

29/11/2024

Queanbeyan- Palerang Regional Council  
Attn: Ruth Ormella  
Director Development and Environment

Dear Ruth,

**Re: 50 MORISSET STREET PUBLIC BENEFIT LETTER OF OFFER- DA 2023.0602**

Lockbridge lodged a Development Application (DA) with Queanbeyan-Palerang Regional Council (QPRC) to develop the site at 50 Morisset Street Queanbeyan on 4 December 2023. The site currently accommodates public carparking and the development proposal intends to deliver a mixed use development that includes 160 one and two bed units, 212 carparking spaces and 624 sqm of commercial development.

Subject to the finalisation of the terms via the VPA negotiation process, Lockbridge offers to enter into a Planning Agreement with Council under section 7.4 of the *Environmental Planning and Assessment Act 1979* in connection with the development application the terms of which are set out as follows.

<b>Parties</b>	Queanbeyan – Palerang Regional Council and Lockbridge
<b>Land</b>	Lot 100 DP1308422, 50 Morisset Street, Queanbeyan
<b>Development Application</b>	DA.2023.0602 Mixed-use development Application of section 7.11
<b>Public Benefit</b>	Lockbridge will commit to providing 50% of the development being 80 units as affordable build to rent (BtR) dwellings. The affordable housing component will be managed by a CHP for a minimum period of 25 years.

## BACKGROUND

It is widely acknowledged that there is a major shortfall in affordable housing across Australia. The most severe and lasting impacts are experienced by low-income households in private rental accommodation.<sup>1</sup> Within the Queanbeyan Palerang Local Government Area (LGA) there is an affordable housing crisis caused by a near 0% private rental vacancy rate. The proposed development under DA 2023.0602 aims to address this crisis.

Lockbridge has partnered with a Community Housing Provider (CHP) for this project who will own and operate 80 of the apartments as an affordable BtR community for a minimum term of 25 years.

The ownership and retention of affordable housing within the Community Housing sector is a key objective for the Australian Government, NSW Government and QPRC to ensure affordable housing remains available to the community long term.

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<sup>1</sup> Queanbeyan Palerang Affordable Housing Strategy, April 2023



### Queanbeyan Council Affordable Housing Strategy

The Queanbeyan Palerang Affordable Housing Strategy dated April 2023 establishes the QPRC plan to respond to *“a perfect storm of housing, funding and economic factors ...which... has resulted in an affordable housing crisis in areas like Queanbeyan Palerang LGA.”*<sup>2</sup>

The strategy identifies that in 2016 there were around 2,200 very low, low and moderate income households in housing stress and by 2041, this was projected to grow by 1,576 households to a total of 3,776 households in housing stress. Of those projected to be in housing stress by 2041, at least 75% are likely to be renters.<sup>3</sup>

The strategy identifies that there is very limited opportunity for the private market to provide housing that is affordable to meet the current affordable housing need creating a need for deep subsidies, strong planning intervention and direct funding at all levels of Government. It further identifies that around 85% of the current and projected affordable housing need is unlikely to be met by the private housing market.

The strategy identifies Councils role and statutory responsibilities to include *“an implicit role in affordable housing and impact on affordability through land use zoning, controls, timing of land release, locations of services and facilities, and the levying of rates and development contributions”*.<sup>4</sup>

It further determines that a developer may seek a Voluntary Planning Agreement which may include a *“material public benefit...to be used for or applied to a public purpose. ‘Affordable Housing’ as defined under the Act is one of the listed public purposes.”*<sup>5</sup>

Lockbridge provides QPRC with a unique opportunity to provide a substantial amount of long term affordable housing dwellings in the Queanbeyan CBD. Contrary, to the Queanbeyan Palerang Affordable Housing Strategy these dwellings will be provided without a deep subsidy, strong planning intervention or direct funding by QPRC. This is a truly a unique opportunity for QPRC to initiate its Housing Strategy reforms without the need for QPRC to gift land or make substantial financial contributions which were identified as necessary for the private sector to develop affordable housing within the strategy.

The opportunity does however require QPRC to recognise the findings of the assessment of the public car parking provided, which supports the removal of public carparking from the site to allow the affordable housing project to be created.

### The Public Benefit Offer

The proposed development under DA 2023.0602 aims to address the current housing crisis by providing 50% of the available housing within the development as affordable rental housing, far exceeding the NSW in-fill affordable housing reforms' minimum requirement of 10%. These apartments will also be owned by a CHP and offered for affordable rental for a minimum term of 25 years which far exceeds the NSW in-fill affordable housing reforms' minimum requirement of 15 years.

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<sup>2</sup> Queanbeyan Palerang Affordable Housing Strategy , April 2023, page 5

<sup>3</sup> Queanbeyan Palerang Affordable Housing Strategy , April 2023

<sup>4</sup> Queanbeyan Palerang Affordable Housing Strategy , April 2023, page 10

<sup>5</sup> Queanbeyan Palerang Affordable Housing Strategy , April 2023, page 10



Ownership of the affordable housing by the Community Housing Provider will ensure that the affordable housing will remain as long-term affordable rental for low-income earners within the QPRC LGA.

This offer provides QPRC with the opportunity to partner with the Developer and Community Housing Provider to implement key strategies identified in the Queanbeyan Palerang Affordable Housing Strategy to deliver meaningful long term affordable rental accommodation within the Queanbeyan CBD. The current offer also enables the implementation of the Affordable Housing Strategy without the requirement for QPRC to contribute either publicly owned land or financial contributions considered under the Strategy.

We look forward to further discussion on the proposed offer and are open to an approach on the mechanism to formalise on the above terms should the offer be acceptable to QPRC.

Please do not hesitate to call and discuss this proposed offer.

Regards,

A handwritten signature in black ink, appearing to read "K Fordham", with a long horizontal flourish extending to the right.

Kieran Fordham  
Director