

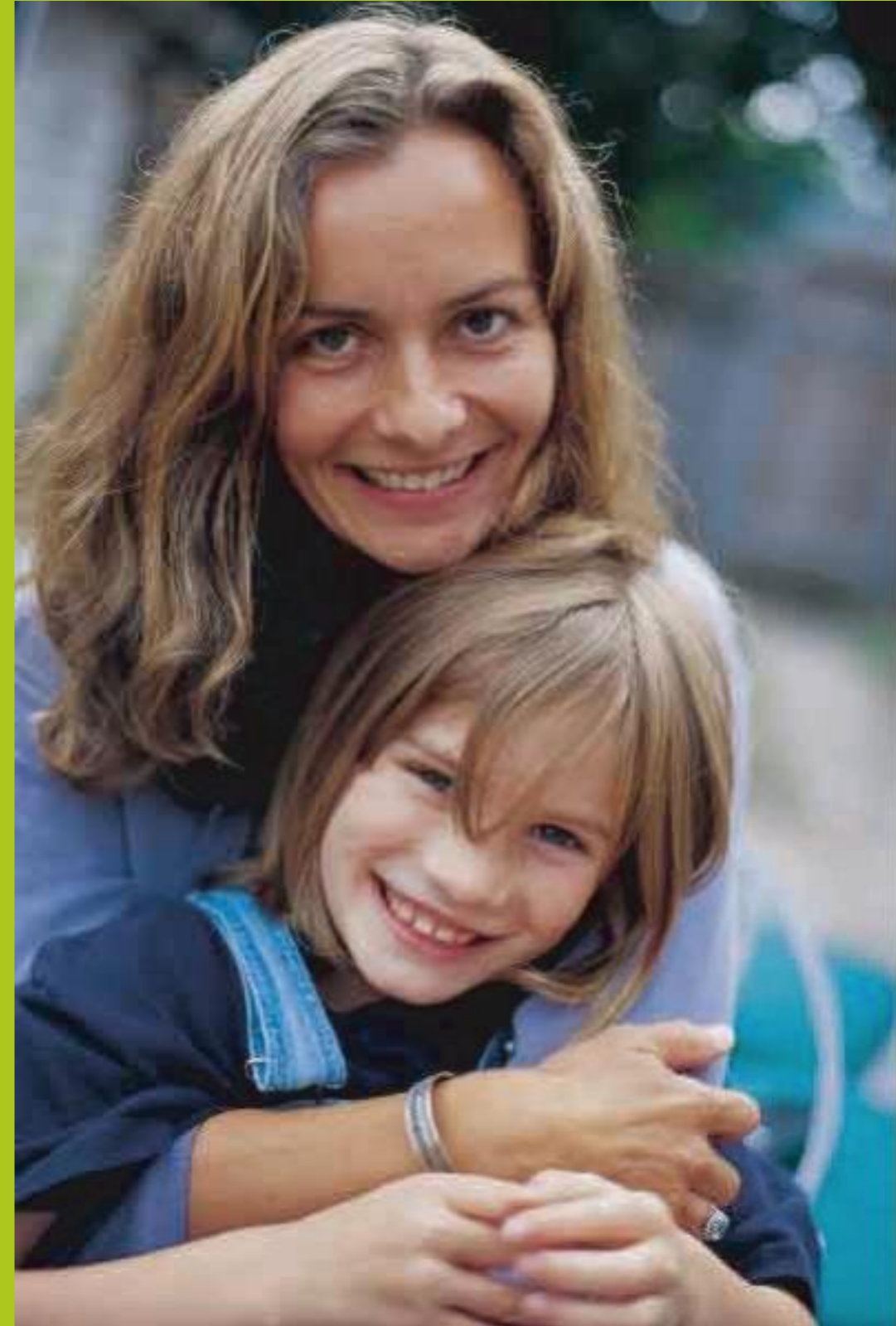
URBANXCHANGE

Residential, Commercial - Development & project management

Social and Affordable Housing

Introduction

- Who
- Problem
- Definition
- Types of Affordable Housing
- Process

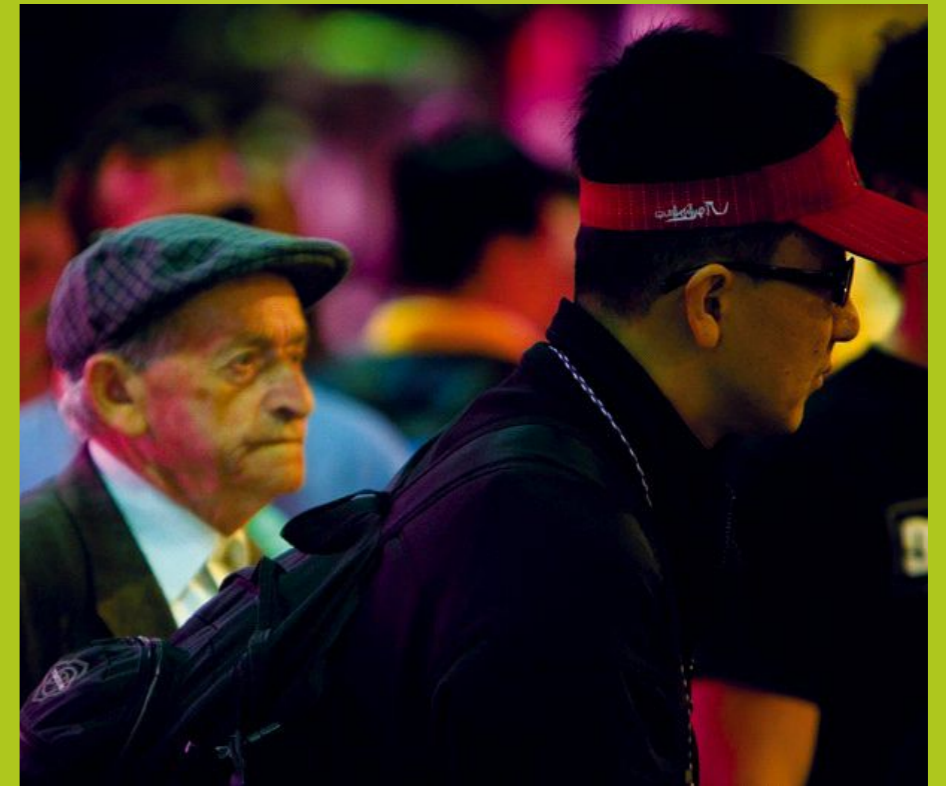


Who

Affordable housing market is a segmented market:

- First-time buyers
- Older poor
- Singles / young
- Lone parents
- Key workers
- Low income workers
- Welfare recipients

Affordable housing does not equal 'public housing' or 'social housing'.



Problem Summary

Public

- 348,000 dwellings
- \$billions maintenance backlog
- Socio-economic problems
- At least 30% (100,000+) in estates - for redevelopment
- Govt struggles with renewal

Community

- Relatively young
- \$ in assets due to Nation Building
- Mixed tenant base
- Growth Area
- NGO's – governed by legislation

Key Worker

- 85% of all workers in service industries – many low or mod inc
- Up to 60% of all h'holds struggle for home ownership
- Deposit gap – rent price too high to save
- Rent squeeze, low vacancy rate

Private AH

- Aust median house price 9 - 10 X median income (historically 3-4)
- Govt taxes & infrastructure charges now more than land
- Entry price level to home ownership continuing to increase
- Potential market shrinks

Action needed on all areas. Issues differ for each group.

Affordable Housing Definition

The Victorian Government's *Homes for Victorians* provides a clear definition of Affordable Housing, being:

Affordable Housing is housing that is appropriate for the needs of a range of very low to moderate income households, and priced (whether mortgage repayments or rent) so these households are able to meet their other essential basic living costs.

It goes further to define:

Public Housing

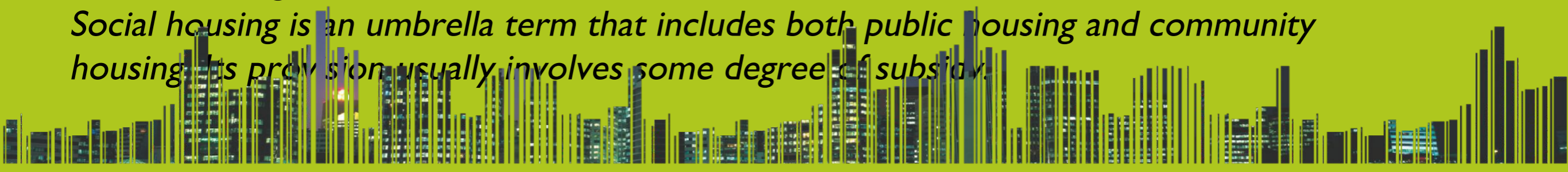
Housing owned and managed by the Director of Housing. The Government provides public housing to eligible disadvantaged Victorians including those unemployed, on low incomes, with a disability, with a mental illness or at risk of homelessness.

Community Housing

Housing owned or managed by community housing agencies for low income people, including those eligible for public housing. Community housing agencies are regulated by the Government.

Social Housing

Social housing is an umbrella term that includes both public housing and community housing. Its provision usually involves some degree of subsidy.



Affordable Housing Definition

Section 3AA of the *Victorian Planning and Environment Act 1987* contains the following definition of affordable housing:

(1) For the purposes of this Act, affordable housing is housing, including social housing, that is appropriate for the housing needs of any of the following —

(a) very low income households;

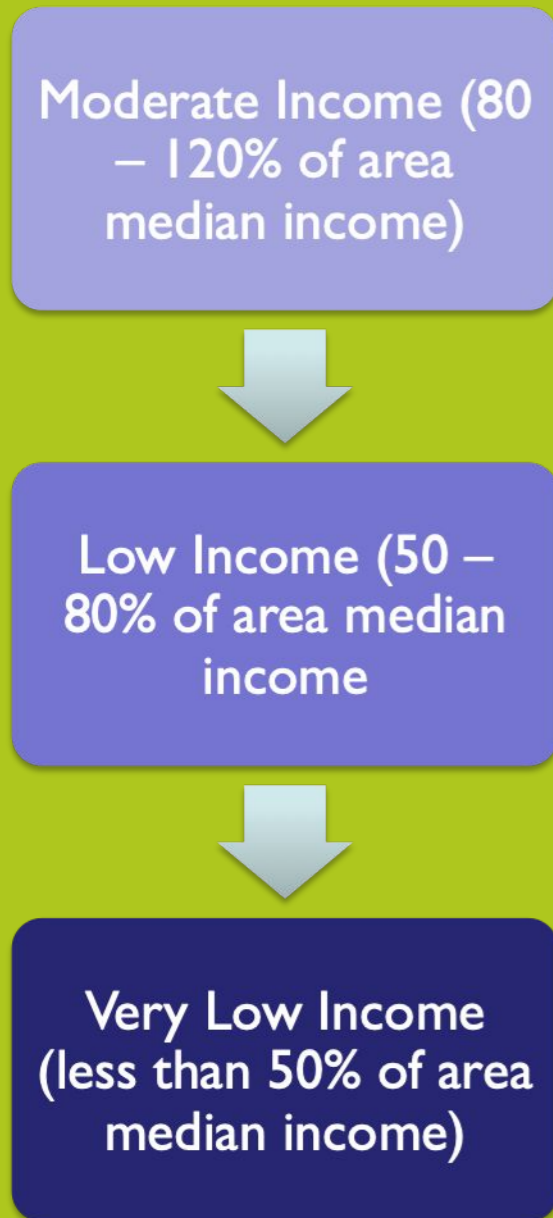
(b) low income households;

(c) moderate income households.

*(2) For the purposes of determining what is appropriate for the housing needs of very low income households, low income households and moderate income households, regard must be had to the matters specified by the Minister by notice published in the *Government Gazette*.*



Affordable Housing Types

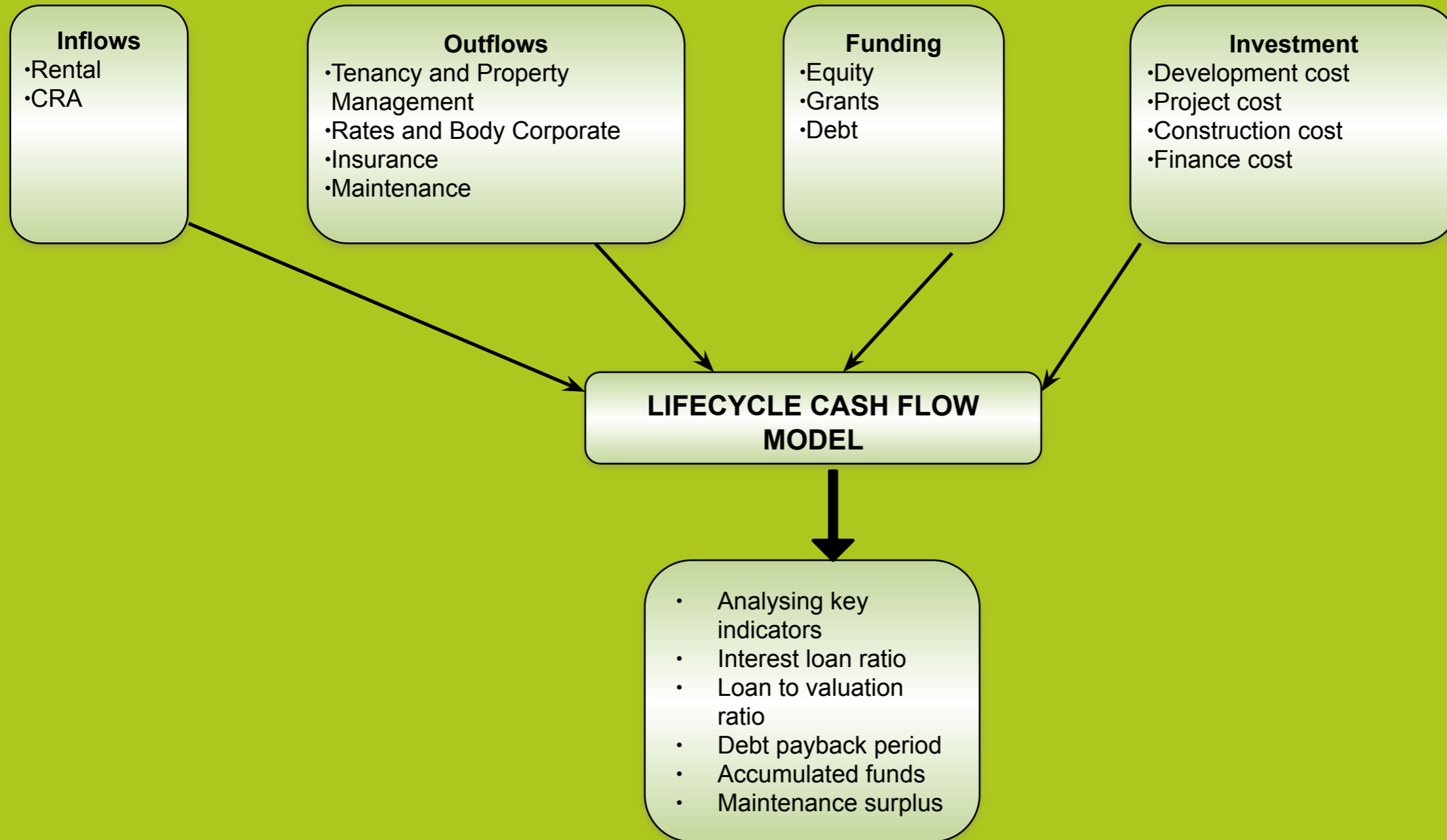


Affordable Housing Models

Category	Model
Assisted home ownership	<ol style="list-style-type: none">1. Shared equity2. Rent to buy3. Restricted purchase
Below market rental	<ol style="list-style-type: none">1. National Rental Affordability Scheme (NRAS)2. Build to rent
Public, community or indigenous housing	<ol style="list-style-type: none">1. Public/state housing and associated renewal programmes2. Housing Associations, including the Bond Aggregator
Crisis housing	<ol style="list-style-type: none">1. Rooming houses2. Hostels3. Transitional housing



Social Housing



Process

Identifying the affordable housing groups



Quantifying the need (# of dwellings, price point)



Defining categories of development to apply policy to



Determining the mechanisms



