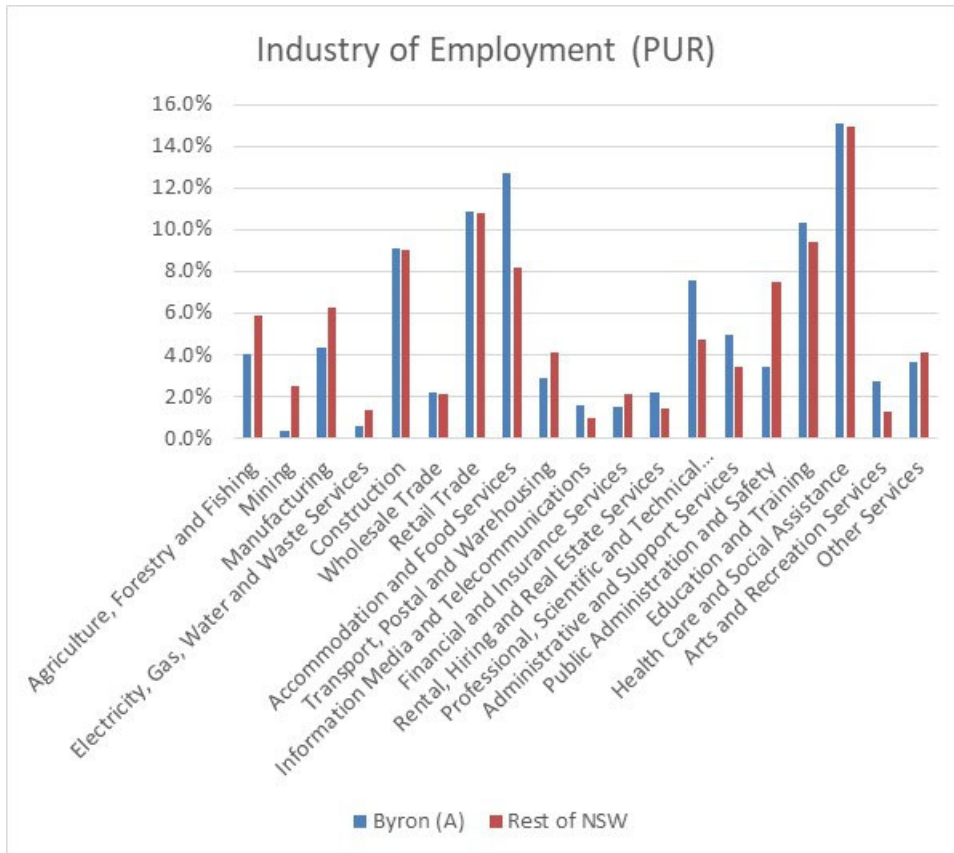


Figure 4.10: Byron LGA Industry of employment for usual residents compared to Rest of NSW.

Source: ABS Census, JSA calculations

The graph below shows industry of employment for people working in Byron LGA. While there are some differences, these are likely accounted for by residents who do not have a fixed place of work, such as some working in Construction and Health Care and Social Assistance who may travel to different places of work throughout the year.

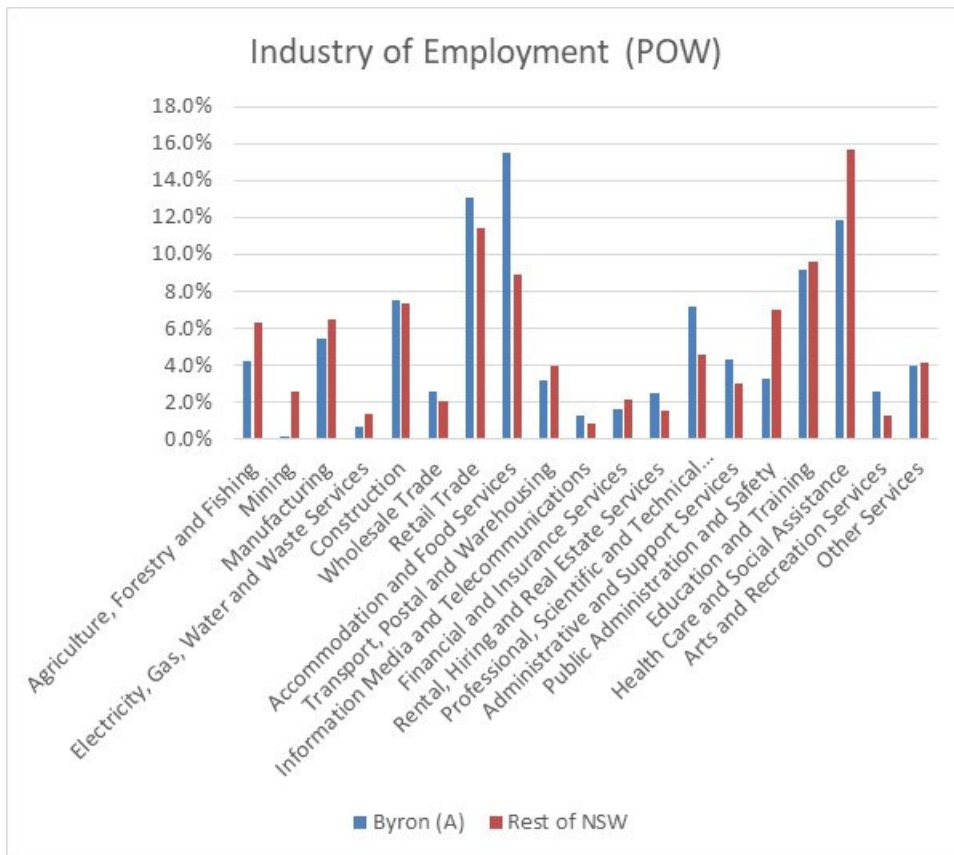


Figure 4.11: Byron LGA Industry of employment for usual residents compared to Rest of NSW.

Source: ABS Census, JSA calculations

Workforce Containment

At the 2016 Census, 12,963 people were counted who worked in Byron LGA. At the same time, there were 13,559 working people living in Byron LGA. Of these, 9,564 lived and worked in Byron LGA and another 1,005 had no fixed address for place of work,¹⁶ meaning that 78% of the Byron work force worked within the LGA. Similarly, 74% of those who worked in Byron LGA also lived there, suggesting a high level of work force containment.

Income and wages profile

The graph below shows the income and wage profile for those who work in Byron and workers who live in Byron compared to the Rest of NSW. Both workers who live in Byron LGA and those who work in Byron LGA have lower levels of total personal income compared to Rest of NSW. The wage profile of those who work in Byron LGA is somewhat less than that of workers who live in Byron, as is the wage profile of those who live and work in Byron, suggesting that workers who travel outside Byron for work are likely to be better off.

¹⁶ Such as tradesmen who may work out of a van and attend different work sites through the day.

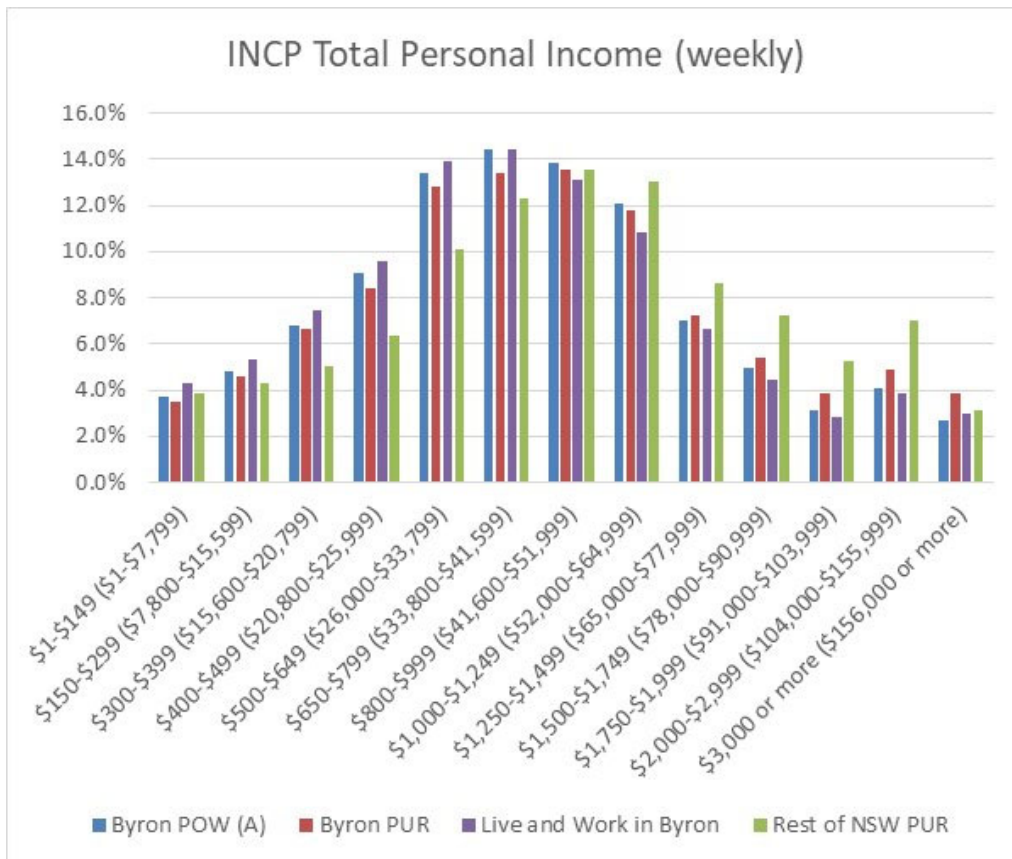


Figure 4.12: Byron LGA Total personal income for those who work in Byron LGA (POW), those who live in Byron LGA (PUR), those who live and work in Byron and Rest of NSW.

Source: ABS Census, JSA calculations

Affordability and Public Transport

The detailed housing market analysis below shows that there are limited opportunities for the market to meet the demand for affordable housing in Byron LGA and significant underlying demand for affordable housing. In addition to this, there is likely to be demand for smaller dwellings such as self contained units in retirement villages, residential flat buildings and multi-dwelling housing from the increasing number of smaller households and from the generally lower rents and purchase prices (though not affordable) of smaller forms of housing.

The analysis above concludes that there is a gap between the current needs and supply of rental accommodation for very low, low, and moderate income households and so the development of an affordable housing contribution scheme, if viable, is warranted.

The map below shows employment centres in and around Byron LGA. The major employment centre in Byron LGA is centred on Byron Bay township, with a secondary employment centre in Mullumbimby. There is limited morning peak hour public transport access to these centres for workers, with the 640 bus service from southern coastal areas reaching Byron Bay at 07.55 and 08.40 and reaching Mullumbimby at 08.25 and the 645 bus service from northern coastal areas reaching Byron Bay at 08.45 and Mullumbimby at 08.20.

Potential changes in the community's employment structure

We are not aware of any planned changes to the community's employment structure.

Potential fluctuations in the area's residential real estate market

There is likely to be demand for tourist accommodation within Byron LGA. At the 2016 census, 13.2% of dwellings in Byron LGA were unoccupied and 4.6% were visitor only households; compared to 12.4% and 1.7% respectively for Rest of NSW. There may also be seasonal fluctuations due to tourism impact, with tenants displaced during the peak holiday period in favour of tourism lettings.

4.2 Affordable Housing Supply

4.2.1 Rental stock

The table below shows rental stock and very low, low and moderate income renters in Byron LGA at the 2016 Census. Byron LGA had similar proportions of very low, low and moderate income households compared to Rest of NSW but had much lower levels of affordable rental stock, with rates around half of those for Rest of NSW. In Byron LGA, 53.1% of rental stock was affordable to very low, low and moderate income households compared to 95.4% of stock in Rest of NSW.

Table 4.4: Rental Stock in Byron LGA at 2016 Census

	Byron LGA			Rest of NSW		
	Proportion of Renting Households	Proportion of rental stock affordable (excluding social housing)	Social housing as a proportion of rental stock	Proportion of Renting Households	Proportion of rental stock affordable (excluding social housing)	Social housing as a proportion of rental stock
Very low income households	26.4%	6.8%	6.3%	26.9%	40.6%	16.4%
Low income households	21.6%	12.4%		22.5%	25.2%	
Moderate income households	20.1%	27.6%		19.6%	13.2%	
Total	68.1%	46.8%	6.3%	69.0%	79.0%	16.4%

Source: ABS Census 2016, JSA calculation

(1) Proportions of rental stock are not cumulative, that is housing that is affordable to very low income households is also affordable to low income households but is not included in the total for low income households.

(2) Households with negative/nil income excluded.

4.2.2 Rental Vacancies

A survey was conducted of real estate agents in Byron Shire in the week of 6 January 2020. Thirteen provided information on the size of their rent roll and the current level of vacancies. The total rent roll across these agencies was estimated at 1,319 with 60 vacancies, giving a vacancy rate of 4.5%. The vacancies appeared to be mostly for larger properties, with few if any, affordable to moderate income households. While this vacancy rate may be expected to lead to downward pressure on rents, this does not seem to be the case in Byron, as shown by the rental supply analysis below.

4.2.3 Affordable Housing Benchmarks

The table below shows affordable housing benchmarks based on no more than 30% of total household income being expended on rent or mortgage payments for very low, low and moderate income households.

Table 4.5: Relevant Affordable Housing Income and Cost Benchmarks – Rest of NSW

	Very low-income household	Low-income household	Moderate-income household
Income Benchmark	<50% of Gross Median H/H Income for Rest of NSW	50-80% of Gross Median H/H Income for Rest of NSW	80%-120% of Gross Median H/H Income for Rest of NSW
Income Range (2)	<\$616 per week	\$617-\$985 per week	\$986-\$1,478 per week
Affordable Rental Benchmarks (3)	<\$184 per week	\$185-\$295 per week	\$296-\$443 per week
Affordable Purchase Benchmarks (4)	<\$200,000	\$200,001-\$327,500	\$327,501-\$493,750

Source: JSA 2019, based on data from ABS (2016) Census and ABS (2019) Consumer Price Index, ANZ online home loan repayment calculator, www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/

(1) All values reported are in September Quarter 2019 dollars

(2) Total weekly household income

(3) Calculated as 30% of total household income

(4) Calculated using ANZ Loan Repayment Calculator, using 27 November 2019 interest rate (4.19%) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments. Available interest rate for repayments for very low income households was 4.29%.

4.2.4 Rental Housing Supply

The table below shows rental data for the June quarter 2019 for Byron LGA compared to Rest of NSW. Of the dwellings for rent in Byron LGA, no product was affordable to very low or low income households, and the only product affordable to moderate income households was a one bedroom dwelling, with these comprising 12% of dwellings. A first quartile one bedroom dwelling was affordable to most moderate income households, a median one bedroom dwelling was affordable to 60% of moderate income households and a third quartile one bedroom dwelling was affordable to 5% of moderate income households. Rents in Byron LGA are typically 80% higher than those for Rest of NSW.

Table 4.6: Rents for Byron LGA by bedroom number (all dwellings) compared to Rest of NSW, June Quarter 2019

	Byron LGA			Number of New Bonds	Rest of NSW
	First Quartile	Median	Third Quartile		Median
Bedsits	-	-	-	-	\$245
One Bedroom	\$300	\$355	\$435	40	\$210
Two Bedrooms	\$450	\$510	\$600	75	\$280
Three Bedrooms	\$580	\$650	\$750	138	\$350
Four or more Bedrooms	\$683	\$850	\$1,000	74	\$440

Source: NSW Rent and Sales Report

A rental snapshot was conducted for Byron LGA for 3 January 2020 using domain.com.au. Results are shown in the table below. Of the 92 properties identified for rent, a single one bedroom dwelling in Brunswick Heads was affordable to a very low income household (1% of dwellings), two one bedroom dwellings in Brunswick Heads were affordable to a very low income household (2% of dwellings) and 12 dwellings were affordable to moderate income households (12% of dwellings). Brunswick Heads was the only suburb where a median rental dwelling was affordable to a moderate income household.

Table 4.7: Rents for Byron LGA by bedroom number and quartile

	Byron LGA			Number of properties
	First Quartile	Median	Third Quartile	
Bedsits	\$475	\$500	\$525	2
One Bedroom	\$348	\$400	\$500	16
Two	\$509	\$596	\$630	10

Bedrooms

Three Bedrooms	\$610	\$700	\$800	37
Four or more Bedrooms	\$745	\$950	\$1,375	27

Source: domain.com.au 3 January 2020, JSA calculation

Table 4.8: Median rents for Byron LGA by Suburb

	Median Rent	Number of Properties
Bangalow	\$725	8
Brunswick Heads	\$370	8
Byron Bay	\$700	19
Clunes	\$550	3
Ewingsdale	\$1,250	7
Mullumbimby	\$1,200	3
Newrybar	\$1,200	3
Ocean Shores	\$595	15
South Golden Beach	\$688	4
Suffolk Park	\$950	13

Source: domain.com.au, 3 January 2020, JSA calculation

4.2.5 Purchase Housing Supply

The table below shows sales data for the March quarter 2019 compared to Rest of NSW. No product was affordable to any very low, low or moderate income household. Sales prices in Byron LGA are typically 120% greater than sales prices for Rest of NSW.

Table 4.9: Purchase prices for Byron LGA (all dwellings) compared to Rest of NSW, March Quarter 2019

Byron LGA

Rest of NSW

	First Quartile	Median	Third Quartile	Number of sales	Median
Non Strata	\$760,000	\$945,000	\$1,250,000	69	\$413,000
Strata	\$663,000	\$753,000	\$874,000	<30	\$355,000

Source: NSW Rent and Sales Report

Greater detail is available using sales data from the EAC RedSquare Data Base. This provides sales data by strata and non-strata, number of bedrooms, suburb and land size amongst other detail. The tables below show sales data for Byron LGA for non-strata properties by number of bedrooms and for selected suburbs. No non-strata property is affordable to any very low, low or moderate income household for any bedroom number or in any suburb.

Table 4.10: Sales for Byron LGA for non-strata properties by bedroom number and quartile.

	First Quartile	Median	Third Quartile	Number of sales
Two Bedrooms	\$689,000	\$772,000	\$1,123,000	14
Three Bedrooms	\$692,000	\$800,000	\$1,104,000	124
Four or more Bedrooms	\$880,000	\$1,095,000	\$1,480,000	93

Source: EAC Redsquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- (1) Search excluded properties greater than 1,000 m² in area to exclude rural residential sales.
- (2) Recorded sales since 1 January 2019.
- (3) Data excludes low cost sales between related people and sales with inadequate data e.g. bedrooms or price not stated.

Table 4.11: Median sales prices for non-strata properties for Byron LGA by Suburb

	First Quartile	Median	Third Quartile	Number of Sales
Bangalow	\$843,000	\$983,000	\$1,156,000	28
Brunswick Heads	\$833,000	\$1,050,000	\$1,215,000	12
Byron Bay	\$1,031,000	\$1,370,000	\$2,000,000	53
Mullumbimby	\$640,000	\$700,000	\$789,000	46

	First Quartile	Median	Third Quartile	Number of Sales
New Brighton	\$740,000	\$1,030,000	\$1,495,000	5
Ocean Shores	\$639,000	\$737,000	\$819,000	59
South Golden Beach	\$785,000	\$931,000	\$1,086,000	18
Suffolk Park	\$970,000	\$1,170,000	\$1,475,000	33

Source: EAC Redsquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- (1) Search excluded properties greater than 1,000 m² in area to exclude rural residential sales.
- (2) Recorded sales since 1 January 2019.
- (3) Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.

The tables below shows sales data for Byron LGA for strata properties by number of bedrooms and for selected suburbs. No strata property is affordable to any very low or low income household and the only strata property affordable to a moderate income household is a first quartile dwelling in Ocean Shores.

Table 4.12: Sales for Byron LGA for strata properties by bedroom number and quartile.

	First Quartile	Median	Third Quartile	Number of sales
One Bedroom	\$585,000	\$640,000	\$740,000	6
Two Bedrooms	\$623,000	\$708,000	\$825,000	44
Three Bedrooms	\$675,000	\$754,000	\$864,000	70
Four or more Bedrooms	\$905,000	\$1,575,000	\$2,550,000	5

Source: EAC RedSquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- (1) Recorded sales since 1 January 2019.
- (2) Data excludes low cost sales between related people and sales with inadequate data e.g. bedrooms or price not stated.

Table 4.13: Median sales prices for strata properties for Byron LGA by Suburb

	First Quartile	Median	Third Quartile	Number of Sales
Brunswick Heads	\$653,000	\$683,000	\$839,000	9
Byron Bay	\$697,000	\$800,000	\$1,000,000	94
Mullumbimby	\$639,000	\$695,000	\$745,000	6
Ocean Shores	\$435,000	\$615,000	\$683,000	35
South Golden Beach	\$619,000	\$668,000	\$715,000	6
Suffolk Park	\$744,000	\$795,000	\$869,000	20

Source: EAC RedSquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- (1) Recorded sales since 1 January 2019.
- (2) Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.

The tables below show sales data for Byron LGA for vacant land by quartile and for selected suburbs. No vacant land is affordable to any very low or low income household or in any suburb. A first quartile block of land in Byron LGA is affordable to 50% of moderate income households and a median block of land is affordable to 23% of moderate income households.

Table 4.14: Sales for Byron LGA for vacant land by quartile.

	First Quartile	Median	Third Quartile	Number of sales
Vacant land	\$410,000	\$455,000	\$550,000	29

Source: EAC RedSquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- Search excluded properties greater than 1,000 m² in area to exclude rural residential sales.
- Recorded sales since 1 January 2019.
- Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.

Table 4.15: Median sales prices for vacant land for Byron LGA by Suburb

	First Quartile	Median	Third Quartile	Number of Sales
Bangalow	\$440,000	\$460,000	\$500,000	9
Brunswick Heads	\$453,000	\$537,000	\$560,000	5
Mullumbimby	\$380,000	\$398,000	\$408,000	6
Suffolk Park	\$501,000	\$623,000	\$721,000	6

Source: EAC RedSquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- Search excluded properties greater than 1,000 m² in area to exclude rural residential sales.
- Recorded sales since 1 January 2019.
- Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.

4.2.6 Capacity with existing Land use controls

With exception of Lot 22 and the old Mullumbimby hospital land, the land identified for application of the affordable housing contribution scheme is currently in a rural zone with a minimum lot size of 40 ha. As all the lots are of a size smaller than this is minimum it is considered that they are be fully developed under the current zoning.

Lot 22 is zoned which is zoned RE 1 Public Recreation and the old Mullumbimby hospital land is zoned SP2 Infrastructure. Neither of these zonings permits dwellings.

4.2.7 Potential displacement of existing houses due to redevelopment

Three of sub-precinct areas contain rural dwellings. In all cases it is more than likely that these dwellings will be retained and integrated into the subsequent development.

4.3 Affordable Housing Demand

4.3.1 Underlying Demand

As discussed above, an additional 3,393 dwellings are required in Byron LGA between 2016 and 2041, a proportional increase of 20%. Based on the 2019 population projections, 89.7% of the demand for additional dwellings will come from increases in Couple Only and Lone

Person households,¹⁷ suggesting that many of these could be smaller dwellings such as residential flat buildings or multi dwelling housing.

The high levels of rental and purchase stress in Byron LGA, particularly amongst moderate income households (table 4.2 above), the high rate of people living in improvised dwellings and caravan parks, and the relatively high level of workforce containment suggests that people who work in Byron LGA lack options to rent or purchase in cheaper areas and commute into Byron LGA for work.

4.4 Affordable Housing Gaps

The detailed housing market analysis above shows that there are limited opportunities for the market to meet the demand for affordable housing in Byron LGA and significant underlying demand for affordable housing. In addition to this, there is likely to be demand for smaller dwellings such as self-contained units in retirement villages, residential flat buildings and multi-dwelling housing from the increasing number of smaller households and from the generally lower rents and purchase prices (though not affordable) of smaller forms of housing.

The analysis above concludes that there is a gap between the current needs and supply of rental accommodation for very low, low, and moderate income households and so the development of an affordable housing contribution scheme, if viable, is warranted.

¹⁷ JSA apportionment based on household type projections.

5 Appendix B – Viability Assessment

5.1 Tiers

An affordable housing contribution scheme does not enable a planning proposal to upzone. This is the function of a Residential Strategy. That said as the Scheme relies on investigation areas identified in the Council adopted Residential Strategy that hold varying levels of constraints. In recognition, the Scheme applies tiers to the affordable housing contribution areas:

Tier 1: means that subject to site specific investigations this land may be suitable to progressing to a planning proposal to upzone.

Tier 2: means that the land has been flagged by the Department of Planning, Industry and Environment as having significant state matters of concern and hence whilst identified the Scheme these areas are subject to future consideration and resolution of outstanding state matters of concern.

The Tier 2 affordable housing contribution areas are identified and further explained in this section.

The provisions of the Scheme apply to both Tier 1 and Tier 2 affordable contribution areas.

The Affordable Housing Contribution Scheme maps will be adopted as part of the subsequent LEP amendments for individual land parcels at the rezoning stage.

5.2 Part Lot 350/DP755695 Byron Bay

5.2.1 Description

Part of Lot 350/DP755695 comprising 1.8 ha of a total lot size of 15.5 ha is shown as “possible area for residential” on Map 5 of the Council adopted *Byron Shire Residential Strategy*. The land is currently zoned RU2, rural landscape, under Byron LEP 2014 with much of the area shown as Deferred Matter. Other controls include a minimum lot size of 40 Ha and a maximum building height of 9.0 metres. The land is partially cleared and does not contain a dwelling. Under clause 4.2A(3)(a) of Byron LEP 2014, development of a dwelling house on the land is not possible due to the small lot size.

The site is flood prone, with most of the site shown as a no “development area”, and the balance flood affected.¹⁸ The site is likely to require 2.0 metres of fill to allow development.¹⁹ Under Byron LEP 2014, the portion of the site identified as possible area for residential contains class 3 Acid Sulfate Soils.

¹⁸ Byron Shire Council (2015) Belongil Creek Floodplain Risk Management Plan, Figure 7-1.

¹⁹ *Ibid*, Figure 5-1.

The site is about 300 metres or 5 minutes' walk from Belongil Beach, but is separated from the beach by the railway line and some residential development.

5.2.2 Matter of state government concern – Tier 2 Area

Direction 1.2 of Council's adopted Residential Strategy requires land for housing to be suitable for the use. Whilst this site is identified as an investigation area in the adopted Strategy, Council has commenced work to provide an updated coastal hazard assessment as part of its Coastal Management Program. This may result in changes to the 100-year coastal hazard line encroaching further landward. The NSW Department of Planning, Industry and Environment (Biodiversity and Conservation Division) has recommended that it be removed from the Residential Strategy an urban investigation area until this work is completed, and an informed decision can be made on the suitability for inclusion in the strategy. As such this land is categorised as a Tier 2 Affordable Contribution Area.

Affordable Housing Contribution Scheme 01 - Byron Bay

NOTE: This map is for illustrative purposes only

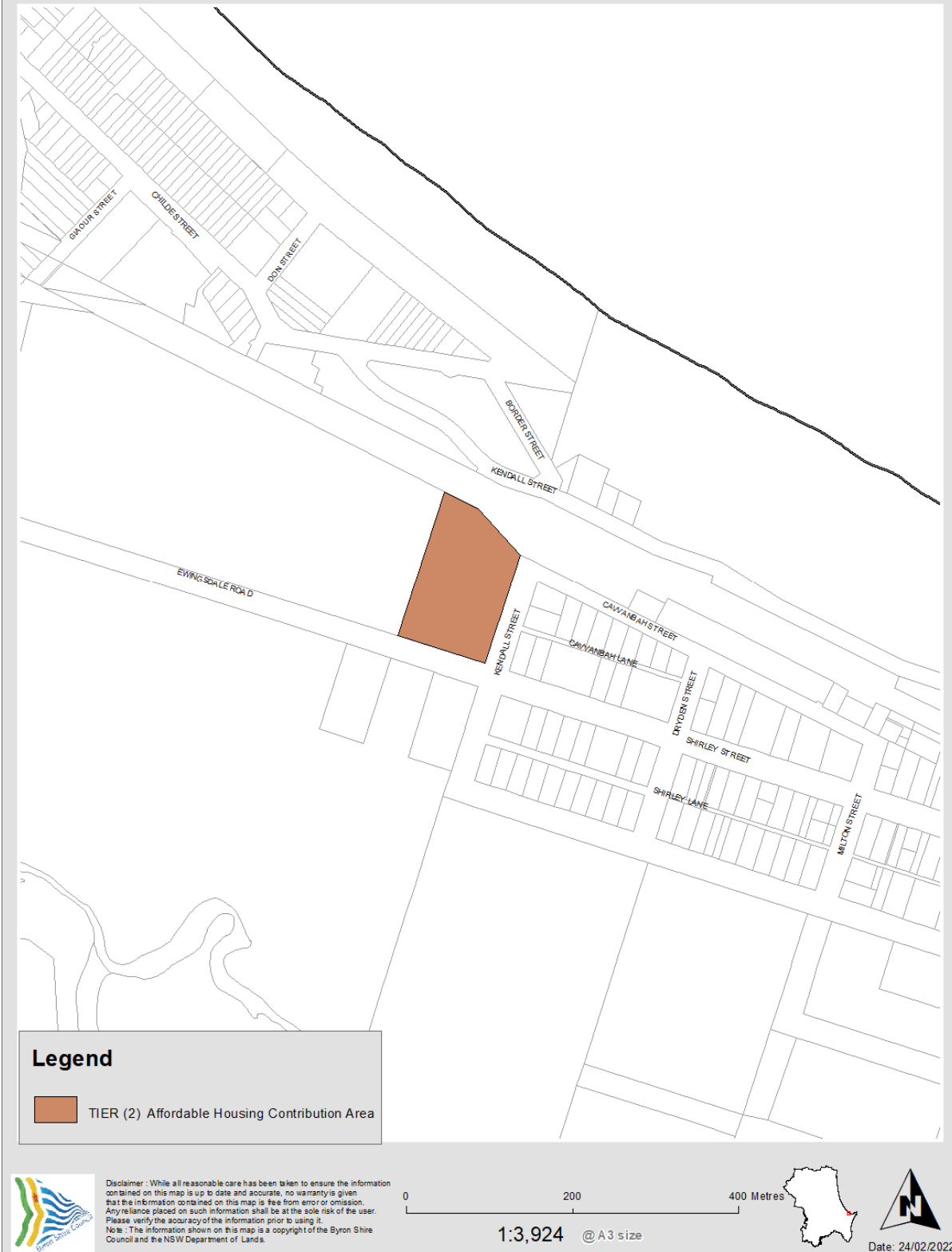


Figure 5.1: Affordable Housing Contribution Area: Part Lot 350/DP755695 Byron Bay

Source: Byron Shire Council

5.2.3 Current value of land

The land is currently undevelopable owing to its zoning, small size and propensity for flooding. No similar recent sales were identified in Byron Bay Suburb. A linear regression analysis was carried out on sales of vacant land in Byron Shire sized between 1.0 ha and 39.9 ha for the two years from 1 January 2018 to date. The area of the land was not statistically significant ($p=0.903$, $\beta=-2,834.4$, $n=30$), suggesting that sales price is largely independent of the size of the lot for this type of land. On average, such lots sold for \$725,000 ($p=0.000$), with a 95% confidence range of \$380,000 - \$1,070,000. Given the proximity of the land to the high value suburb of Byron Bay, the upper value is appropriate.

5.2.4 Expected sales price of developed land

The value of the land is expected to increase markedly with changes to planning controls allowing residential development, particularly due to its proximity to Belongil Beach. There are three recent sales in the area which inform the expected sales price of lots in the proposed area. These are 16 Kendall St., 28 Cavvanbah St. and 22 Cavvanbah St, Byron Bay.

Sixteen Kendall St. is located on the beach front, and about 100 metres from the proposed area. It is a vacant strata lot of about 735 m² and was sold on 2 August 2019 for \$2,000,000.²⁰

28 Cavvanbah St is located in similar proximity to Belongil Beach as the proposed area. It contains a five-bedroom house with five bathrooms and five parking spaces on a block of 866 m², and was sold on 24 July 2019 for \$3,200,000.²¹

22 Cavvanbah St. is located in similar proximity to Belongil Beach as the proposed area. It contains a two-bedroom house with one bathroom and one parking space on a block of 677 m², and was sold on 14 August 2018 for \$1,850,000.²²

A multi-variate linear regression analysis has been conducted for residential property sales in Byron Bay to understand the effects on sales price of changing site area and of dwelling size. Results are reported in the table 5.1.1 below.

Table 5.1.1: Multi-variate linear regression analysis for residential property sales in Byron Bay ($R^2=0.19$)

Parameter	Value	'p' value
Number of Bedrooms	-\$51,689	0.830
Number of Bathrooms	\$545,820	0.009

²⁰ EAC RedSquare data base and <https://www.realestate.com.au/property-residential+land-nsw-byron+bay-202305190> accessed 8 January 2020.

²¹ EAC RedSquare data base.

²² EAC RedSquare data base.

Number of Parking Spaces -\$289,060 0.036

Area (m²) \$1,586.50 0.094

Constant \$346,650 0.658

Source: EAC RedSquare data base accessed 7 January 2020, JSA calculation

Table Notes:

- Data excluded properties greater than 1,000 m² in area to exclude rural residential sales.
- Recorded sales since 1 January 2019.
- Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.

The table below shows estimates for sales price for lots in the proposed area based on recent sales and adjusted for the value of housing where applicable using data from the regression analysis above. Two options are considered for the proposed area. The first is 13 dwellings/ha or an average lot size of 770 m². The second is 20 dwellings/ha or an average lot size of 500 m².

Table 5.1.2 below shows the estimated sales price of lots in the proposed area under various assumptions.

Table 5.1.2: Estimated sales price of lots in the proposed Byron Bay AHC area under varying assumptions

Lot size	16 Kendall Street	28 Cavvanbah Street	22 Cavvanbah Street	Value assumed for modelling
770 m ²	\$2,056,000	\$2,022,000	\$1,844,000	\$1,974,000
500 m ²	\$1,627,000	\$1,594,000	\$1,416,000	\$1,546,000

Source: JSA calculation

Assuming a 15 metre frontage for each lot and a road reserve of 16.0 metres, and that any allowance for open space can be accommodated in the undeveloped portion of the lot, it is estimated that 86% of the area can be sold for 770 m² lots and 80% of the area can be sold for 500 m² lots. Accordingly, the 1.8 ha site is estimated to yield twenty 770 m² lots with a gross sales income of \$39 million or twenty-eight 500 m² lots with a gross sales income of \$43 million.

5.2.5 Development Cost

The following assumptions have been used in estimating development cost:

- Average lot size 500 m² with frontage of 15 metres;
- The entire 1.8 ha site will be developed, with any requirement for open space accommodated in the undeveloped portion of the lot (Some RE1 zoning required on this portion);

- Road reserve 16.0 metres wide with 8.0 metre wide pavements;
- Developed area to be filled by 2.0 metres;
- Extension of sewer and water trunk mains and any amplification works by Council using a Section 64 Contribution Plan;
- Underground power and phone; and
- Acid sulfate soil treatment not required (no excavation greater than 1.0 metre deep required).

The total development cost (including financing) has been estimated at \$8.9 million.

5.2.6 Viability Assessment

Viability for the imposition of an affordable housing contribution has been assessed using the method set out in the *SEPP 70 Affordable Housing Viability Tool*.

Details are shown on spreadsheets appended as Appendix D.

The assessment shows that development of the site for a residential subdivision will be viable with an affordable housing contribution equivalent to 75% of lots.

5.3 Various lots in and around Mullumbimby

5.3.1 Description

Eight areas comprising 62.4 ha are shown as “possible area for residential” on Map 1 of the Council adopted *Byron Shire Residential Strategy*.

Details of the various parcels are shown in table 5.2.1 below.

Table 5.2.1: Possible AHC areas for residential, Mullumbimby

Parcel	Area	Lot details	Zoning	Nature	Minimum lot size	Creek?	Flood prone	Acid Sulfate
East of railway line and south of Ann Street	14.6 ha	Lot 1 DP1032298	RU2/RU1	Contains a dwelling	40 ha	Yes	No	No
East of railway line and south of Hollingsworth Lane	4.4 ha	Part of Lot 2 DP1032298	RU1	Affected area contains two dwellings	40 ha	Yes	No	No
West of railway line and south of Saltwater Creek	25 ha	Part of Lot 22 DP1073165	RE1	Vacant land	Dwelling houses not permitted	Yes	No	No

Parcel	Area	Lot details	Zoning	Nature	Minimum lot size	Creek?	Flood prone	Acid Sulfate
East of Coolamon Scenic Drive	11.3 ha	Lot 31 DP1222932 and Lot 1 DP1209362 (9.8 ha)	RU1	Contains a dwelling	40 ha	Yes	No	No
		Lot 1 DP748729 (1.0 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 2 DP748729 (1.0 ha)	RU1	Contains a dwelling	40 ha	No	No	No
East of Poplar Street	0.7 ha	Part of Lot 76 DP755722 (2.2 ha)	RU2	Contains a dwelling	40 ha	No	No	No
		Part of Lot 77 DP755722 (1.2 ha)	RU2	Contains a dwelling	40 ha	No	No	No
Main Arm Road	1.8 ha	Part Lot 1 DP1222185	RU1	Contains a dwelling	40 ha	No	No	No
Azalea St old Mullumbimby hospital	3 ha	Part of Lot 188, Lot 1 DP 1159861 and Lot 138 DP 755722	SP2	Vacant	n/a	No	No	Yes in part
Tuckaroo Av	1.6 ha	Part of Lot PT32 DP1169053	R5 Large lot residential	Vacant	4000m2	No	No	No

Source: Byron Shire 2019, Byron LEP 2014, EAC RedSquare data base

5.3.2 Matter of state government concern – Tier 2 Areas

Under Direction 1.1 of the Council's adopted Residential Strategy the planning approach is to make efficient use of land and infrastructure. However, the NSW Department of Primary Industries – Agriculture has formally objected to Areas 8 & 9 (as referenced in Council adopted draft residential strategy Map 1) being included as investigation areas in the Residential Strategy on grounds that *'DPI does not agree with Council that the land meets the North Coast Regional Plan (NCRP) Variation Principles on the basis that these sites have no natural barriers separating them from the adjacent farmland to the east. We (DPI) also do not accept that this is a minor rounding off' in accordance with the Farmland Protection Project Final recommendations.*

DPI accepts that on occasion land identified as State or regionally significant farmland will need to be developed. However, this development should be avoided if possible and, in this case, a number of factors indicate there is not yet a need to undermine the protections afforded agricultural land on the North Coast.'

Given DPI's policy position on these areas, it is considered that additional urban land should be initially sourced from the other investigation areas identified in Table 5.2.1. As such the areas have been categorised as a Tier 2 Affordable Contribution Area.

Affordable Housing Contribution Scheme 01 - Mullumbimby

NOTE: This map is for illustrative purposes only

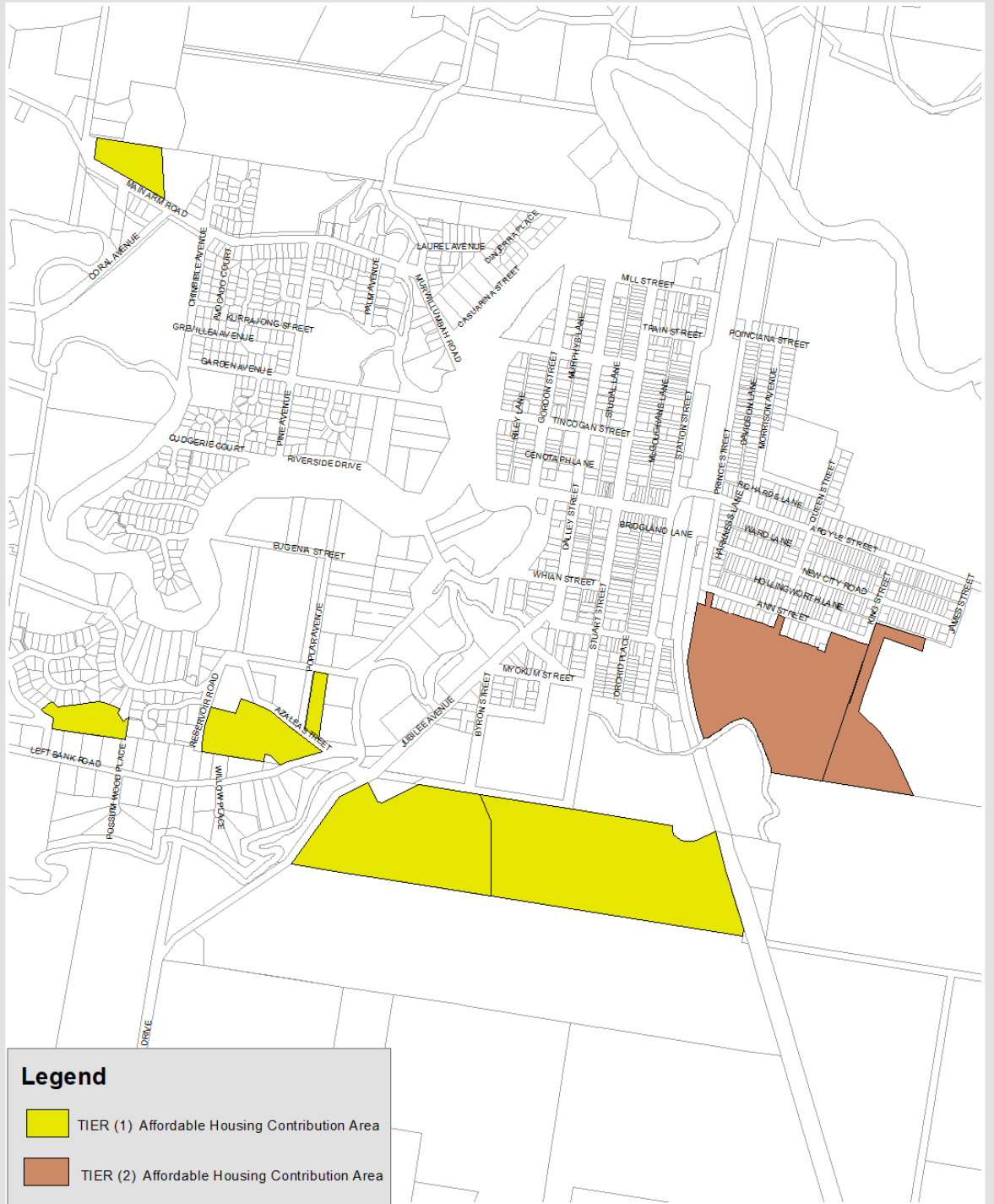


Figure 5.2: Affordable Housing Contribution Areas: Various lots in and around Mullumbimby

Source: Byron Shire Council

5.3.3 Current value of land

A linear regression analysis was carried out on sales of land in Mullumbimby sized larger than 1.0 ha for the three years from 1 January 2017 to date. Results are shown in the table below.

Table 5.2.2: Multi-variate linear regression analysis for rural property sales in Mullumbimby (R²=0.86, n=12)

Parameter	Value	'p' value
Number of Bathrooms	\$271,800	0.000
(Used as a proxy for dwelling size and amenity)		
Area (ha)	\$18,464	0.001
Constant	\$679,670	0.003

Source: EAC RedSquare data base accessed 9 January 2020, JSA calculation

Table Notes:

- Data excluded properties smaller than 1 ha as a proxy for rural residential sales.
- Recorded sales since 1 January 2017.
- Data excludes low-cost sales between related people and sales with inadequate data e.g. price not stated.
- Prices adjusted for change over time.

The results suggest that the marginal cost of reducing the area of a rural block containing a residence in Mullumbimby suburb is low, with most of the value associated with the location (as represented by the constant) and the dwelling (represented by the number of bathrooms). Modelling is based on subdividing off an existing house with one or more hectares of land to remove the major source of variation in prices, and subdivide the remainder of the block, with a marginal cost per hectare of \$18,000, and a 95% confidence range of \$12,000-\$25,000 per hectare. The sale of the existing house and land would be expected to recoup most of the current value of the land.

5.3.4 Expected sales price of developed land

There were 21 sales of vacant land in Mullumbimby Suburb for the two years from 1 January 2018, ranging in size from 516 m² to 1,336m². Sales over 1,500 m² or with insufficient information were not considered.²³

²³ EAC RedSquare Data Base, accessed 9 January 2020.

A multi-variate linear regression analysis has been conducted for these sales to understand the effects on sales price of changing site area and of dwelling size. The analysis was adjusted to account for price changes over time. Results are reported in the table below.

Table 5.2.3: Multi-variate linear regression analysis for vacant land sales in Mullumbimby (R²=0.62, n=21)

Parameter	Value	'p' value	95% confidence range
Area (m ²)	\$212.09	0.000	\$138.65-\$285.53
Constant	\$255,640	0.000	\$182,199-\$329,081

Source: EAC RedSquare data base accessed 8 January 2020, JSA calculation

Table Notes:

- Data excluded properties greater than 1,500 m² in area to exclude rural residential sales.
- Recorded sales since 1 January 2018.
- Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.
- Prices adjusted for time

The table below shows estimates for sales price for lots in the proposed area based on recent sales using data from the regression analysis above. Two options are considered for the proposed area. The first is 13 dwellings/ha or an average lot size of 770 m². The second is 16.7 dwellings/ha or an average lot size of 600 m². The third is 20 dwellings/ha or an average lot size of 500 m².

The table below shows the estimated sales price of lots in the proposed area under various assumptions.

Table 5.2.4: Estimated sales price of lots in the proposed area under varying assumptions

Lot size	Average price	Lower bound	Upper bound	Value assumed for modelling
770 m ²	\$419,000	\$289,000	\$549,000	\$419,000
600 m ²	\$383,000	\$265,000	\$500,000	\$383,000
500 m ²	\$362,000	\$252,000	\$472,000	\$362,000

Source: JSA calculation

Assuming a 15-metre frontage for each lot and a road reserve of 16.0 metres, and that any allowance for open space can be accommodated in the undeveloped portion of the lot, it is estimated that 86% of the area can be sold for 770 m² lots, 83% of the area can be sold for 600 m² lots and 80% of the area can be sold for 500 m² lots. Accordingly, a 1 ha site is estimated to yield eleven 770 m² lots with a gross sales income of \$4.6 million, thirteen 600 m² lots with a gross sales income of \$5.0 million or sixteen 500 m² lots with a gross sales income of \$5.8 million. A hypothetical 10 ha site would have gross sales income of \$46 – 58 million.

5.3.5 Development Cost

Assumptions

The following assumptions have been used in estimating development cost:

- Average lot size 600 m² with frontage of 15 metres;
- Existing dwellings are sold or rented in order to offset holding costs;
- Of the possible 57.8 ha, 7 ha will not be developed due to the presence of existing housing;
- Thirty percent of the site will be lost to development due to riparian areas and areas subject to flooding;
- Any requirement for open space can be accommodated in the undeveloped portion of the lot (Some RE1 zoning required on this portion);
- Road reserve 16.0 metres wide with 8.0 metre wide pavements;
- Developed area to be cut and filled on average by 0.5 metres;
- Underground power and phone; and
- Extension of sewer and water trunk mains and any amplification works by Council using a Section 64 Contribution Plan.

Modelling has been carried out for a hypothetical 10 ha site yielding 96 lots.

The total development cost (including finance costs) for a typical 10 ha subdivision has been estimated at \$11.8 million.

5.3.6 Viability Assessment

Viability for the imposition of an affordable housing contribution has been assessed using the method set out in the *SEPP 70 Affordable Housing Viability Tool*.

Details are shown on spreadsheets appended as Appendix D.

The assessment shows that development of the site for a residential subdivision will be viable with an affordable housing contribution equivalent to 62% of lots.

5.4 Various lots in and around Bangalow

5.4.1 Description

Three areas comprising 9.7 ha are shown as “possible area for residential” on Map 2 of the *Byron Shire Residential Strategy*.

Details of the various parcels are shown in the table below.

Table 5.3.1: Possible AHC area for residential, Bangalow

Parcel	Area	Lot details	Zoning	Nature	Minimum lot size	Creek?	Flood prone	Acid Sulfate
Ballina Road near Hinterland Way	0.8 ha	Lot 1 DP614715 (0.3 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 3 DP702168 (0.4 ha)	RU1	Contains cabins	40 ha	No	No	No
Ballina Road south of Byron Bay Road	5.4 ha	Lot 1 DP1125857 (1.5 ha)	RU1	Contains Bangalow Sikh Temple	40 ha	Yes	No	No
		Lots 23, 24, 25 DP6478 (0.6 ha)	RU1	Contains 3 dwellings	40 ha	Yes	No	No
		Lot 7 DP111819 and Lot 1 DP301392 (0.4 ha)	RU1	Contains a dwelling	40 ha	Yes	No	No
		Lot 1 DP371410 (0.6 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 1 DP974496 (0.4 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 1 DP931195 (0.4 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 23 DP1070522 (4.9 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 1 DP 1069720 (0.3 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 2 DP233797 and Lot 2 DP313475 (0.9 ha)	RU1	Contains a dwelling	40 ha	No	No	No

Parcel	Area	Lot details	Zoning	Nature	Minimum lot size	Creek?	Flood prone	Acid Sulfate
		Lot 1 DP233797 (0.1 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 1 DP961064 (0.1 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 1 DP613935 (0.1 ha)	RU1	Contains a dwelling	40 ha	No	No	No
		Lot 1 DP1086364 (0.7 ha)	RU1	Contains a dwelling	40 ha	No	No	No
	1.8 ha	Lot 2 DP 1260751	1A	Vacant land	40 ha	Yes	Yes	No
Satinash Cres		Lot 348 P 755695	RU2	Contains a dwelling	40 h	No	No	No
Near Granuaille Crescent	3.5 ha	Part Lot 11 DP807867 and Lot 182 DP1000507 (1.9 ha)	RU2	Contains a dwelling	40 ha	No	No	No
		Part Lot 261 and Lot 262 DP 1262316	RU1/RU2	Vacant land	40 ha	No	No	No

Source: Byron Shire 2019, Byron LEP 2014, EAC RedSquare database

Affordable Housing Contribution Scheme 01 - Bangalow

NOTE: This map is for illustrative purposes only

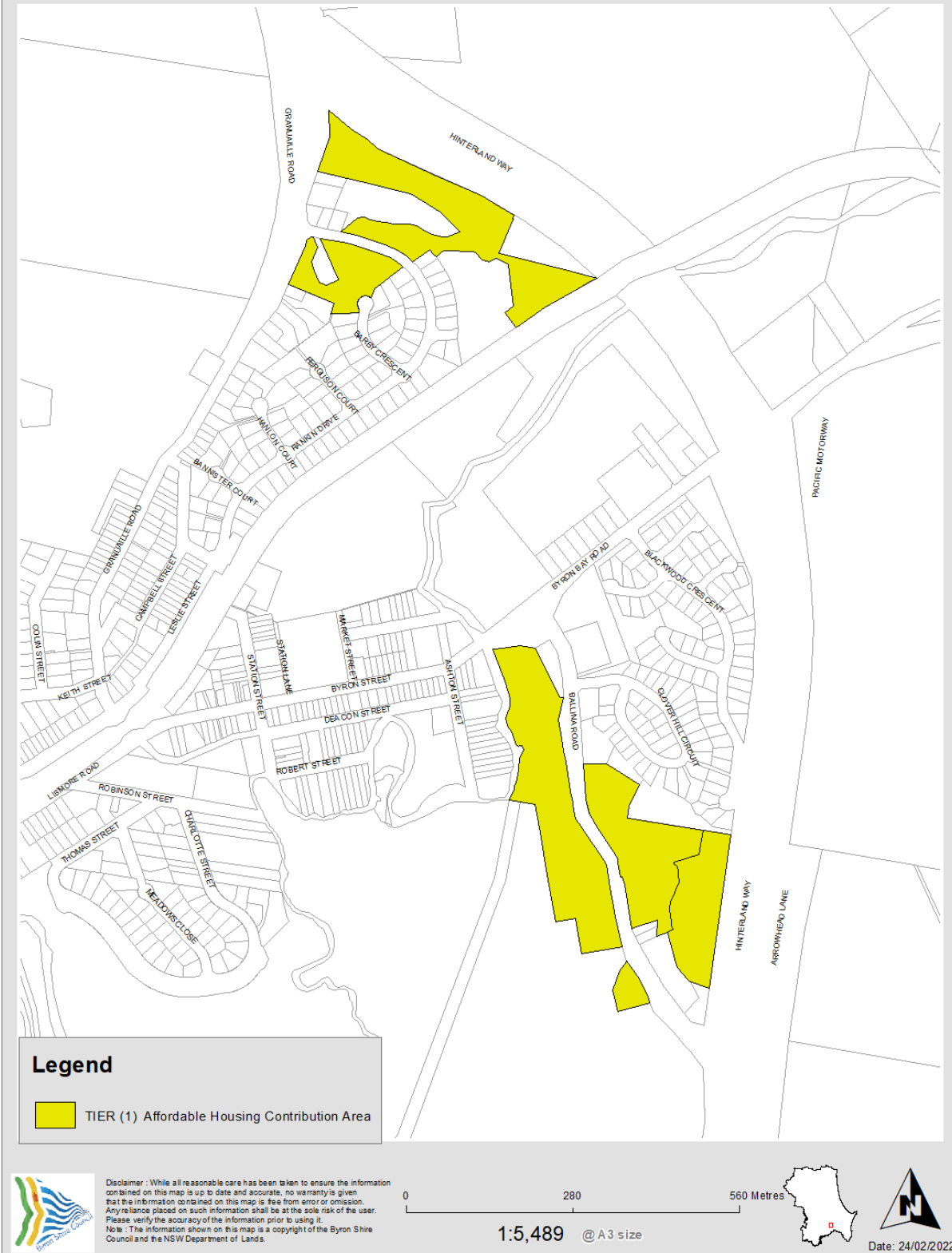


Figure 5.3: Affordable Housing Contribution Areas: Various lots in and around Bangalow

Source: Byron Shire Council

5.4.2 Current value of land

A linear regression analysis was carried out on sales of land in Bangalow for the period 1 January 2019 to date. Results are shown in the table below.

Table 5.3.2: Multi-variate linear regression analysis for property sales in Bangalow (R²=0.76, n=28)

Parameter	Value	'p' value
Number of Bedrooms	\$116,780	0.110
Number of Bathrooms	(\$74,607)	0.367
Number of Parking spaces	(\$62,315)	0.223
Area (m ²)	\$53.07	0.000
Constant	\$939,520	0.006

Source: EAC RedSquare data base accessed 9 January 2020, JSA calculation

Table Notes:

- Recorded sales since 1 January 2019.
- Data excludes low-cost sales between related people and sales with inadequate data e.g. price or bedrooms not stated.
- Data adjusted for time

The results suggest that the marginal cost of reducing the area of a rural block containing a residence in Bangalow suburb is \$530,700 per hectare. Modelling assumes that the developer will subdivide off an existing house, and subdivide the remainder of the block, with a marginal cost per hectare of \$530,700, and a 95% confidence range of \$412,000-\$649,000 per hectare.

5.4.3 Expected sales price of developed land

There were 11 sales of vacant land in Bangalow Suburb for the year from 1 January 2019, ranging in size from 455 m² to 801 m². Sales over 1,000 m² or with insufficient information were not considered.²⁴

A multi-variate linear regression analysis has been conducted for these sales to understand the effects on sales price of changing site area. The analysis was adjusted to account for price changes over time. Results are reported in the table below.

²⁴ EAC RedSquare Data Base, accessed 9 January 2020.

Table 5.3.3: Multi-variate linear regression analysis for vacant land sales in Bangalow (R2=0.15, n=11)

Parameter	Value	'p' value	95% confidence range
Area (m ²)	\$276.51	0.225	(\$135.68)-\$688.70
Constant	\$369,640	0.015	\$134,832-\$604,448

Source: EAC Redsquare data base accessed 8 January 2020, JSA calculation

Table Notes:

- Data excluded properties greater than 1,000 m² in area to exclude rural residential sales.
- Recorded sales since 1 January 2019.
- Data excludes low cost sales between related people and sales with inadequate data e.g. price not stated.

There were six land sales in a newly constructed subdivision on Clover Hill Circuit. The average sales price for these lots was \$466,000, with an average size of 590 m². The modelling data in the table above overpredicts prices in this development by an average of 15% across six sales.

The table below shows the estimated sales price of lots in the proposed area under various assumptions. The value assumed for modelling takes into account the overestimate of values in Clover Hill Circuit.

Two options are considered for the proposed area. The first is 13 dwellings/ha or an average lot size of 770 m². The second is 20 dwellings/ha or an average lot size of 500 m².

Table 5.3.4: Estimated sales price of lots in the proposed area under varying assumptions

Lot size	Average price	Lower bound	Upper bound	Value assumed for modelling
770 m ²	\$583,000	\$30,000	\$1,135,000	\$507,000
500 m ²	\$508,000	\$67,000	\$949,000	\$442,000

Source: JSA calculation

Assuming a 15 metre frontage for each lot and a road reserve of 16.0 metres, and assuming no allowance is required for open space, it is estimated that 86% of the area can be sold for 770 m² lots and 80% of the area can be sold for 500 m² lots. Accordingly, a 1.0 ha site is estimated to yield eleven 770 m² lots with a gross sales income of \$5.6 million or sixteen 500 m² lots with a gross sales income of \$7.1 million.

5.4.4 Expected development cost

Assumptions

The following assumptions have been used in estimating development cost:

- Average lot size 500 m² with frontage of 15 metres;
- Existing dwellings are sold or rented in order to offset holding costs;
- Of the possible 9.7 ha, 1 ha will not be developed due to the presence of existing housing;
- Fifteen percent of the site will be lost to development due to riparian areas, noting that around half the sites are not affected;
- No requirement for open space;
- Road reserve 16.0 metres wide with 8.0 metre wide pavements;
- Developed area to be cut and filled on average by 0.5 metres;
- Underground power and phone; and
- Extension of sewer and water trunk mains and any amplification works by Council using a Section 64 Contribution Plan.

Modelling has been carried out for a hypothetical 1 ha site yielding 13 lots.

The total development cost (including finance costs) for a typical 1 ha subdivision has been estimated at \$1.5 million.

5.4.5 Viability Assessment

Viability for the imposition of an affordable housing contribution has been assessed using the method set out in the *SEPP 70 Affordable Housing Viability Tool*.

Details are shown on excel spreadsheets appended as Appendix D.

The assessment shows that development of the site for a residential subdivision will be viable with an affordable housing contribution equivalent to 46% of lots.

Images of the worksheets are provided on the following pages.

BYRON BAY

UPZONED VALUE	Without an Affordable Housing Developer Contribution			VIABLE	Byron Bay Suffolk Park
	QUANTITY	UNIT	RATE	TOTAL	

REVENUE:				
Gross Area (ha)				1.8
Developable Area (ha) (deducting flood prone land etc but including roads)	100.0%			1.8
Saleable lots (500 m2 lots deducting 16 metre road reserve):	28.0	500		28.0
Sales price per lot				\$ 1,546,000.00
Gross Realisation Value				\$ 43,288,000.00
LESS				
Selling Commission and Marketing Costs	4.0%			\$ 1,731,520.00
GST on Revenue	10.0%			\$ 3,935,272.73
Net Realisation				\$ 37,621,207.27
Profit and Risk Allowance	18.0%			\$ 5,738,828.23
Available funds for project				\$ 31,882,379.04

DEVELOPMENT COSTS:				
<i>Preliminaries:</i>				
Fencing to site	643.0 metre		\$ 40.00	\$ 25,720
Site office	104.0 week		\$ 94.00	\$ 9,776
luncheon	104.0 week		\$ 118.00	\$ 12,272
Toilets	104.0 week		\$ 210.00	\$ 21,940
Storage shed	104.0 week		\$ 50.00	\$ 5,200
Allowance for connections power water phone	1.0 item		\$ 20,000.00	\$ 20,000
Allowance for user charges	104.0 week		\$ 400.00	\$ 41,600
Project Manager	2.0 year		\$ 150,000.00	\$ 300,000
Foreman	2.0 year		\$ 150,000.00	\$ 300,000
Surveyor	2.0 year		\$ 150,000.00	\$ 300,000
Insurance	0.20% item		\$ 10,850.00	\$ 12,000
DA Fees	1.0 item		\$ 2,485.00	\$ 2,485
Subdivision fees	1.0 item		\$ 3,615.00	\$ 3,615
CC fees	1.0 item		\$ 5,040.00	\$ 5,040
Inspection fees	20.0 hours		\$ 180.00	\$ 3,600
<i>Site preparation and earthworks:</i>				
Clear site	18,000.0 m ²		\$ 0.54	\$ 9,720.00
Remove trees	100.0 each		\$ 163.00	\$ 16,300.00
Silt fence	200.0 metre		\$ 16.50	\$ 3,300.00
Strip topsoil 200 mm thick	3,600.0 m ³		\$ 5.65	\$ 20,340.00
Fill site to 2 metres	35,000.0 m ³		\$ 8.20	\$ 287,000.00
allowance for extra transport (40 km)	35,000.0 m ³		\$ 24.80	\$ 868,000.00
<i>Road:</i>				
allow 300 metres of roadway including kerbs	300.0 metre		\$ 530.00	\$ 159,000.00
<i>Stormwater:</i>				
Stormwater drainage 300 dia	300.0 metre		\$ 158.60	\$ 47,580
Pits	10.0 each		\$ 3,810.00	\$ 38,100
Excavate and backfill	180.0 m ³		\$ 61.50	\$ 11,070
<i>Water:</i>				
Water reticulation 150 diameter	300.0 metre		\$ 174.00	\$ 52,200
Fittings and valves	15.0 each		\$ 700.00	\$ 10,500
Excavate and backfill	180.0 m ³		\$ 61.50	\$ 11,070
<i>Sewer:</i>				
Sewer reticulation 150 diameter	300.0 metre		\$ 174.00	\$ 52,200
manholes	10 each		\$ 3,810.00	\$ 38,100
Excavate and backfill	180 m ³		\$ 61.50	\$ 11,070
<i>Electricity and communications:</i>				
Electricity reticulation 200A underground	300.0 metre		\$ 451.00	\$ 135,300
Transformer pole mounted	1.0 item		\$ 32,000.00	\$ 32,000
Communications	300.0 metre		\$ 40.00	\$ 12,000
<i>Landscaping:</i>				
Allowance for streetscape	28.0 lot		\$ 2,500.00	\$ 70,000
Allowance for local park	1.0 item		\$ 300,000.00	\$ 300,000

SUBTOTAL 1 \$ 3,280,938.00

Professional fees	10.0%			\$ 328,093.80
Contingency	20.0%			\$ 656,187.60
SUBTOTAL 2				\$ 4,265,297.40
Regional index adjustment	104.0			\$ 4,435,509.30
CPI adjustment	1.0164931			\$ 4,509,070.99
s7.11 contributions	28.0 lots		\$ 13,311.00	\$ 372,708.00
Section 64 Contributions	28.0 lots		\$ 20,115.00	\$ 563,220.00
Current land valuation	1,070,000			
Land Tax	1.6% of every \$1 over \$75k + \$100	2% of every \$1 over \$4,488k		\$ 10,952.00
Council Rates	2.0 year		\$ 2,000.00	\$ 4,000.00

Land Valuation	Rate %	Threshold	Standard Tax
Basic Land Tax	1.6%	75,000	100
Premium Land Tax	2.0%	4,488,000	80,164

TOTAL DEVELOPMENT COSTS \$ 5,459,950.99

FINANCING COSTS:				
<i>Construction finance costs</i>				
Interest rate	6.0%			
Construction period	24.0 months			\$ 327,597.06
<i>Land finance costs</i>				
Interest rate	6.0%			\$ 3,131,379.72
Project lead in period	0.0 months			
Construction period	24.0 months			
TOTAL FINANCING COSTS				\$ 3,458,976.78

UPZONED RESIDUAL LAND VALUE				\$ 22,963,451.27
LAND VALUE				\$ 1,070,000.00
+ PREMIUM	30.0%			\$ 1,391,000.00
	Without an Affordable Housing Developer Contribution			VIABLE

UPZONED VALUE (WITH AFFORDABLE HOUSING)	Affordable Housing Developer Contribution of 75%			VIABLE
	QUANTITY	UNIT	RATE	TOTAL

Affordable Housing Contribution	75.0%			
Saleable lots (500 m2 lots with 16 metre road reserve):				7.00
Sales price per lot				\$ 1,546,000.00
Gross Realisation Value				\$ 10,822,000.00
LESS				
Selling Commission and Marketing Costs	4.0%			\$ 432,880.00
GST on Revenue	10.0%			\$ 983,818.18
Net Realisation				\$ 9,405,301.82
Profit and Risk Allowance	18.0%			\$ 1,434,707.05
Available funds for project				\$ 7,970,594.76
Development Costs				\$ 5,459,950.99
Construction finance costs				\$ 327,597.06
Land finance costs				\$ 261,965.60
Interest rate	6.0%			
Project lead in period	0.0 months			
Construction period	24.0 months			

UPZONED RESIDUAL LAND VALUE WITH AFFORDABLE HOUSING				\$ 1,921,081.10
	Affordable Housing Developer Contribution of 75%			VIABLE

MULLUMBIMBY

UPZONED VALUE

Without an Affordable Housing Developer Contribution				WABRE	Mullumbimby
	QUANTITY	UNIT	RATE	TOTAL	Description
REVENUE:					
Gross Area (ha)					10.0
Developable Area (ha) (deducting flood prone land etc but including roads)	70.0%				7.0
Saleable lots (600 m2 lots deducting 16 metre road reserve):	96.0	600			96.0
Sales price per lot				\$	383,000.00
Gross Realisation Value				\$	36,768,000.00
LESS					
Selling Commission and Marketing Costs	4.0%			\$	1,470,720.00
GST on Revenue	10.0%			\$	3,342,545.45
Net Realisation				\$	31,954,734.55
Profit and Risk Allowance	18.0%			\$	4,874,451.03
Available funds for project				\$	27,080,283.51

DEVELOPMENT COSTS:

Preliminaries:					
Fencing to site	1,500.0	metre	\$	40.00	\$ 60,000
Site office	104.0	week	\$	94.00	\$ 9,776
lunchroom	104.0	week	\$	118.00	\$ 12,272
Toilets	104.0	week	\$	210.00	\$ 21,840
Storage shed	104.0	week	\$	50.00	\$ 5,200
Allowance for connections power water phone	1.0	item	\$	20,000.00	\$ 20,000
Allowance for user charges	104.0	week	\$	400.00	\$ 41,600
Project Manager	2.0	year	\$	150,000.00	\$ 300,000
Foreman	2.0	year	\$	150,000.00	\$ 300,000
Surveyor	2.0	year	\$	150,000.00	\$ 300,000
Insurance	0.20%	item	\$	18,196.04	\$ 36,000
DA Fees	1.0	item	\$	6,905.00	\$ 6,905
Subdivision fees	1.0	item	\$	11,775.00	\$ 11,775
CC fees	1.0	item	\$	17,280.00	\$ 17,280
Inspection fees	40.0	hours	\$	180.00	\$ 7,200
Site preparation and earthworks:					
Clear site	70,000.0	m ²	\$	0.54	\$ 37,800.00
Remove trees	100.0	each	\$	163.00	\$ 16,300.00
Silt fence	600.0	metre	\$	16.50	\$ 9,900.00
Strip topsoil 200 mm thick	14,000.0	m ³	\$	5.65	\$ 79,100.00
Cut and fill site average 0.5 metres	35,000.0	m ³	\$	11.30	\$ 395,500.00
Road:					
allow # metres of roadway including kerbs	792.0	metre	\$	530.00	\$ 419,760.00
Stormwater:					
Stormwater drainage 300 dia	792.0	metre	\$	158.60	\$ 125,611
Pits	26.4	each	\$	3,810.00	\$ 100,584
Excavate and backfill	475.2	m ³	\$	61.50	\$ 29,225
Water:					
Water reticulation 150 diameter	792.0	metre	\$	174.00	\$ 137,808
Fittings and valves	39.6	each	\$	700.00	\$ 27,720
Excavate and backfill	475.2	m ³	\$	61.50	\$ 29,225
Sewer:					
Sewer reticulation 150 diameter manholes	792.0	metre	\$	174.00	\$ 137,808
	26.4	each	\$	3,810.00	\$ 100,584
Excavate and backfill	475.2	m ³	\$	61.50	\$ 29,225
Electricity and communications:					
Electricity reticulation 200A underground	792.0	metre	\$	451.00	\$ 357,192
Transformer pole mounted	3.0	item	\$	32,000.00	\$ 96,000
Communications	792.0	metre	\$	40.00	\$ 31,680
Landscaping:					
Allowance for streetscape	96.0	lot	\$	2,500.00	\$ 240,000
Allowance for local park	1.0	item	\$	300,000.00	\$ 300,000

SUBTOTAL				\$	3,850,859.60
Professional fees	10.0%			\$	385,086.96
Contingency	20.0%			\$	770,173.92
SUBTOTAL2				\$	5,006,130.48

Regional index adjustment	104.0			\$	5,206,375.70
CPI adjustment	1,016,493.1			\$	5,292,244.74
1713 contributions	96.0	lots	\$	19,704.43	\$ 1,891,625.28
Section 64 Contributions	96.0	lots	\$	20,115.00	\$ 1,931,040.00
Current land valuation	1,200,000				
Land Tax	1.6% of every \$1 over \$734k + \$160	2% of every \$1 over \$4,488k		\$	15,112.00
Council Rates		2.0 year	\$	2,000.00	\$ 4,000.00

Land Valuation	Rate %	Threshold	Standard Tax
Basic Land Tax	1.6%	734,000	100
Premium Land Tax	2.0%	4,488,000	60,164

TOTAL DEVELOPMENT COSTS

TOTAL DEVELOPMENT COSTS				\$	9,134,022.02
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FINANCING COSTS:

Construction finance costs					
Interest rate	6.0%				
Construction period	24.0	months		\$	548,041.32
Land finance costs					
Interest rate	6.0%			\$	2,087,786.42
Project lead in period	0.0	months			
Construction period	24.0	months			
TOTAL FINANCING COSTS				\$	2,635,827.74

UPZONED RESIDUAL LAND VALUE

UPZONED RESIDUAL LAND VALUE				\$	15,310,433.75
LAND VALUE				\$	250,000.00
+ PREMIUM	30.0%			\$	325,000.00

UPZONED VALUE (WITH AFFORDABLE HOUSING)

Affordable Housing Developer Contribution of 62%				WABRE	Mullumbimby
	QUANTITY	UNIT	RATE	TOTAL	Description
Affordable Housing Contribution	62.0%				
Saleable lots (600 m2 lots with 16 metre road reserve):					36.00
Sales price per lot				\$	383,000.00
Gross Realisation Value				\$	13,788,000.00
LESS					
Selling Commission and Marketing Costs	4.0%			\$	551,520.00
GST on Revenue	10.0%			\$	1,253,454.55
Net Realisation				\$	11,983,025.45
Profit and Risk Allowance	18.0%			\$	1,827,919.14
Available funds for project				\$	10,155,106.32
Development Costs					
Construction finance costs				\$	9,134,022.02
Land finance costs				\$	548,041.32
Interest rate	6.0%			\$	56,765.16
Project lead in period	0.0	months			
Construction period	24.0	months			
UPZONED RESIDUAL LAND VALUE WITH AFFORDABLE HOUSING				\$	416,277.82

Affordable Housing Developer Contribution of 62% WABRE

BANGALOW

UPZONED VALUE		Without an Affordable Housing Developer Contribution		WABE	Bangalow
	QUANTITY	UNIT	RATE	TOTAL	Description
REVENUE:					
Gross Area (ha)				1.00	
Developable Area (ha)	85.0%			0.85	
Saleable lots (500 m2 lots with 16 metre road reserve):	13.0	500		13.0	
Sales price per lot				\$ 442,000.00	
Gross Realisation Value				\$ 5,746,000.00	
LESS					
Selling Commission and Marketing Costs	4.0%			\$ 229,840.00	
GST on Revenue	10.0%			\$ 522,363.64	
Net Realisation				\$ 4,993,796.36	
Profit and Risk Allowance	18.0%			\$ 761,765.55	
Available funds for project				\$ 4,232,030.82	
DEVELOPMENT COSTS:					
<i>Preliminaries:</i>					
Fencing to site	400.0	metre	\$ 40.00	\$ 16,000	
Site office	26.0	week	\$ 94.00	\$ 2,444	
Lunchroom	26.0	week	\$ 118.00	\$ 3,068	
Toilets	26.0	week	\$ 210.00	\$ 5,460	
Storage shed	26.0	week	\$ 50.00	\$ 1,300	
Allowance for connections power water phone	1.0	item	\$ 20,000.00	\$ 20,000	
Allowance for user charges	26.0	week	\$ 400.00	\$ 10,400	
Project Manager	0.5	year	\$ 150,000.00	\$ 75,000	
Foreman	0.5	year	\$ 150,000.00	\$ 75,000	
Surveyor	0.5	year	\$ 150,000.00	\$ 75,000	
Insurance	0.20%	item	\$ 2,527.15	\$ 3,000	
DA fees	1.0	item	\$ 1,510.00	\$ 1,510	
Subdivision fees	1.0	item	\$ 1,815.00	\$ 1,815	
CC Fees	1.0	item	\$ 2,340.00	\$ 2,340	
Inspection fees	10.0	hours	\$ 180.00	\$ 1,800	
<i>Site preparation and earthworks:</i>					
Clear site	8,500.0	m ²	0.54	4,590.00	
Remove trees	20.0	each	163.00	3,260.00	
Silt fence	200.0	metre	16.50	3,300.00	
Strip topsoil 200 mm thick	1,700.0	m ²	5.65	9,605.00	
Cut and fill site average of 0.5 metres	4,250.0	m ²	\$ 11.30	48,025.00	
allowance for extra transport (40 km)	4,250.0	m ²	-	-	
<i>Road:</i>					
allow 4 metres of roadway including kerbs	107.3	metre	530.00	56,842.50	
<i>Stormwater:</i>					
Stormwater drainage 300 dia	107.3	metre	\$ 158.60	\$ 17,010	
Pits	3.6	each	\$ 3,810.00	\$ 13,621	
Excavate and backfill	64.4	m ³	\$ 61.50	\$ 3,958	
<i>Water:</i>					
Water reticulation 150 diameter	107.3	metre	\$ 174.00	\$ 18,662	
Fittings and valves	5.4	each	\$ 700.00	\$ 3,754	
Excavate and backfill	64.4	m ³	\$ 61.50	\$ 3,958	
<i>Sewer:</i>					
Sewer reticulation 150 diameter	107.3	metre	\$ 174.00	\$ 18,662	
manholes	3.6	each	\$ 3,810.00	\$ 13,621	
Excavate and backfill	64.4	m ³	\$ 61.50	\$ 3,958	
<i>Electricity and communications:</i>					
Electricity reticulation 200A underground	107.3	metre	\$ 451.00	\$ 48,370	
Transformer pole mounted	1.0	item	\$ 32,000.00	\$ 32,000	
Communications	107.3	metre	\$ 40.00	\$ 4,290	
<i>Landscaping:</i>					
Allowance for streetscape	13.0	lot	\$ 2,500.00	\$ 32,500	
Allowance for local park	-	item	\$ 300,000.00	\$ -	
SUBTOTAL1				\$ 634,119.93	
Professional fees	10.0%			\$ 63,411.99	
Contingency	20.0%			\$ 126,823.99	
SUBTOTAL2				\$ 824,355.90	
Regional index adjustment	104.0			\$ 857,330.14	
CPI adjustment	1.0164931			\$ 871,470.13	
s7.11 contributions	13.0	lots	\$ 10,260.77	\$ 132,610.01	
Section 64 Contributions	13.0	lots	\$ 20,115.00	\$ 261,495.00	
Current land valuation	531,000				
Land Tax	1.6% of every \$1 over \$734k + \$100	2% of every \$1 over \$4,488k		\$ -	
Council Rates	0.5 year		\$ 2,000.00	\$ 1,000.00	
TOTAL DEVELOPMENT COSTS				\$ 1,266,575.14	
FINANCING COSTS:					
<i>Construction finance costs</i>					
Interest rate	6.0%				
Construction period	6.0	months		\$ 18,998.63	
<i>Land finance costs</i>					
Interest rate	6.0%			\$ 176,787.42	
Project lead in period	6.0	months			
Construction period	6.0	months			
TOTAL FINANCING COSTS				\$ 195,785.05	
UPZONED RESIDUAL LAND VALUE				\$ 2,789,689.62	
LAND VALUE				\$ 531,000.00	
+ PREMIUM	30.0%			\$ 690,300.00	
				Without an Affordable Housing Developer Contribution	WABE
UPZONED VALUE (WITH AFFORDABLE HOUSING)					
		Affordable Housing Developer Contribution of 45%		WABE	
	QUANTITY	UNIT	RATE	TOTAL	
Affordable Housing Contribution	46.0%				
Saleable lots (500 m2 lots with 16 metre road reserve):				7.00	
Sales price per lot				\$ 442,000.00	
Gross Realisation Value				\$ 3,094,000.00	
LESS					
Selling Commission and Marketing Costs	4.0%			\$ 123,760.00	
GST on Revenue	10.0%			\$ 281,272.73	
Net Realisation				\$ 2,688,967.27	
Profit and Risk Allowance	18.0%			\$ 410,181.45	
Available funds for project				\$ 2,278,785.82	
Development Costs				\$ 1,266,575.14	
Construction finance costs				\$ 18,998.63	
Land finance costs				\$ 59,592.72	
Interest rate	6.0%				
Project lead in period	6.0	months			
Construction period	6.0	months			
UPZONED RESIDUAL LAND VALUE WITH AFFORDABLE HOUSING				\$ 933,619.33	
				Affordable Housing Developer Contribution of 45%	WABE

Land Valuation	Rate %	Threshold	Standard Tax
Basic Land Tax:	1.8%	794,000	100
Premium Land Tax:	2.0%	4,488,000	60,164

Profit and Loss Calculations for Land Development

Affordable Housing Contributions Scheme

Developer Contributions (\$7.11)

Catchment	Amount
Byron Bay Suffolk Park	13,311.00
Mullumbimby	19,704.43
Bangalow	10,200.77

Section 7.11 contributions Schedule for Byron Bay Suffolk Park Catchment				
This schedule was calculated in spreadsheet #E2018/73086				
1 bedroom units =	0	@	0.55 SDU	= 0
2 bedroom units =	0	@	0.75 SDU	= 0
3 bedroom units/dwellings =	0	@	1 SDU	= 0
Allotments =	2	@	1	= 2
Less Site Credits =	1	@	-1	= -1
Total SDU				= 1
Schedule valid until	24/04/2020	After this date contact Council for CPI update.		
Local Open Space & Recreation	(OS-BB)	1.00	SDU @	\$ 4,244.24 = \$ 4,244.24
LGA Wide Open Space & Recreation	(OS-SW)	1.00	SDU @	\$ 763.92 = \$ 763.92
LGA wide Community Facilities	(CF-SW)	1.00	SDU @	\$ 1,118.85 = \$ 1,118.85
Local Community Facilities	(CF-BB)	1.00	SDU @	\$ 1,260.75 = \$ 1,260.75
Bikeways & Footpaths	(CW-BB)	1.00	SDU @	\$ 1,397.68 = \$ 1,397.68
Shire Wide Bikeways & Footpaths	(CW-SW)	1.00	SDU @	\$ 82.07 = \$ 82.07
Urban Roads	(R-BB)	1.00	SDU @	\$ 3,056.83 = \$ 3,056.83
LGA Wide Roads	(R-SW)	1.00	SDU @	\$ 231.16 = \$ 231.16
Rural Roads	#N/A	1.00	SDU @	\$ - = \$ -
Administration Levy	(OF-SW)	1.00	SDU @	\$ 1,155.50 = \$ 1,155.50
Total				= \$ 13,311.00

Section 7.11 contributions Schedule for Mullumbimby Catchment				
This schedule was calculated in spreadsheet #E2018/73086				
1 bedroom units =	0	@	0.55 SDU	= 0
2 bedroom units =	0	@	0.75 SDU	= 0
3 bedroom units/dwellings =	0	@	1 SDU	= 0
Allotments =	2	@	1	= 2
Less Site Credits =	1	@	-1	= -1
Total SDU				= 1
Schedule valid until	24/04/2020	After this date contact Council for CPI update.		
Local Open Space & Recreation	(OS-ML)	1.00	SDU @	\$ 12,923.62 = \$ 12,923.62
LGA Wide Open Space & Recreation	(OS-SW)	1.00	SDU @	\$ 763.92 = \$ 763.92
LGA wide Community Facilities	(CF-SW)	1.00	SDU @	\$ 1,118.85 = \$ 1,118.85
Local Community Facilities	(CF-ML)	1.00	SDU @	\$ 219.99 = \$ 219.99
Bikeways & Footpaths	(CW-ML)	1.00	SDU @	\$ 2,112.72 = \$ 2,112.72
Shire Wide Bikeways & Footpaths	(CW-SW)	1.00	SDU @	\$ 82.07 = \$ 82.07
Urban Roads	(R-ML)	1.00	SDU @	\$ 1,096.60 = \$ 1,096.60
LGA Wide Roads	(R-SW)	1.00	SDU @	\$ 231.16 = \$ 231.16
Rural Roads	#N/A	1.00	SDU @	\$ - = \$ -
Administration Levy	(OF-SW)	1.00	SDU @	\$ 1,155.50 = \$ 1,155.50
Total				= \$ 19,704.43

Section 7.11 contributions Schedule for Bangalow Catchment				
This schedule was calculated in spreadsheet #E2018/73086				
1 bedroom units =	0	@	0.55 SDU	= 0
2 bedroom units =	0	@	0.75 SDU	= 0
3 bedroom units/dwellings =	0	@	1 SDU	= 0
Allotments =	2	@	1	= 2
Less Site Credits =	1	@	-1	= -1
Total SDU				= 1
Schedule valid until	24/04/2020	After this date contact Council for CPI update.		
Local Open Space & Recreation	(OS-BG)	1.00	SDU @	\$ 3,920.28 = \$ 3,920.28
LGA Wide Open Space & Recreation	(OS-SW)	1.00	SDU @	\$ 763.92 = \$ 763.92
LGA wide Community Facilities	(CF-SW)	1.00	SDU @	\$ 1,118.85 = \$ 1,118.85
Local Community Facilities	(CF-BG)	1.00	SDU @	\$ 354.92 = \$ 354.92
Bikeways & Footpaths	(CW-BG)	1.00	SDU @	\$ 946.29 = \$ 946.29
Shire Wide Bikeways & Footpaths	(CW-SW)	1.00	SDU @	\$ 82.07 = \$ 82.07
Urban Roads	(R-BG)	1.00	SDU @	\$ 1,627.78 = \$ 1,627.78
LGA Wide Roads	(R-SW)	1.00	SDU @	\$ 231.16 = \$ 231.16
Rural Roads	#N/A	1.00	SDU @	\$ - = \$ -
Administration Levy	(OF-SW)	1.00	SDU @	\$ 1,155.50 = \$ 1,155.50
Total				= \$ 10,200.77

Land Tax

Land Valuation	Rate %	Threshold	Standard Tax
Basic Land Tax	1.6%	734,000	100
Premium Land Tax	2.0%	4,488,000	60,164

6 Appendix C – Affordable Housing Implementation & Delivery Program Framework

One way that local governments can increase the supply of affordable housing is through their management of the planning system to secure affordable housing contributions. The two most common approaches are inclusionary zoning under an affordable housing contribution scheme and planning agreements (PAs).

Byron Shire Council's Affordable Housing Contribution Scheme (Section 3.3) and Procedure to the Affordable Housing Contribution Policy 2020 (Section 7) require Council to establish an affordable housing implementation and delivery program.

The intent of an Implementation and Delivery Program (IDP) would be two-fold:

- i. To manage affordable housing contributions so as a secure affordable housing for locals
- ii. To establish productive arrangements with community housing providers to deliver affordable housing that meets community needs.

The Council's Affordable Housing IDP is about complementing, not duplicating the role of Housing NSW (the public housing authority) whose priority it is to assist households with the greatest needs.

As a precursor to the formalisation of this IDP, Appendix C provides guidance by setting out preferred:

- Objectives
- Asset pathway options for the use of contributions received as per Section 2
- Process to appoint a registered community housing provider(s) to manage affordable housing stock.
- Community outcomes guiding selection of residents to be provided with to access affordable housing under the program.

6.1 Objectives

Council's affordable housing IDP would:

- outline a detailed program of tasks and deliverables needed to deliver on this aspect of Council's adopted Residential Strategy, as well as the Department's requirements to enable approval of the Residential Strategy
- provide guidance to Council's planners and other sections of Council on timing and scope of tasks to ensure a whole of Council approach including administration and accountability

- identify with who and at what stages consultation and engagement is needed, including engagement with relevant state government agencies
- identify any associated risks and include ways to mitigate those risks
- deliver a fully integrated and coordinated roadmap that dovetails with other Council strategies, Council’s Local Strategic Planning Statement and where relevant, the strategies of other government agencies
- articulate a process for collecting and paying contributions including evidence of title that contributed land or dwellings or in lieu funds have been transferred to Council.

6.2 Asset pathways

A ‘land’ contribution and retention of the land asset in Council’s ownership are the preferred options. This and other potential pathways for managing the contributions received are set out in Diagram 6.1 below. The end result of any contribution is a stock of affordable housing.

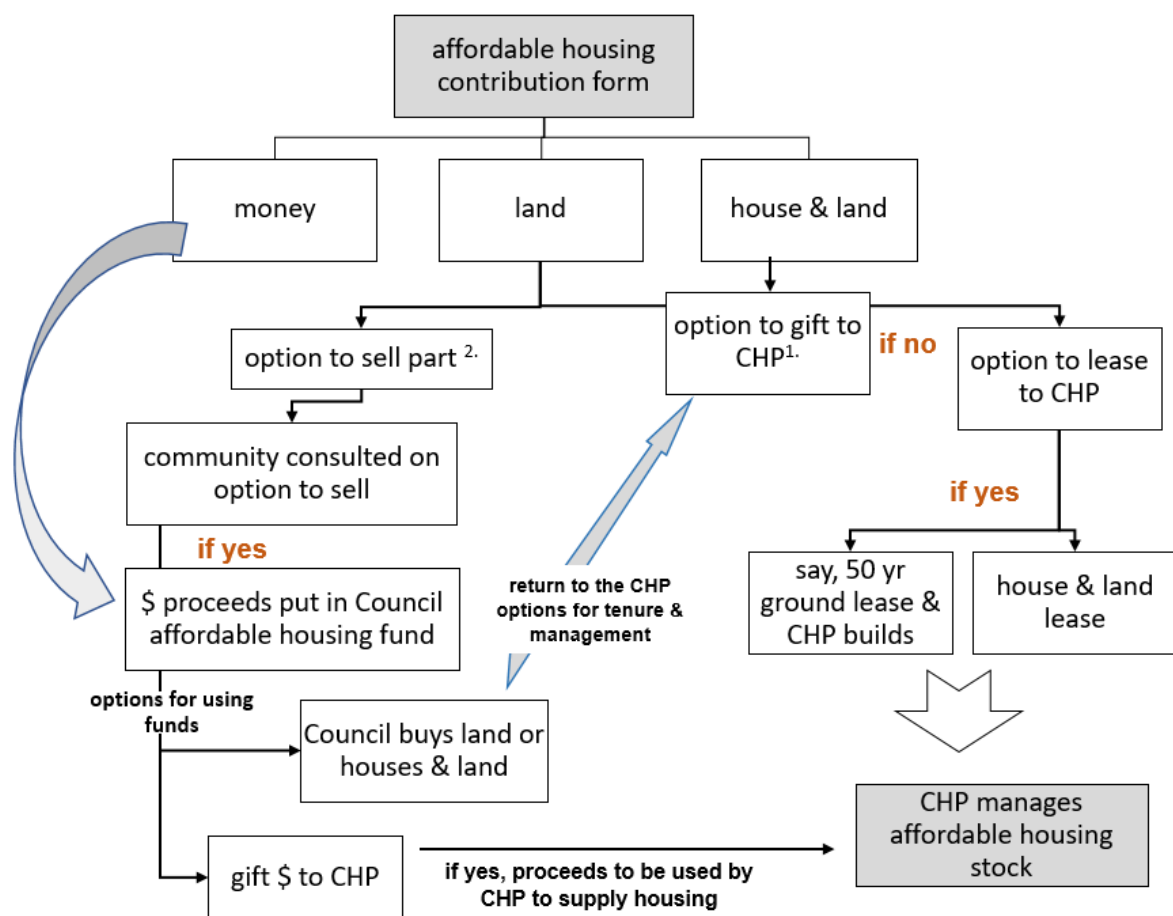


Diagram 6.1: Asset management pathways

Notes to Diagram 6.1:

1. CHP: Community Housing Provider

2. Dedicated land should be held for affordable housing in perpetuity. If Council intends to sell land dedicated for the purposes of affordable housing to fund affordable housing development of an alternative site, this should be determined by Council following consultation with the community. The initial preference for any sale to be limited to Council land or if non-Council land the sale is to a CHP.

6.3 Appointing a registered community housing provider(s)

Consistent with the Byron Shire Affordable Housing Contribution Policy, Council may seek arrangements with community housing providers to deliver and manage affordable housing. Contributions are likely to be on a site-by-site basis and may involve a mix of contribution forms.

Neither a CHP nor a list of eligible CHPs can be nominated by Council at this time (or before the LEP is made) as there are no concept plans for the precincts and all are subject to rezoning. The outcome for the precincts will be determined in consultation with individual owners at the planning proposal stage and a CHP will need to be nominated as part of those planning proposals.

To streamline and reduce the cost of tendering for community housing providers a three-phase process is anticipated as set out in Diagram 6.2. The three phases are: expression of interest to form a register of preferred community housing providers, selection of a CHP for a particular site being upzoned and formalising CHP housing delivery agreement.

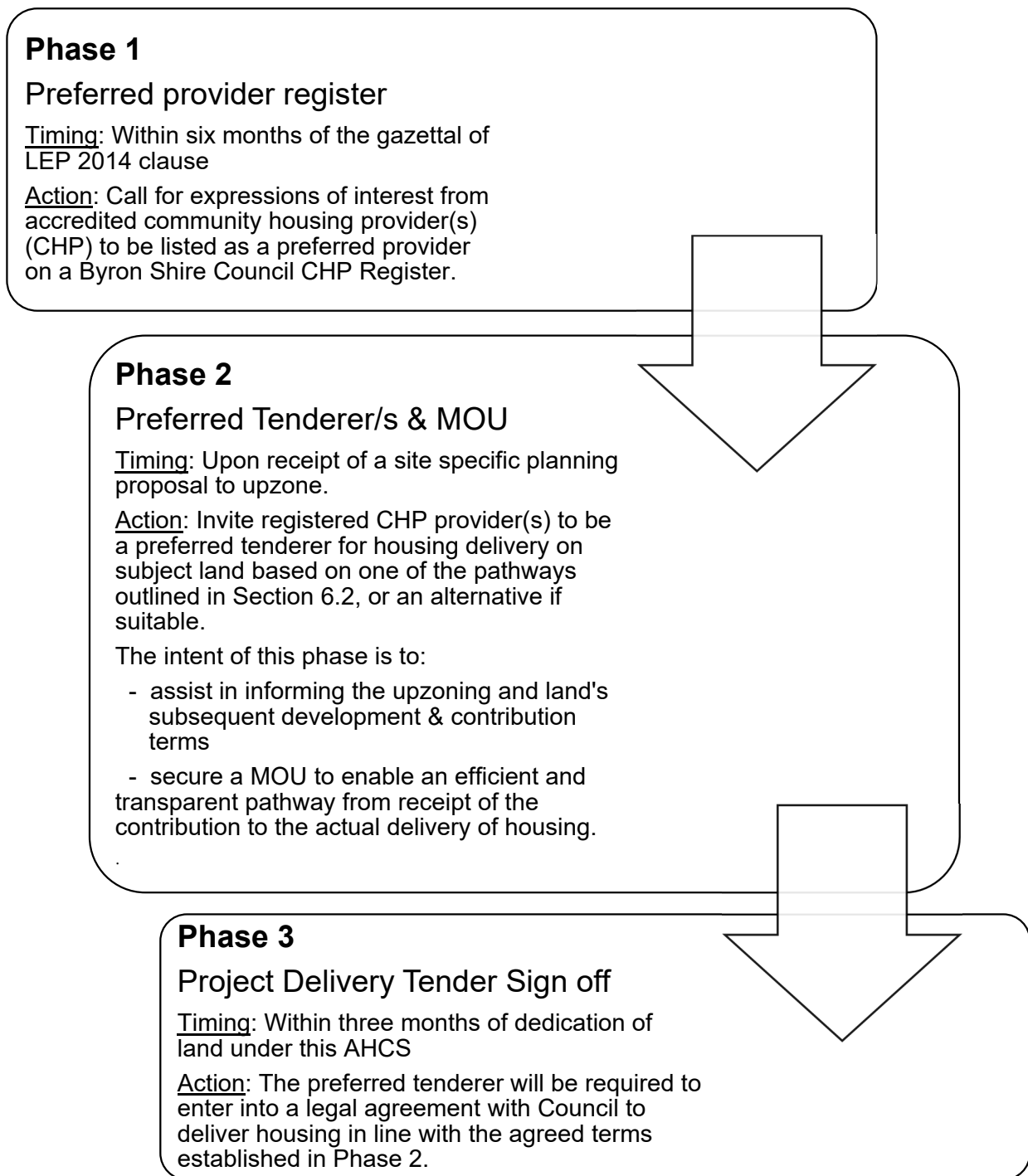


Diagram 6.2: Pathway for appointment of Community housing provider

The timings shown in Diagram 6.2 are indicative – the engagement, selection and delivery would accord with legislative requirements and Council’s procurement policy.

Who is eligible to apply	<p>CHP's registered under the National Regulatory System for Community Housing (NRSCH) will be considered</p> <p>Other Not-for-profit organisation including co-operatives legally incorporated member-based entities that provide housing for their members and are bound by relevant national or state legislation may be considered</p>
What is a CHP to demonstrate	<p>understanding of the need for affordable housing</p> <p>their local service context</p> <p>the potential for partnerships in affordable housing delivery and management</p> <p>any preferred long term leases needs (such as 50 yrs.) - to enable their ability to lever funds, build housing and manage tenancies and rents</p>
Register Review process	<p>It is envisaged that a comprehensive review of the preferred provider register will occur at least once every three years or sooner, if considered to be necessary.</p>

6.4 Community outcomes & review of IDP

The affordable housing delivered by Council is not intended to compete with the marketplace. Figure 6.1 shows how Council's scheme fits into the housing spectrum (as cited in the NSW Government Housing Strategy 2041) to fill an overwhelming and pressing unmet gap in our community's housing needs.

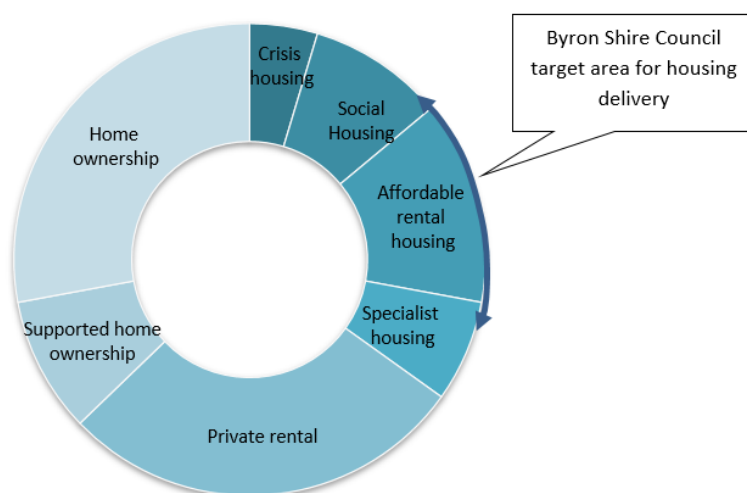


Figure 6.1 Housing Spectrum

The affordable housing mix should reflect Council's adopted Residential Strategy: Policy 2 – *Improve housing choice, diversity, and equity*, while the desired resident mix to support social

capital objectives of community building and connectedness should reflect Policy 3 – *housing that reflect the 'local' in our places*.

The IDP will be reviewed on an annual basis by an inter-departmental committee set up to guide the delivery of affordable housing.

Measures would be set in the IDP using key considerations such as:

- evidence relating to the Affordable Housing Contribution Scheme where monitoring identifies issues or considerable change in market conditions.
- land holdings and status of development
- number of delivered affordable housing dwellings acquired by through the Scheme
- total amount of funds received and in waiting
- allocation of funding within that year
- size, type, quality, and locational appropriateness of dwellings
- maintenance and management issues
- retention and use of affordable housing funds received by Council
- social capital objectives – community building and connectedness
- access to and use of support services by tenants
- performance of the housing manager in accordance with the management agreement
- internal management issues to be addressed by Council
- the Scheme's success in meeting the AHCS Section 1.7 – Affordable Housing Principles.

Amendment and/or update to the proposed IDP may occur from time to time and would not require an amendment to LEPs.

7 Appendix D – Information Sources

The sources of information referenced throughout the document include:

Australian Bureau of Statistic Census 2016

Byron Shire Council (2020) *Affordable Housing Contribution Policy* adopted by Byron Shire Council

Byron Shire Council Affordable Housing Contribution Policy Procedure

Byron Shire Local Environmental Plan 2014

Byron Shire Residential Strategy (as adopted by Council Dec 2020)

Environmental Planning and Assessment Act 1979 (NSW)

Judith Stubbs and Associates (2009) *Affordable Housing Strategy*

Department of Communities and Justice (2020) *Rent and Sales Report, June Quarter 2020*.

Using domain.com.au in January 2020

NSW Government Sept 2021 [Local Housing Strategy Guideline and Template - \(nsw.gov.au\)](https://www.nsw.gov.au/local-housing-strategy-guideline-and-template)

NSW Government 2019 Population projections

NSW Department of Planning and Environment (2019) Guideline for Developing an Affordable Housing Contribution Scheme

State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes) (SEPP 70) – now included under State Environmental Planning Policy (Housing) 2021 [NSW]



Byron Shire Council

Planning Proposal 26.2020.2.1

Amendment of Byron Local Environmental Plan 2014

Affordable Housing Contributions Scheme

Exhibition Version

**Date: February 2022
#E2022/18106**

Document History

Doc No.	Date Amended	Details Comments eg Resolution No.
E2021/80322	15/6/21	Gateway Version 1 – Planning proposal request not accepted by DPIE see # E2021/90169
E2021/141578	6/12/2021	Gateway Version 1
E2021/141578	January 2022	Gateway version 1 – formatted for accessibility
E2022/18106	February 2022	Post Gateway and public exhibition version

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Part 1 Introduction

1.1 Objective and intended outcomes

This planning proposal seeks to amend Byron LEP 2014 to deliver affordable housing outcomes in Byron Shire. It follows Council adoption of the Byron Residential Strategy and the Byron Shire Affordable Housing Contribution Policy and commences the implementation of housing diversity and housing affordability actions set out in the Byron Shire Local Strategic Planning Statement (LSPS).

The Byron Shire Affordable Housing Contribution Policy was adopted by Council in August 2020 and sets a framework to advocate for, facilitate, provide, and manage affordable housing contributions in Byron Shire acquired through a planning agreement or delivered through a SEPP 70 affordable housing contribution scheme (AHCS).

This planning proposal provides a framework for the application of affordable housing contributions when land is being developed. This framework is underpinned by the Byron Shire Affordable Housing Contribution Policy and the Byron Shire Affordable Housing Contribution Scheme (Attachment 2).

Specifically, the planning proposal seeks to introduce local planning controls applicable to land identified in the proposed 'Affordable Housing Contribution Scheme', if the land is upzoned. Where viable, the planning controls seek to secure a portion of residential development for affordable housing and in accordance with the Affordable Housing Contribution Scheme.

The planning proposal has been prepared in accordance with section 55 of the *Environmental Planning and Assessment Act 1979*. It is also in accordance with relevant Department of Planning, Industry and Environment Guidelines including "A Guide to Preparing Local Environmental Plans" and "A Guide to Preparing planning proposals".

1.2 Background

State Policy Framework - State Environmental Planning Policy (Housing) 2021 [NSW] (previously SEPP 70)

Section 7.32 of the *Environmental Planning and Assessment Act* (EP& A Act) allows Council to levy contributions for affordable housing if a State Environmental Planning Policy (SEPP) identifies a need for affordable housing in the LGA. In February 2019, SEPP 70 – Affordable Housing (Revised Schemes) was amended to include all councils across NSW. In November 2021 the provisions of SEPP 70 were consolidated into Part 2 of the Housing SEPP.

Under Section 7.32(3)(b) of the EP&A Act, any condition imposed on a development consent must be authorised by a Local Environmental Plan (LEP) and be in accordance with an affordable housing contribution scheme for dedications or contributions set out in, or adopted by, the LEP.

Following the SEPP 70 amendment, a report was considered at the 11 April 2019 Council (Planning) Meeting regarding next steps now that Byron Shire had been entered into SEPP 70 to investigate and develop an affordable housing contributions scheme under the SEPP.

19-152 Resolved:

1. *That Council advise the Department of Planning that it is preparing an affordable housing contribution scheme under State Environmental Planning Policy No 70 Affordable Housing (Revised Schemes).*
2. *That Council fund the expedited preparation of an affordable housing contribution scheme and its associated local environmental plan amendment and planning agreement policy for Byron Shire through an allocation of \$20,000 at the March Budget Quarterly review.*
3. *That subject to 2, Council prepare an affordable housing contribution scheme and its associated local environmental plan amendment which is consistent with the Department of Planning guideline.*
4. *That subject to 2, Council prepare a planning agreement policy for affordable housing which is consistent with the Environmental Planning and Assessment (Planning Agreements) Direction 2019.*

Byron Shire Policy Framework

The Community Strategic Plan *Our Byron, Our Future*, sets out our aspirations for the next ten years.

THE COMMUNITY DESIRES: Increases in population to be managed in a way which fits in with the current lifestyle and culture of the Shire. This necessitates ensuring we have diverse housing available to support a community reflective of the current lifestyle and culture.

In the next 10 years it is predicted that:

1. Australia wide home ownership will continue to decline. For Byron Shire it dropped from 59.1 % (2006) to 56.7% (2016); benchmarked with Australia at 67% – essentially this means in Australia we cannot continue to rely on people being able to buy their home, as the core housing response. <https://www.aihw.gov.au/reports/australias-welfare/home-ownership-and-housing-tenure>
2. Australia wide 7 out of the 10 largest employment growth industries will be in lower paying industries such as health care and social assistance and education and training (the Business Industrial Lands Strategy analysis indicates Byron Shire is likely to follow this trend).
3. Households with low to middle income (working in jobs as cleaning, caring, teaching or nursing) will increasingly rely on affordable rental housing. Comparing change in the rental costs of a community over time, in 2006 the average week rent in Byron Shire was \$250/week, by 2016 - 40.3% of renting households were paying \$450 or more per week in rent. Medium weekly household income has not kept pace with this rental cost increase - 2006 - \$738 (rent at 33% on income) to \$1149.00/week (rent at 39% of income) over the same period.
4. Council acknowledges and pays respect to the Bundjalung of Byron Bay – Arakwal People as Traditional Custodians of the land within Byron Shire Aboriginal people – however they are overrepresented amongst the homeless, lower paying jobs and lower income households – in 2016 an estimated 37% of Indigenous Australians aged 15 and

over had adjusted weekly household incomes in the bottom 20% (quintile) of the income distribution for all Australians aged 15 and over.

5. Single women over 50 are most likely to be adversely affected by housing access - in 2016, women over a 50 made up 22 % of our Shire population with this predicted to grow to 28.5% by 2036. In Australia in 2016, 1618 women over the age of 50 who presented at homelessness services were couch-surfing – an 83 per cent increase over four years.
6. Since 2006 Residential Byron social rental housing stock dropped by 11 dwellings to 223 dwellings in 2016, whilst private rental housing stock is being impacted by the growing short term rental accommodation market.

Council’s commitment to enabling affordable housing to maintain a diverse, vibrant, and healthy community and to alleviate housing stress experienced by some individuals and families in the private housing market is a priority.

The Byron Shire Local Strategic Planning Statement (LSPS) presents a 2036 vision and framework for land use within Byron Shire, outlining how growth and change will be managed to maintain the high levels of environmental amenity, liveability and landscape quality that characterises our Shire by setting planning priorities and actions.

- LSPS Support Our Liveable Shire Planning Priority 3 seeks to implement ‘*housing diversity and affordability with housing growth in the right locations.*’
- LSPS Liveability Priority Actions: LA9 seeks to ‘*investigate and implement planning controls to encourage an increase in the supply of affordable and inclusive housing stock.*’

LSPS further builds on planning work found in Council’s other key land use strategies, studies, and plans. Relevant to this planning proposal is the Council adopted Residential Strategy.

- Byron Shire Residential Strategy: Policy 2 seeks to *improve housing choice, diversity and equity.*
- Residential strategy Action 17 seeks to:

Investigate applying a SEPP 70 affordable housing contribution scheme over new release areas within the urban growth investigation areas as shown on Strategy Maps 1, 2 & 4 consistent with State Environmental Planning Policy No 70 — Affordable Housing (Revised Schemes) and guided by Guideline for Developing an Affordable Housing Contribution Scheme and Strategy Appendix D - affordable housing principles and the Byron Shire Affordable Housing Contribution Policy and procedures.

A Byron Shire Affordable Housing Contribution Policy setting a framework to advocate for, facilitate, provide, and manage affordable housing contributions in Byron Shire acquired through a planning agreement or delivered through a SEPP 70 affordable housing contribution scheme (AHCS) was adopted by Council on 13 August 2020 (Resolution 20-365).

Part 2 Explanation of provisions

Plain English explanation of the changes sought

The Planning Proposal seeks to amend Byron LEP 2014 to include a new clause that will require new development in certain locations to make an affordable housing contribution. The proposed new clause will identify where and how the affordable housing contribution would apply.

What is intended?

The intent of the draft provision is that development for residential purposes identified within affordable housing contribution areas must contribute towards affordable housing.

The objectives of this clause are as follows:

- To capture land value increases when land is upzoned in accordance with this plan.
- To enable the imposition of conditions relating to the provision of affordable housing for very low income households, low income households and moderate income households.
- To deliver housing that promotes and retains a socially diverse residential population.

Where does it apply?

This clause applies to development on any land identified in the on the Affordable Housing Contribution Scheme within the *affordable housing contribution area* that is upzoned on or after the gazettled of the new clause in the Byron LEP 2014

How is the contribution determined?

This affordable housing rate of contribution is to be calculated in accordance with the Byron Shire Affordable Housing Contribution Scheme. The scheme presents the evidence basis for a need for affordable housing, and includes a viability assesment which determines if Council can impose a condition to levy developer contributions for affordable housing.

The affordable housing levy contribution which will be made to Council is 20% of the total area of residential lots for development in the following affordable housing contribution areas — Byron Bay, Mullumbimby and Bangalow .

The means of contribution will be determined by Council and may comprise:

- Fit for purpose land within the development; or
- Monetary contribution; or
- Dwellings within the development; or
- A combination of two or more of the above.

The clause would not apply to exempt development as specified in the Affordable Housing Contribution Scheme.

Why are there two tiers of affordable contribution areas?

An affordable housing contribution clause in the LEP and affordable housing contribution scheme does not enable a planning proposal to upzone. This is the function of a Residential

Strategy. That said as the Scheme relies on investigation areas identified in the Council adopted Residential Strategy that hold varying levels of constraints. In recognition, the Scheme applies tiers to the affordable housing contribution areas:

Tier 1: means that subject to site specific investigations this land may be suitable to progressing to a planning proposal to upzone.

Tier 2: means that the land has been flagged by the Department of Planning, Industry and Environment as having significant state matters of concern and hence whilst identified in the Scheme these areas are subject to future consideration and resolution of outstanding state matters of concern.

The Tier 2 affordable housing contribution areas are identified and further explained in the Scheme and as well as Q11 of this planning proposal. For Tier 2 land in Mullumbimby the state matter relates to possible impacts to regionally significant farmland and for the Tier 2 land at Belongil the state matter relates to completion of a coastal hazard assessment the Council has currently underway.

The provisions of the Scheme will apply to both Tier 1 and Tier 2 affordable contribution areas.

Maps

The Planning Proposal includes maps (Affordable Housing Contribution Scheme Maps) are only for illustration/exhibition purposes to identify land that the Affordable Housing Contribution clause will apply to (refer Part 4 and Appendix 1).

The Affordable Housing Contribution Scheme maps will be adopted as part of the subsequent LEP amendments for individual land parcels at the rezoning stage.

The maps also show the two tiers of Affordable Housing Contribution Areas.

What do the following terms mean?

affordable housing contribution area means the areas shown on the Affordable Housing Contribution Scheme Maps for Byron Bay, Mullumbimby and Bangalow.

upzoning means a change of zone to enable residential development or a change of planning controls (such as floor space ratio) which enables greater residential density on the subject site.

Affordable Housing Contribution Scheme means the Byron Shire Affordable Housing Contribution Scheme 01

Part 3 Justification

Section A Need for the planning proposal

Q1. Is the planning proposal a result of any strategic study or report?

The planning proposal is consequential to Council's LSPS and adopted Residential Strategy.

The Byron Shire Local Strategic Planning Statement (LSPS) presents a 2036 vision and framework for land use within Byron Shire, outlining how growth and change will be managed to maintain the high levels of environmental amenity, liveability and landscape quality that characterises our Shire by setting planning priorities and actions.

- LSPS Support Our Liveable Shire Planning Priority 3 seeks to implement '*housing diversity and affordability with housing growth in the right locations.*'
- LSPS Liveability Priority Actions: LA9 seeks to '*investigate and implement planning controls to encourage an increase in the supply of affordable and inclusive housing stock.*'

LSPS further builds on planning work found in Council's other key land use strategies, studies, and plans. Relevant to this planning proposal is the adopted Residential Strategy.

- Byron Shire Residential Strategy: Policy 2 seeks to *improve housing choice, diversity and equity.*
- Residential Strategy Action 17 seeks to:

Investigate applying a SEPP 70 affordable housing contribution scheme over new release areas within the urban growth investigation areas as shown on Strategy Maps 1, 2 & 4 consistent with State Environmental Planning Policy No 70 — Affordable Housing (Revised Schemes) and guided by Guideline for Developing an Affordable Housing Contribution Scheme and Strategy Appendix D - affordable housing principles and the Byron Shire Affordable Housing Contribution Policy and procedures.

Q2. Is the planning proposal the best means of achieving the objective or intended outcomes, or is there a better way?

The proposed clause allows Council to secure affordable housing contributions drawn from the increase in land value generated by an upzoning.

In this regard, the planning proposal is the only means to achieve the intended outcome as amendments to Byron LEP 2014 are required.

Section B Relationship to strategic planning framework

Q3. Is the planning proposal consistent with the objectives and actions of the applicable regional, sub-regional or district plan or strategy (in this case the North Coast Regional Plan 2036)?

North Coast Region Plan 2036

The planning proposal is consistent with *Direction 25 - Deliver more opportunities for affordable housing.*

Action 25.1 seeks to:

- Deliver more opportunities for affordable housing by incorporating policies and tools into local growth management strategies and local planning controls that will enable a greater variety of housing types and incentivise private investment in affordable housing.

Q4. Is the planning proposal consistent with a council's local strategy or other local strategic plan?

Council Adopted Byron Shire Residential Strategy

Analysis supporting the Residential Strategy identified limited opportunities for the market to meet the demand for affordable housing in Byron Shire and significant underlying demand for affordable housing. The analysis concluded that there is a gap between the current needs and supply of rental accommodation for very low, low, and moderate income households and so the collecting of affordable housing contributions by Council, where the development remains viable, is warranted.

This planning proposal follows Byron Shire Residential Strategy - Policy 2: *Improved housing choice, diversity and equity*.

Policy 2, Action 17 seeks to:

- Investigate applying a SEPP 70 affordable housing contribution scheme over new release areas within the urban growth investigation areas as shown on Strategy Maps 1, 2 & 4 consistent with State Environmental Planning Policy No 70— Affordable Housing (Revised Schemes) and guided by Guideline for Developing an Affordable Housing Contribution Scheme and Strategy Appendix D - affordable housing principles and the Byron Shire Affordable Housing Contribution Policy and procedures.

Community Strategic Plan

In planning for the future Council collaborated with our community on [Our Byron. Our Future](#). As a Community Strategic Plan, it sets out our vision for the next 10 years and highlights our priorities to guide our work. Relevant to this application is Community Objective 4 – ‘*We manage growth and change responsibly*’. The objective’s context identifies affordable housing and the cost of living as critical issues for the people of Byron Shire.

Business and Industrial Lands Strategy

Responses to the Byron Shire Business Survey, (over 1,000 responses) conducted in November 2017, that helped inform the endorsed Business and Industrial land Strategy identified access to affordable housing as a risk to business. The context to Direction 1: ‘*Enable business centres to retain an individual identity and fulfil their potential*’ recognises a necessity to provide housing for workers. Direction 4: ‘*Promote an attractive investment environment with people friendly industrial areas and business centres*’ includes in the Business and Industrial Suitable Land Principles – 5. ‘*Support or creates a local workforce*’ by placement employment areas convenient to suitable housing for low to medium income households

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies (SEPPs)?

Table 1 addresses State Environmental Planning Policies (SEPP) as relevant to this Planning Proposal.

Table 1: SEPP compliance assessment

State Environmental Planning Policy (SEPP)	Compliance of Planning Proposal
<p>Housing State Environmental Planning Policy (Housing SEPP) – Part 2 previously SEPP 70 - Affordable Housing (Revised Schemes)</p> <p>In November 2021 the provisions of SEPP 70 were consolidated into part 2 of the Housing SEPP.</p>	<p>Consistent.</p> <p>The <i>Environmental Planning and Assessment Act 1979</i> (the Act) allows for the collection of contributions for affordable housing where a need for affordable housing is identified in a planning instrument and where:</p> <ul style="list-style-type: none"> • the consent authority is satisfied that the proposed development will or is likely to reduce the availability of affordable housing within the area, or • the consent authority is satisfied that the proposed development will create a need for affordable housing within the area, or • the proposed development is allowed only because of the initial zoning of a site, or the rezoning of a site, or • the regulations so provide. <p>The planning proposal contains provisions to require new housing in affordable housing contribution areas to contribute towards affordable housing. Contributions are at a rate equivalent to the value of 20% of the area of residential lots in the development, in accordance with the affordable housing contribution scheme.</p> <p>DPIE's <i>Guideline for Developing an Affordable Housing Contribution Scheme</i> stipulates that dedicated land should be held for affordable housing in perpetuity. The AHCS requires Council to establish an affordable housing implementation and delivery program. The AHCS provides a framework to an affordable housing implementation and delivery program by setting out preferred:</p> <ol style="list-style-type: none"> a) Objectives b) Asset pathway options for the use of contributions received as per AHCS Section 2 c) Process to appoint a registered community housing provider(s) (CHP) to manage affordable housing stock. d) Community outcomes guiding selection of residents to be

State Environmental Planning Policy (SEPP)	Compliance of Planning Proposal
	<p>provided with access to affordable housing under the program.</p> <p>In reference to b) should Council intend to sell land dedicated for the purposes of affordable housing to fund development of an alternative site it requires the community to be consulted, and the proceeds to be used for the provision of affordable housing.</p> <p>In reference to c) neither a CHP nor a list of eligible CHPs can be nominated by Council at this time (or before the LEP amendment is made) as there are no concept plans for the precincts and all are subject to rezoning. The outcome for the precincts will be determined in consultation with individual owners at the Planning Proposal stage and a CHP will need to be nominated as part of those Planning Proposals.</p>

Q6. Is the planning proposal consistent with the applicable Ministerial Directions (s.9.1 directions)?

Table 2 assesses consistency with the Ministerial Planning Directions.

Table 2: Ministerial Directions Assessment

1. Employment and Resources

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
1.1 Business and Industrial Zones	<p>Applies when a relevant planning authority prepares a planning proposal that will affect land within an existing or proposed business or industrial zone (including the alteration of any existing business or industrial zone boundary).</p> <p>A planning proposal may be inconsistent with the terms of this direction only if the relevant planning authority can satisfy the Secretary of the Department of Planning and Environment (or an officer of the Department nominated by the Secretary) that the provisions of the planning proposal that are inconsistent are:</p> <p>(a) justified by a strategy which:</p> <ul style="list-style-type: none"> (i) gives consideration to the objective of this direction, and (ii) identifies the land which is the subject of the planning proposal (if the planning proposal relates to a particular site or sites),and (iii) is approved by the Secretary of the Department of Planning and Environment, or <p>(b) justified by a study (prepared in support of the planning proposal) which gives consideration to the</p>	<p>Not Applicable.</p> <p>Although the Direction does not apply, it should be noted that the planning proposal does facilitate opportunities to provide housing for key workers and therefore supports businesses operating in the Shire’s business and industrial zones. An outcome that is consistent with the endorse Byron Shire Business and Industrial Lands Strategy.</p>	Not Applicable.

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	<p>objective of this direction, or</p> <p>(c) in accordance with the relevant Regional Strategy, Regional Plan or Sub-Regional Strategy prepared by the Department of Planning and Environment which gives consideration to the objective of this direction, or</p> <p>(d) of minor significance.</p>		
1.2 Rural Zones	<p>Applies when a relevant planning authority prepares a planning proposal that will affect land within an existing or proposed rural zone (including the alteration of any existing rural zone boundary).</p> <p>The objective of this direction is to protect the agricultural production value of rural land.</p> <p>Under this direction a planning proposal must:</p> <p>(a) not rezone land from a rural zone to a residential, business, industrial, village or tourist zone.</p>	<p>The provisions contained in this planning proposal apply to land that has been (i) identified as an Affordable Housing Contribution Area in Byron LEP 2014, and (ii) has been rezoned for residential purposes.</p> <p>Any future rezoning of land in an existing rural zone that has been identified as an Affordable Housing Contribution Area is subject to a separate planning proposal.</p>	Not Applicable.
1.3 Mining, Petroleum Production and Extractive Industries	<p>Applies when a relevant planning authority prepares a planning proposal that would have the effect of:</p> <p>(a) prohibiting the mining of coal or other minerals, production of petroleum, or winning or obtaining of extractive materials, or</p>	Not applicable	Not applicable

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	<p>(b) restricting the potential development of resources of coal, other minerals, petroleum or extractive materials which are of State or regional significance by permitting a land use that is likely to be incompatible with such development.</p>		
<p>1.4 Oyster Aquaculture</p>	<p>Applies when a relevant planning authority prepares any planning proposal that proposes a change in land use which could result in:</p> <p>(a) adverse impacts on a Priority Oyster Aquaculture Area or a “current oyster aquaculture lease in the national parks estate”, or</p> <p>(b) incompatible use of land between oyster aquaculture in a Priority Oyster Aquaculture Area or a “current oyster aquaculture lease in the national parks estate” and other land uses.</p>	<p>Not applicable</p>	<p>Not applicable</p>
<p>1.5 Rural Lands</p>	<p>Applies when a relevant planning authority prepares a planning proposal that:</p> <p>(a) will affect land within an existing or proposed rural or environment protection zone (including the alteration of any existing rural or environment protection zone boundary), or</p> <p>(b) changes the existing minimum lot size on land within a rural or environment protection zone.</p>	<p>The provisions contained in this planning proposal apply to land that has been (i) identified as an Affordable Housing Contribution Area in Byron LEP 2014, and (ii) has been rezoned for residential purposes.</p> <p>Any future rezoning of rural land identified as an Affordable Housing Contribution Area is</p>	<p>Not Applicable.</p>

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	<p>A planning proposal to which clauses (a) and (b) apply must:</p> <ul style="list-style-type: none"> (a) be consistent with any applicable strategic plan, including regional and district plans endorsed by the Secretary of the Department of Planning and Environment, and any applicable local strategic planning statement (b) consider the significance of agriculture and primary production to the State and rural communities (c) identify and protect environmental values, including but not limited to, maintaining biodiversity, the protection of native vegetation, cultural heritage, and the importance of water resources (d) consider the natural and physical constraints of the land, including but not limited to, topography, size, location, water availability and ground and soil conditions (e) promote opportunities for investment in productive, diversified, innovative and sustainable rural economic activities (f) support farmers in exercising their right to farm (g) prioritise efforts and consider measures to minimise the fragmentation of rural land and 	<p>subject to a separate planning proposal.</p>	

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	<p>reduce the risk of land use conflict, particularly between residential land uses and other rural land uses.</p> <p>(h) consider State significant agricultural land identified in State Environmental Planning Policy (Primary Production and Rural Development) 2019 for the purpose of ensuring the ongoing viability of this land</p> <p>(i) consider the social, economic and environmental interests of the community.</p>		

2. Environment and Heritage

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
2.1 Environment Protection Zones	<p>The objective of this direction is to protect and conserve environmentally sensitive areas.</p> <p>A planning proposal must include provisions that facilitate the protection and conservation of environmentally sensitive areas.</p> <p>A planning proposal that applies to land within an environment protection zone or land otherwise identified for environment protection purposes in a LEP must not reduce the environmental protection standards that apply to the land (including by modifying</p>	This planning proposal does not alter or apply to any environment protections zones.	Not applicable

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	<p>development standards that apply to the land). This requirement does not apply to a change to a development standard for minimum lot size for a dwelling in accordance with clause (5) of Direction 1.5 “Rural Lands”.</p>		
<p>2.2 Coastal Protection Zones</p>	<p>This direction applies to land that is within the coastal zone, as defined under the Coastal Management Act 2016 - comprising the coastal wetlands and littoral rainforests area, coastal vulnerability area, coastal environment area and coastal use area - and as identified by the State Environmental Planning Policy (Coastal Management) 2018.</p> <p>A planning proposal must include provisions that give effect to and are consistent with:</p> <ul style="list-style-type: none"> (a) the objects of the Coastal Management Act 2016 and the objectives of the relevant coastal management areas; (b) the NSW Coastal Management Manual and associated Toolkit; (c) NSW Coastal Design Guidelines 2003; and (d) any relevant Coastal Management Program that has been certified by the Minister, or any Coastal Zone Management Plan under the Coastal Protection Act 1979 that continues to have effect under clause 4 of Schedule 3 to the Coastal Management Act 2016, that applies to the land. 	<p>This planning proposal will not enable increased development in any land mapped as coastal vulnerable, coastal wetlands or littoral wetlands.</p> <p>Any future rezoning of rural land identified as an Affordable Housing Contribution Area is subject to a separate planning proposal and is required to give consideration to this direction.</p>	<p>Consistent</p>

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	<p>A planning proposal must not rezone land which would enable increased development or more intensive land-use on land:</p> <ul style="list-style-type: none"> (a) within a coastal vulnerability area identified by the State Environmental Planning Policy (Coastal Management) 2018; or (b) that has been identified as land affected by a current or future coastal hazard in a local environmental plan or development control plan, or a study or assessment undertaken: <ul style="list-style-type: none"> (i) by or on behalf of the planning proposal authority and the planning proposal authority, or (ii) by or on behalf of a public authority and provided to the planning proposal authority. <p>A planning proposal for a Local Environmental Plan may propose to amend the following maps, including increasing or decreasing the land within these maps, under the State Environmental Planning Policy (Coastal Management) 2018:</p> <ul style="list-style-type: none"> (a) Coastal wetlands and littoral rainforests area map; (b) Coastal vulnerability area map; (c) Coastal environment area map; and (d) Coastal use area map <p>Such a planning proposal must be supported by evidence in a relevant Coastal Management Program</p>		

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	that has been certified by the Minister, or by a Coastal Zone Management Plan under the Coastal Protection Act 1979 that continues to have effect under clause 4 of Schedule 3 to the Coastal Management Act 2016.		
2.3 Heritage Conservation	<p>A planning proposal must contain provisions that facilitate the conservation of:</p> <ul style="list-style-type: none"> (a) items, places, buildings, works, relics, moveable objects or precincts of environmental heritage significance to an area, in relation to the historical, scientific, cultural, social, archaeological, architectural, natural or aesthetic value of the item, area, object or place, identified in a study of the environmental heritage of the area, (b) Aboriginal objects or Aboriginal places that are protected under the National Parks and Wildlife Act 1974, and (c) Aboriginal areas, Aboriginal objects, Aboriginal places or landscapes identified by an Aboriginal heritage survey prepared by or on behalf of an Aboriginal Land Council, Aboriginal body or public authority and provided to the relevant planning authority, which identifies the area, object, place or landscape as being of heritage significance to Aboriginal culture and people. 	The planning proposal does not contain provisions that contradict or would hinder application of heritage conservation controls.	Consistent
2.4 Recreation	A planning proposal must not enable land to be developed for the purpose of a recreation vehicle area	This planning proposal does not enable land to be developed for the purpose of a	Consistent.

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
Vehicle Areas	<p>(within the meaning of the Recreation Vehicles Act 1983):</p> <ul style="list-style-type: none"> (a) where the land is within an environmental protection zone, (b) where the land comprises a beach or a dune adjacent to or adjoining a beach, (c) where the land is not within an area or zone referred to in paragraphs (4)(a) or (4)(b) unless the relevant planning authority has taken into consideration: <ul style="list-style-type: none"> (i) the provisions of the guidelines entitled Guidelines for Selection, Establishment and Maintenance of Recreation Vehicle Areas, Soil Conservation Service of New South Wales, September, 1985, and (ii) the provisions of the guidelines entitled Recreation Vehicles Act, 1983, Guidelines for Selection, Design, and Operation of Recreation Vehicle Areas, State Pollution Control Commission, September 1985 	recreational vehicle area.	
2.5 Application of E2 and E3 Zones and Environmental Overlays in Far North Coast LEPs	<p>This direction applies when a relevant planning authority prepares a planning proposal:</p> <ul style="list-style-type: none"> (a) that introduces or alters an E2 Environmental Conservation or E3 Environmental Management zone; (b) that introduces or alters an overlay and 	This planning proposal does not alter or introduce any environmental protection zones or overlays.	Consistent.

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	associated clause.		
2.6 Remediation of Contaminated Land	<p>This direction applies to:</p> <ul style="list-style-type: none"> (a) land that is within an investigation area within the meaning of the Contaminated Land Management Act 1997, (b) land on which development for a purpose referred to in Table 1 to the contaminated land planning guidelines is being, or is known to have been, carried out, (c) the extent to which it is proposed to carry out development on it for residential, educational, recreational or childcare purposes, or for the purposes of a hospital, land: <ul style="list-style-type: none"> (i) in relation to which there is no knowledge (or incomplete knowledge) as to whether development for a purpose referred to in Table 1 to the contaminated land planning guidelines has been carried out, and (ii) on which it would have been lawful to carry out such development during any period in respect of which there is no knowledge (or incomplete knowledge). 	Any future rezoning of land identified as an Affordable Housing Contribution Area is subject to a separate planning proposal and must consider this direction.	Consistent.

3. Housing, Infrastructure and Urban Design

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
3.1 Residential Zones	<p>This direction applies when a relevant planning authority prepares a planning proposal that will affect land within:</p> <ul style="list-style-type: none"> (a) an existing or proposed residential zone (including the alteration of any existing residential zone boundary), (b) any other zone in which significant residential development is permitted or proposed to be permitted. <p>A planning proposal must include provisions that encourage the provision of housing that will:</p> <ul style="list-style-type: none"> (a) broaden the choice of building types and locations available in the housing market, and (b) make more efficient use of existing infrastructure and services, and (c) reduce the consumption of land for housing and associated urban development on the urban fringe, and (d) be of good design. <p>A planning proposal must, in relation to land to which this direction applies:</p> <ul style="list-style-type: none"> (a) contain a requirement that residential development is not permitted until land is adequately serviced (or arrangements satisfactory to the council, or other appropriate authority, have been made to service it), and 	<p>The provisions contained in this planning proposal apply to land that has been (i) identified as an Affordable Housing Contribution Area in Byron LEP 2014, and (ii) has been rezoned for residential purposes.</p> <p>Any future rezoning of land identified as an Affordable Housing Contribution Area is subject to a separate planning proposal.</p> <p>In accordance with Schedule 2 of SEPP 70, the Affordable Housing Contribution Scheme sets out affordable housing principles (Section 1.7).</p> <p>These principles encourage a mix of dwellings that broadens the choice of available housing in the market.</p> <p>Section 1.7 also requires that affordable housing consists of dwellings constructed to a standard which, in the opinion of the Council, is consistent with other dwellings in</p>	Consistent

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	(b) not contain provisions which will reduce the permissible residential density of land	Byron Shire.	
3.2 Caravan Parks and Manufactured Home Estates	<p>In identifying suitable zones, locations and provisions for caravan parks in a planning proposal, the relevant planning authority must:</p> <ul style="list-style-type: none"> (a) retain provisions that permit development for the purposes of a caravan park to be carried out on land, and (b) retain the zonings of existing caravan parks, or in the case of a new principal LEP zone the land in accordance with an appropriate zone under the Standard Instrument (Local Environmental Plans) Order 2006 that would facilitate the retention of the existing caravan park <p>In identifying suitable zones, locations and provisions for manufactured home estates (MHEs) in a planning proposal, the relevant planning authority must:</p> <ul style="list-style-type: none"> (a) take into account the categories of land set out in Schedule 2 of SEPP 36 as to where MHEs should not be located, (b) take into account the principles listed in clause 9 of SEPP 36 (which relevant planning authorities are required to consider when assessing and determining the development and subdivision proposals), and (c) include provisions that the subdivision of MHEs by long term lease of up to 20 years or under 	Not Applicable.	N/A

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
	the Community Land Development Act 1989 be permissible with consent.		
3.3 Home Occupations	Planning proposals must permit home occupations to be carried out in dwelling houses without the need for development consent.	This planning proposal does not have any implication on home occupations.	Consistent.
3.4 Integrating Land Use and Transport	<p>This direction applies when a relevant planning authority prepares a planning proposal that will create, alter or remove a zone or a provision relating to urban land, including land zoned for residential, business, industrial, village or tourist purposes. A planning proposal must locate zones for urban purposes and include provisions that give effect to and are consistent with the aims, objectives and principles of:</p> <p>(a) <i>Improving Transport Choice – Guidelines for planning and development</i> (DUAP 2001), and</p> <p>(b) <i>The Right Place for Business and Services – Planning Policy</i> (DUAP 2001).</p>	<p>Land identified as an Affordable Housing Contribution Area has been assessed under the Byron Shire Residential Strategy as being potentially suitable for residential purposes, this includes the ability to integrate any future development within the broader transport network.</p> <p>Any future rezoning of land identified as an Affordable Housing Contribution Area is subject to a separate planning proposal and must consider this direction.</p>	Consistent.
3.5 Development Near Regulated Airports and Defence Airfields	This direction applies when a relevant planning authority prepares a planning proposal that will create, alter or remove a zone or a provision relating to land near a regulated airport which includes a defence airfield.	This planning proposal does not alter or remove a zone in proximity to a regulated airport.	Not applicable.

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
3.6 Shooting Ranges	<p>This direction applies when a relevant planning authority prepares a planning proposal that will affect, create, alter or remove a zone or a provision relating to land adjacent to and/ or adjoining an existing shooting range. A planning proposal must not seek to rezone land adjacent to and/ or adjoining an existing shooting range that has the effect of:</p> <ul style="list-style-type: none"> (a) permitting more intensive land uses than those which are permitted under the existing zone; or (b) permitting land uses that are incompatible with the noise emitted by the existing shooting range. 	This planning proposal does not affect, create, alter or remove a zone or a provision relating to land adjacent to and/ or adjoining an existing shooting range.	Not applicable
3.7 Reduction in non-hosted short term rental accommodation period	This direction applies when the council prepares a planning proposal to identify or reduce the number of days that non-hosted short-term rental accommodation may be carried out in parts of its local government area.	Development subject to the provisions of this planning proposal must be consistent with the Affordable Housing Contributions Scheme.	Not applicable

4. Hazard and Risk

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
4.1 Acid Sulfate Soils	This direction applies when a relevant planning authority prepares a planning proposal that will apply to land having a probability of containing acid sulfate soils	Any future rezoning of land identified as an Affordable Housing Contribution Area is subject to a separate planning proposal and	Not applicable

	<p>as shown on the Acid Sulfate Soils Planning Maps.</p> <p>A relevant planning authority must not prepare a planning proposal that proposes an intensification of land uses on land identified as having a probability of containing acid sulfate soils on the Acid Sulfate Soils Planning Maps unless the relevant planning authority has considered an acid sulfate soils study assessing the appropriateness of the change of land use given the presence of acid sulfate soils.</p> <p>The relevant planning authority must provide a copy of any such study to the Director General prior to undertaking community consultation in satisfaction of section 57 of the Act.</p>	must consider this direction.	
4.2 Mine Subsidence and Unstable Land	<p>This direction applies to land that:</p> <ul style="list-style-type: none"> (a) is within a Mine Subsidence District proclaimed pursuant to section 15 of the Mine Subsidence Compensation Act 1961, or (b) has been identified as unstable land. <p>This direction applies when a relevant planning authority prepares a planning proposal that permits development on land that:</p> <ul style="list-style-type: none"> (a) is within a mine subsidence district, or (b) has been identified as unstable in a study, strategy or other assessment 	This planning proposal does not apply to land within a mine subsidence district or identified as unstable land.	Not applicable
4.3 Flood Prone	This direction applies when a relevant planning authority prepares a planning proposal that creates,	Some land identified as an affordable housing contributions area is mapped as	Justifiably

<p>Land</p>	<p>removes or alters a zone or a provision that affects flood prone land.</p> <p>A planning proposal must include provisions that give effect to and are consistent with the NSW Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005 (including the Guideline on Development Controls on Low Flood Risk Areas).</p> <p>A planning proposal must not rezone land within the flood planning areas from Special Use, Special Purpose, Recreation, Rural or Environmental Protection Zones to a Residential, Business, Industrial, Special Use or Special Purpose Zone.</p> <p>A planning proposal must not contain provisions that apply to the flood planning areas which:</p> <ul style="list-style-type: none"> (a) permit development in floodway areas, (b) permit development that will result in significant flood impacts to other properties, (c) permit a significant increase in the development of that land, (d) are likely to result in a substantially increased requirement for government spending on flood mitigation measures, infrastructure or services, or (e) permit development to be carried out without development consent except for the purposes of agriculture (not including dams, drainage canals, levees, buildings or structures in floodways or high hazard areas), roads or exempt development. <p>A planning proposal must not impose flood related</p>	<p>being flood prone land.</p> <p>Any future rezoning of land identified as an Affordable Housing Contribution Area to permit residential development will be subject to a separate planning proposal and must consider this direction.</p>	<p>inconsistent.</p>
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	<p>development controls above the residential flood planning level for residential development on land, unless a relevant planning authority provides adequate justification for those controls to the satisfaction of the Director-General (or an officer of the Department nominated by the Director-General).</p> <p>For the purposes of a planning proposal, a relevant planning authority must not determine a flood planning level that is inconsistent with the Floodplain Development Manual 2005 (including the Guideline on Development Controls on Low Flood Risk Areas) unless a relevant planning authority provides adequate justification for the proposed departure from that Manual to the satisfaction of the Director-General (or an officer of the Department nominated by the Director-General).</p>		
<p>4.4 Planning for Bushfire Protection</p>	<p>This direction applies when a relevant planning authority prepares a planning proposal that will affect, or is in proximity to land mapped as bushfire prone land.</p> <p>In the preparation of a planning proposal the relevant planning authority must consult with the Commissioner of the NSW Rural Fire Service following receipt of a gateway determination under section 56 of the Act, and prior to undertaking community consultation in satisfaction of section 57 of the Act, and take into account any comments so made.</p> <p>A planning proposal must:</p> <p>(a) have regard to Planning for Bushfire Protection</p>	<p>Some land identified as an Affordable Housing Contribution Area is mapped as being bushfire prone land or is in proximity to bushfire prone land.</p> <p>Any future rezoning of land identified as an Affordable Housing Contribution Area is subject to a separate planning proposal and must consider this direction.</p>	<p>Justifiably inconsistent.</p>

	<p>2006,</p> <ul style="list-style-type: none"> (b) introduce controls that avoid placing inappropriate developments in hazardous areas, and (c) ensure that bushfire hazard reduction is not prohibited within the APZ. <p>A planning proposal must, where development is proposed, comply with the following provisions, as appropriate:</p> <ul style="list-style-type: none"> (a) provide an Asset Protection Zone (APZ) incorporating at a minimum: <ul style="list-style-type: none"> (i) an Inner Protection Area bounded by a perimeter road or reserve which circumscribes the hazard side of the land intended for development and has a building line consistent with the incorporation of an APZ, within the property, and (ii) an Outer Protection Area managed for hazard reduction and located on the bushland side of the perimeter road, (b) for infill development (that is development within an already subdivided area), where an appropriate APZ cannot be achieved, provide for an appropriate performance standard, in consultation with the NSW Rural Fire Service. If the provisions of the planning proposal permit Special Fire Protection Purposes (as defined under section 100B of the Rural Fires Act 1997), the APZ provisions must be complied with, (c) contain provisions for two-way access roads which links to perimeter roads and/or to fire trail networks, 		
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	<ul style="list-style-type: none"> (d) contain provisions for adequate water supply for firefighting purposes, (e) minimise the perimeter of the area of land interfacing the hazard which may be developed, (f) introduce controls on the placement of combustible materials in the Inner Protection Area. 		
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5. Regional Planning

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
5.1 Implementation of Regional Strategies	<p>This direction applies to land to which the following regional strategies apply:</p> <ul style="list-style-type: none"> (a) South Coast Regional Strategy (excluding land in the Shoalhaven LGA) (b) Sydney–Canberra Corridor Regional Strategy 	Not Applicable.	Not applicable
5.2 Sydney Drinking Water Catchments	Applies when a relevant planning authority prepares a planning proposal that applies to the hydrological catchment.	Not Applicable.	Not applicable
5.3 Farmland of State and Regional Significance on the NSW Far North Coast	<p>This applies to Byron Shire Council except within areas contained within the “urban growth area” mapped in the North Coast Regional Plan 2036.</p> <p>A planning proposal must not:</p> <ul style="list-style-type: none"> (a) rezone land identified as “State Significant 	<p>Some land identified as an affordable housing contributions area is mapped as being important farmland.</p> <p>Any future rezoning of land identified as an</p>	Justifiably inconsistent.

	<p>Farmland” for urban or rural residential purposes.</p> <p>(b) rezone land identified as “Regionally Significant Farmland” for urban or rural residential purposes.</p> <p>(c) rezone land identified as “significant non-contiguous farmland” for urban or rural residential purposes.</p>	Affordable Housing Contribution Area is subject to a separate planning proposal and must consider this direction.	
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	<p>This Direction applies when a relevant planning authority prepares a planning proposal for land in the vicinity of the existing and/or proposed alignment of the Pacific Highway.</p> <p>A planning proposal that applies to land located on “within town” segments of the Pacific Highway must provide that:</p> <p>(a) new commercial or retail development must be concentrated within distinct centres rather than spread along the highway;</p> <p>(b) development with frontage to the Pacific Highway must consider impact the development has on the safety and efficiency of the highway; and</p> <p>(c) for the purposes of this paragraph, “within town” means areas which, prior to the draft local environmental plan, have an urban zone (eg: “village”, “residential”, “tourist”, “commercial”, “industrial”, etc) and where the Pacific Highway speed limit is less than 80km/hour.</p> <p>A planning proposal that applies to land located on “out-of-town” segments of the Pacific Highway must provide</p>	Not applicable	Not applicable

	<p>that:</p> <ul style="list-style-type: none"> (a) new commercial or retail development must not be established near the Pacific Highway if this proximity would be inconsistent with the objectives of this Direction; (b) development with frontage to the Pacific Highway must consider the impact the development has on the safety and efficiency of the highway; and (c) for the purposes of this paragraph, “out-of-town” means areas which, prior to the draft local environmental plan, do not have an urban zone (eg: “village”, “residential”, “tourist”, “commercial”, “industrial”, etc) or are in areas where the Pacific Highway speed limit is 80km/hour or greater. 		
5.5 – 5.8 Revoked	-	-	-
5.9 North West Rail Link Corridor Strategy	Not Applicable	Not applicable	Not applicable
5.10 Implementation of Regional Plans	Planning proposals must be consistent with a Regional Plan released by the Minister for Planning.	The consistency of this planning proposal with the North Coast Regional Plan is addressed in Section B above.	Consistent
5.11 Development of	This direction applies when a planning proposal authority prepares a planning proposal for land shown on the Land Application Map of State Environmental	Not applicable	Not applicable

Aboriginal Land Council land	Planning Policy (Aboriginal Land) 2019.		
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6. Local Plan Making

S. 9.1 Direction	Application	Relevance to this planning proposal	Consistency
6.1 Approval and Referral Requirements	<p>A planning proposal must:</p> <ul style="list-style-type: none"> (a) minimise the inclusion of provisions that require the concurrence, consultation or referral of development applications to a Minister or public authority, and (b) not contain provisions requiring concurrence, consultation or referral of a Minister or public authority unless the relevant planning authority has obtained the approval of: <ul style="list-style-type: none"> (i) the appropriate Minister or public authority, and (ii) the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General), prior to undertaking community consultation in satisfaction of section 57 of the Act, and (c) not identify development as designated development unless the relevant planning authority: <ul style="list-style-type: none"> (i) can satisfy the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) that the class of 	<p>This planning proposal will not include provisions that require concurrence, consultation or referral of development applications to a Minister of public authority. It does not identify development as designated development.</p>	Consistent

	<p>development is likely to have a significant impact on the environment, and</p> <p>(ii) has obtained the approval of the Director-General of the Department of Planning (or an officer of the Department nominated by the Director-General) prior to undertaking community consultation in satisfaction of section 57 of the Act.</p>		
6.2 Reserving Land for Public Purposes	<p>A planning proposal must not create, alter or reduce existing zonings or reservations of land for public purposes without the approval of the relevant public authority and the Director-General of the Department of Planning and Environment (or an officer of the Department nominated by the Director-General).</p>	<p>The provisions in this planning proposal will create public land via a dedication to Council.</p> <p>However, the provisions will only apply to land identified in the Affordable Housing Contribution Scheme if the land is rezoned for residential purposes. Therefore, the direction applies at the rezoning stage.</p> <p>Any future rezoning of land identified as an Affordable Housing Contribution Area to permit residential development will be subject to a separate planning proposal and must consider this direction.</p>	Not applicable

<p>6.3 Site Specific Provisions</p>	<p>This direction applies when a relevant planning authority prepares a planning proposal that will allow a particular development to be carried out.</p> <p>A planning proposal that will amend another environmental planning instrument in order to allow a particular development proposal to be carried out must either:</p> <ul style="list-style-type: none"> (a) allow that land use to be carried out in the zone the land is situated on, or (b) rezone the site to an existing zone already applying in the environmental planning instrument that allows that land use without imposing any development standards or requirements in addition to those already contained in that zone, or (c) allow that land use on the relevant land without imposing any development standards or requirements in addition to those already contained in the principal environmental planning instrument being amended. <p>A planning proposal must not contain or refer to drawings that show details of the development proposal.</p>	<p>This planning proposal does not allow a particular development to be carried out.</p>	<p>Not applicable</p>
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Section C Environmental, social and economic impact

Q7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

No.

Any future rezoning of land identified on the Affordable Housing Contribution Area map will be subject to a separate planning proposal that considers potential adverse impacts on critical habitat or threatened species, populations or ecological communities, or their habitats.

Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed

No.

Any future rezoning of land identified as an Affordable Housing Contribution Area will be subject to a separate planning proposal that considers any likely environmental effects.

Q9. Has the planning proposal adequately addressed any social and economic effects?

The provisions in the planning proposal give effect to the Byron Shire Affordable Housing Scheme. The provisions apply to land identified in the Affordable Housing Contribution Scheme if the land is upzoned for residential purposes.

The social and economic effects of providing affordable housing via the Affordable Housing Contributions Scheme are outlined in the Scheme – Section 1.4: Affordable Housing Need.

A viability assessment for each of the chosen sites is included in Appendix B of the Scheme.

Land chosen to be included on the Affordable Housing Contribution Area in the Affordable Housing Contribution Scheme has been considered under the Byron Shire Residential Strategy – Appendix D: Principles and criteria for the location, fit and mix of affordable housing that aligned with the *SEPP 70 - Affordable Housing (Revised Schemes) Schedule 2 Affordable housing principles*.

The Scheme requires Council to prepare an affordable housing implementation and delivery program. A framework for this program is only provided as this stage as there are no concept plans for the precincts and all are subject to rezoning. The outcome for the precincts will be determined in consultation with individual owners at the Planning Proposal stage and a Community Housing Provider will need to be nominated as part of those Planning Proposals.

Section D State and Commonwealth interests

Q10. Is there adequate public infrastructure for the planning proposal?

Any future rezoning of land identified as an Affordable Housing Contribution Area will be subject to a separate planning proposal that gives consideration to public infrastructure requirements.

Land chosen to be included on the Affordable Housing Contribution Area on the Affordable Housing Contribution Scheme maps has been considered as 'investigation areas' under the Council adopted Byron Shire Residential Strategy. The Residential Strategy has helped to inform public infrastructure planning and delivery including local government (such as roads, water and sewer infrastructure and provisioning for climate change resilience), regional (such as Rous County Council water security forward planning) and state infrastructure delivery (such as Department of Education and schools).

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

Prior to the lodgement of the planning proposal for gateway and as part of the review of Council's adopted Residential Strategy by the state government two matters of state concern were raised.

1. Mullumbimby Affordable Housing Contribution Scheme Map

The NSW Department of Primary Industries – Agriculture has formally objected to Areas 8 & 9 - land east of railway line and south of Ann Street and Hollingsworth Lane (1B Ann Street and 75 New City Road (as referenced in Council adopted draft residential strategy Map 1) being included as investigation areas in the Residential Strategy on the grounds that *'DPI does not agree with Council that the land meets the North Coast Regional Plan (NCRP) Variation Principles on the basis that these sites have no natural barriers separating them from the adjacent farmland to the east. We (DPI) also do not accept that this is a minor rounding off' in accordance with the Farmland Protection Project Final recommendations.*

DPI accepts that on occasion land identified as State or regionally significant farmland will need to be developed. However, this development should be avoided if possible and, in this case, a number of factors indicate there is not yet a need to undermine the protections afforded agricultural land on the North Coast.'

2. Byron Bay Affordable Housing Contribution Scheme Map

Council has commenced work to provide an updated coastal hazard assessment as part of its Coastal Management Program. This may result in changes to the 100-year coastal hazard line encroaching further landward. The NSW Department of Planning, Industry and Environment (Biodiversity and Conservation Division) has recommended that it be removed from the Residential Strategy an urban investigation area until this work is completed, and an informed decision can be made on the suitability for inclusion in the strategy.

As such the above Affordable Housing Contribution Areas are set as a Tier 2 Affordable Contribution Area. This affirming that matters of concern be resolved prior to the lodgement of any planning proposal to upzone.

State and Commonwealth public authorities will be further consulted in accordance with the Gateway determination.

Part 4 Mapping

The planning proposal includes 'Affordable Housing Contribution Area' maps only for illustration/exhibition purposes. The proposed Affordable Housing Contribution Areas are shown on the Affordable Housing Contribution Scheme Maps: Byron Bay, Mullumbimby and Bangalow - are provided in Attachment 1.

Table 3 provides the current lot details for land identified on each Affordable Housing Contribution Scheme map.

The Affordable Housing Contribution Maps will be adopted as part of subsequent LEP amendments for individual land parcels at the rezoning stage.

Table 3: Affordable Contribution Area land lot details

Affordable Housing Contribution Scheme Map Affordable Contribution Area	Parcel location	Lot details	Tier
Byron Bay	Ewingsdale Road	Part Lot 350/DP755695	2
Mullumbimby	1B Ann Street	Lot 1 DP1032298	2
Mullumbimby	75 New City Road	Part of Lot 2 DP1032298	2
Mullumbimby	156 Stuart St	Part of Lot 22 DP1073165	1
Mullumbimby	1660 Coolamon Scenic Drive	Lot 31 DP1266932	1
Mullumbimby	1660 Coolamon Scenic Drive	Lot 1 DP1209362	1
Mullumbimby	1632 Coolamon Scenic Drive	Lot 1 DP748729	1
Mullumbimby	1634 Coolamon Scenic Drive	Lot 2 DP748729	1
Mullumbimby	3 Poplar Street	Part of Lot 76 DP755722	1
Mullumbimby	3 Poplar Street	Part of Lot 77 DP755722	1
Mullumbimby	71 Main Arm Road	Part Lot 1 DP1222185	1
Mullumbimby	1 Azalea St	Part of Lot 188, Lot 1 DP 1159861 and Lot 138 DP 755722	1

Affordable Housing Contribution Scheme Map Affordable Contribution Area	Parcel location	Lot details	Tier
Mullumbimby	Tuckaroo Av	Part of Lot PT32 DP1169053	1
Bangalow	16 Ballina Road	Lot 1 DP614715	1
Bangalow	14 Ballina Road	Lot 3 DP702168	1
Bangalow	2 Ballina Road	Lot 1 DP1125857	1
Bangalow	2 Ballina Road	Lots 23 DP6478	1
Bangalow	4 Ballina Road	Lots 24 DP6478	1
Bangalow	4 Ballina Road	Lots 25 DP6478	1
Bangalow	6 Ballina Road	Lot 7 DP111819	1
Bangalow	6 Ballina Road	Lot 1 DP301392	1
Bangalow	8 Ballina Road	Lot 1 DP371410	1
Bangalow	10 Ballina Road	Lot 1 DP974496	1
Bangalow	12 Ballina Road	Lot 1 DP931195	1
Bangalow	3 Ballina Road	Lot 23 DP1070522	1
Bangalow	5 Ballina Road	Lot 1 DP 1069720	1
Bangalow	Ballina Road	Lot 2 DP233797	1
Bangalow	7 Ballina Road	Lot 2 DP313475	1
Bangalow	9 Ballina Road	Lot 1 DP233797	1
Bangalow	11 Ballina Road	Lot 1 DP961064	1
Bangalow	13 Ballina Road	Lot 1 DP613935	1
Bangalow	15 Ballina Road	Lot 1 DP1086364	1
Bangalow	31 Ballina Road	Part of Lot 2 DP 1260751	1

Affordable Housing Contribution Scheme Map Affordable Contribution Area	Parcel location	Lot details	Tier
Bangalow	32 Satinash Crescent	Lot 182 DP1000507	1
Bangalow	26 Satinash Crescent	Lot 348 DP 755695	1
Bangalow	68 Rankin Drive	Lot 11 DP807867	1
Bangalow	68 Rankin Drive	Part of Lot 261 DP 1262316	1
Bangalow	57 Rankin Drive	Part of Lot 262 DP 1262316	1

Part 5 Community consultation

The local community was introduced to the intent to apply an affordable housing contribution scheme through the process of adopting the Byron Shire Affordable Housing Contribution Policy (AHCP). This process gave the development industry, in particular the effected landowners an early signal that an affordable housing contribution scheme is being prepared, giving them time to make informed business decisions.

The AHCP was as exhibited and subsequently adopted by Council in August 2020.

Community consultation in relation to the planning proposal will be conducted in accordance with the Gateway determination.

A 30-day exhibition period is recommended.

Council staff intend to hold meeting/s with landowners to provide an overview of the proposal and answer questions.

Notification of the exhibited planning proposal will include:

- updates to Council's website
- letters to relevant State agencies
- notification in writing to affected landowners where possible
- key community groups
- local community housing providers
- Arakwal

Part 6 Project timeline

The proposed timeline for the completion of the planning proposal is detailed in Table 4.

Table 4: Timelines

Plan making step	Estimated completion
Gateway Determination	18 February 2022
Agency Consultation	February/March 2022
Public Exhibition Period	March/April 2022
Submissions Report to Council	May 2022
Submission of endorsed LEP amendment to Parliamentary Counsel for drafting (delegated authority)	June 2022
DPIE to make the LEP amendment	June/July 2022
LEP amendment notification	June/July 2022

Conclusion

This planning proposal seeks to amend Byron LEP 2014 to deliver affordable housing outcomes in Byron Shire. It follows Council adoption of the Byron Residential Strategy and the Byron Shire Affordable Housing Contribution Policy and commences the implementation of housing diversity and housing affordability actions set out in the Byron Shire Local Strategic Planning Statement (LSPS).

The Byron Shire Affordable Housing Contribution Policy was adopted by Council in June 2020 and sets a framework to advocate for, facilitate, provide, and manage affordable housing contributions in Byron Shire acquired through a planning agreement or delivered through an affordable housing contribution scheme (AHCS).

This planning proposal provides a framework for the application of affordable housing contributions when land is being developed. This framework is underpinned by the Byron Shire Affordable Housing Contributions Policy and the Byron Shire Affordable Housing Contribution Scheme.

Attachments

Attachment 1: Affordable Housing Contribution Maps showing Affordable Housing Contribution Areas

Attachment 2: Byron Shire Affordable Housing Contribution Scheme 01

ATTACHMENT 1 - Affordable Housing Contribution Scheme Maps showing Affordable Housing Contribution Areas - maps only for illustration/exhibition purposes

Affordable Housing Contribution Scheme 01 - Byron Bay

NOTE: This map is for illustrative purposes only



Disclaimer: While all reasonable care has been taken to ensure the information contained on this map is up to date and accurate, no warranty is given that the information contained on this map is free from error or omission. Any reliance placed on such information shall be at the sole risk of the user. Please verify the accuracy of the information prior to using it.
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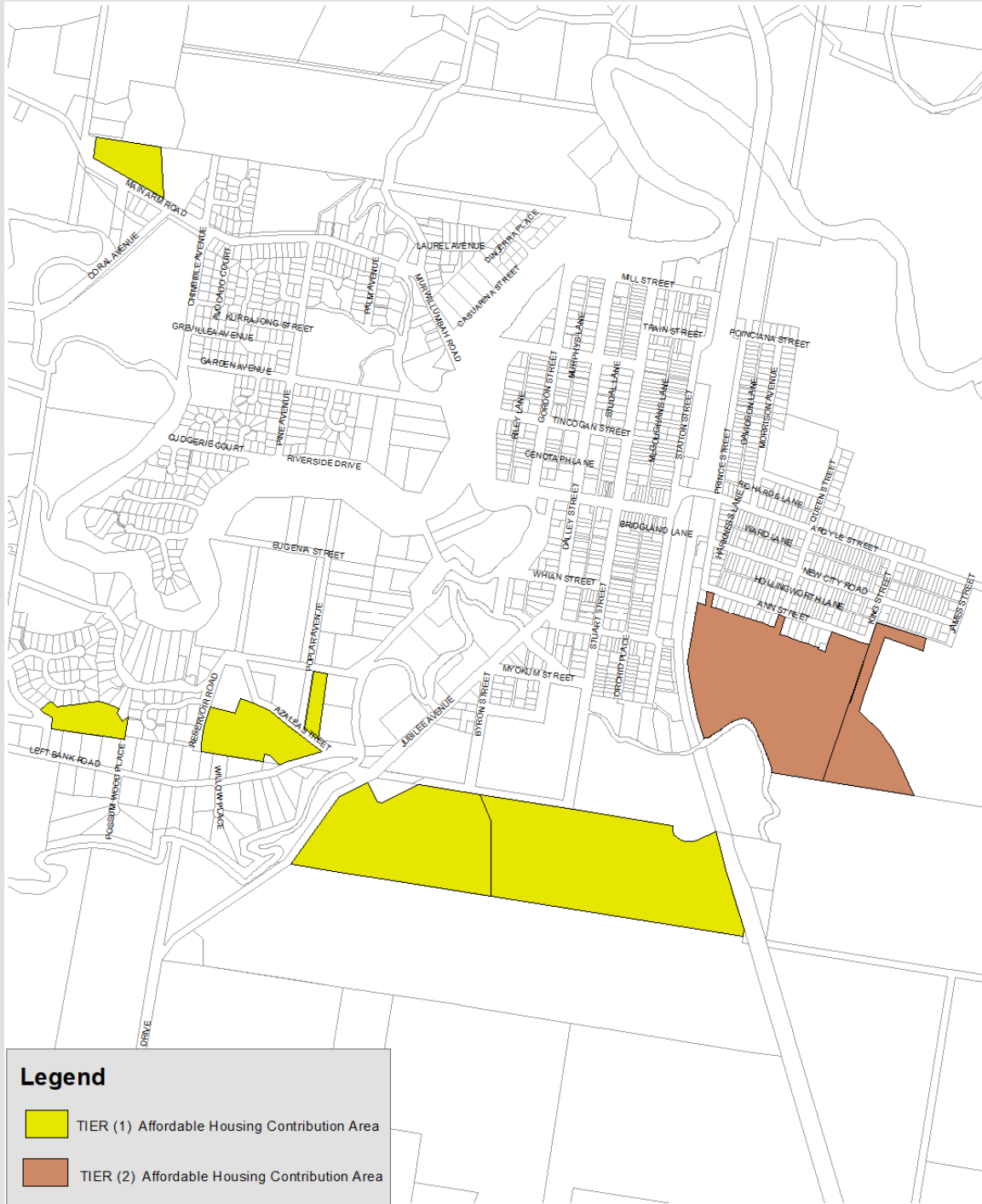
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Date: 24/02/2022

Affordable Housing Contribution Scheme 01 - Mullumbimby

NOTE: This map is for illustrative purposes only

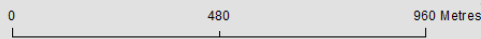


Legend

- TIER (1) Affordable Housing Contribution Area
- TIER (2) Affordable Housing Contribution Area



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Date: 24/02/2022

ATTACHMENT 2

Byron Shire Affordable Housing Contribution Scheme 01
(BSC Document number E2022/18116)