



Grounded

Community Land Trust Advocacy

Amendments to the Housing Australia Investment Mandate Direction

SUBMISSION

The investment mandate is a crucial document to ensure government investment is effective. We respect the guardrails you have in place, but wonder at what cost these will have to rural and regional communities?

Regional housing affordability has been hard hit by the pandemic, the AirBnB wave and the continual focus on growth areas at the edge of cities.

In areas where there is not a CHP presence or enough CHP capacity, some flexibility is required for a regional not for profit housing organisation to provide the service.

We believe that if the following conditions are in place, that HAFF support should be extended to:

1. A Trust that is established to hold the land as a perpetually affordable community resource
2. That high quality Trustees are on the board
3. PBI status is achieved
4. An affordability lock¹ is in place to ensure perpetual affordability
5. Formal support from the local council²
6. An experienced registered builder/ entity is contracted
7. The Trust is focused on localised housing need.

¹ A legal covenant that restricts resale prices to a multiple of the area median income ie 30%

² For example, in Victoria via a Section 173 agreement

The primary purpose of the housing trust must be to improve housing outcomes for identified groups within a specific area. A locality factor could be included in that housing must go to people who have lived in the area for more than 3 years.

ATO oversight of the PBI should be sufficient to assist small scale, regional projects up to 40 dwellings. Regular reporting there will reveal any governance shortfalls.

In Bellingen Shire, the two main CHPs are CHL and MAH. They both have much bigger portfolios in other areas. This means that small regional developments will never get to the priority list for those CHPs who are more likely to focus on metro / regional cities (e.g. Coffs / Port Mac), where funding is more likely.

A small community group should be encouraged to come together to meet urgent housing needs. The ROI may in fact be higher in terms of well located housing at a lower land price.

We encourage government to allow some level of flexibility for those living regionally, to ensure they don't miss out on the important funding streams HAFF can provide.

Contact

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