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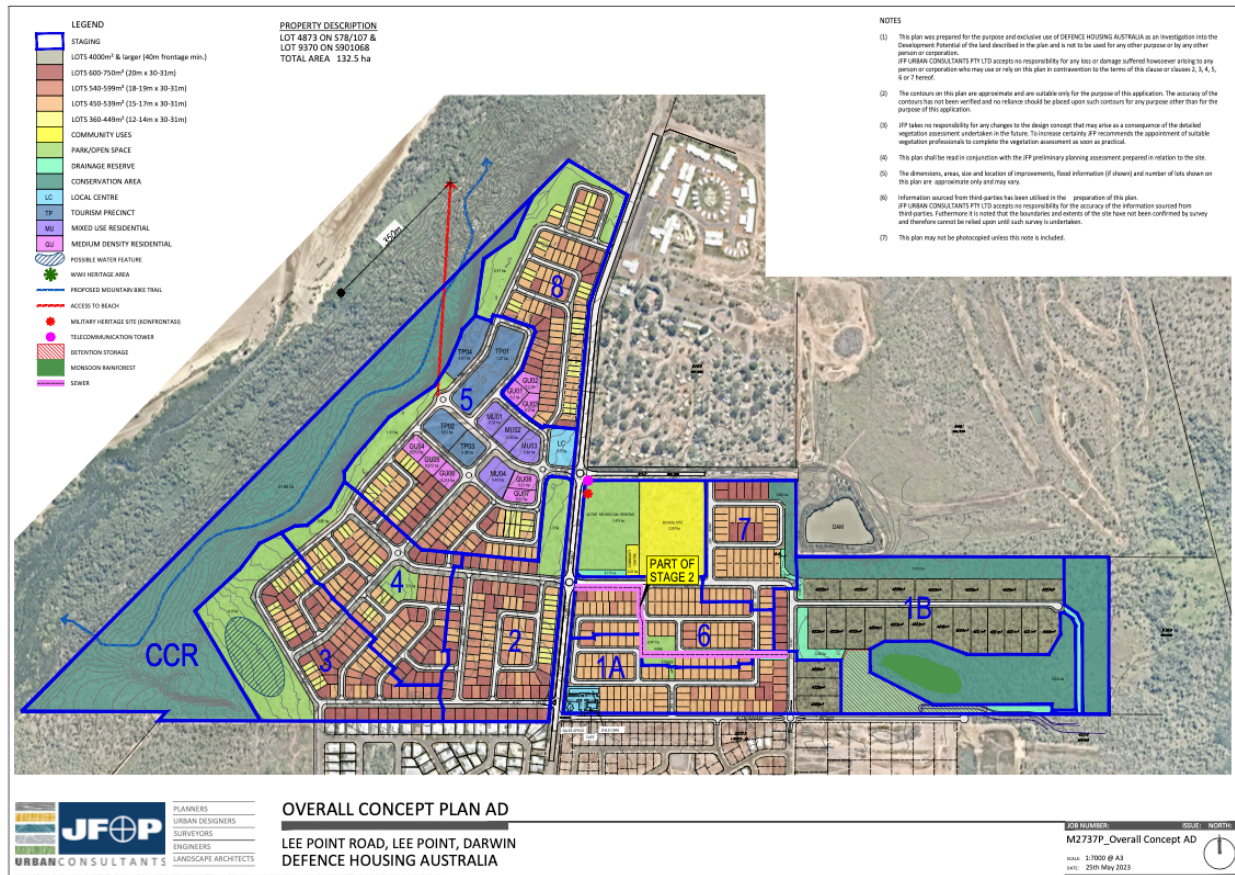
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The Defence Housing Australia's proposed housing development at Lee Point, Darwin, and its potential for addressing homelessness.

March, 2024.

A report prepared for the Friends of Lee Point Inc.

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Acknowledgments

CHC is extremely grateful to the key stakeholders that shared their expert opinions and respective organisational positions on the Defence Housing Australia's Lee Point development, and more generally, on social and affordable housing. Specifically, thanks are extended to: Peter McMillan (CEO) and Michael Byrne (Regional Coordinator) from NT Shelter; Sarah Thurgood (Chief Operations Officer) from Venture Housing; Michael Berto (CEO) from Yilli Rreung Housing Aboriginal Corporation; and Skye Thompson (CEO) from Aboriginal Housing Northern Territory Aboriginal Corporation.

About the author

Catherine Holmes Consulting (CHC) assembles multidisciplinary teams of expert practitioners to undertake research and program and service design, development and evaluation in the Northern Territory, and more broadly, North Australia. CHC's professional practice has focused on a range of topics linked to marginalised, disadvantaged and vulnerable populations, in particular Indigenous Australians that experience homelessness.

Dr. Catherine Holmes, the Director of CHC, holds two higher research degrees - a Doctor of Philosophy (which examined the lived experience of homelessness in Darwin and its implications for health) and Master of Science (Honours) (which investigated the World Health Organization's Healthy Marketplace Program; a program that applies a settings approach to health promotion). She also holds a Bachelor of Applied Science (Environmental Health) and an Associate Diploma of Applied Science (Health and Building Surveying) and is trained in mediation and governance. She is an Adjunct Associate Professor with Batchelor Institute of Indigenous Tertiary Education and has held many governance positions in the community and social services sectors.

Catherine is an accomplished research leader and strategist, committed to workforce capacity building, social justice and sustainable development. Her expertise, formal education and extensive grounded experience have culminated in a depth and breadth of knowledge of the complex dynamic between socio-cultural, economic, political and geographic contexts that shape the lives of communities and define policy and service provision. She has been engaged in research and evaluation projects for over two decades relating to homelessness as it intersects with domestic, family and sexual violence, incarceration, education and employment and health, in its broadest sense. Her lifework has had a significant impact on homeless populations and the service sector, growing the evidence-base and making a strong contribution to policy reforms and program (re)design and delivery.

Executive summary

Defence Housing Australia (DHA) proposes to develop land at Lee Point in Darwin, also known as Binybara by the Larrakia; the traditional owners of the Greater Darwin land and sea areas. The development will span 132.5 hectares, requiring the clearing of up to 110 hectares of land, which includes natural tropical savanna woodlands, as well as a former defence facility that has since been removed with natural revegetation occurring. It will accommodate 800 new homes, including detached houses, townhouses and apartments, of which around 25% (200) will be used to house Defence families. In addition to residential land use, the development will include retail, tourism and community purpose areas.

The development has continued to be met with opposition from environmental and community groups, including the Friends of Lee Point Inc. (FLP). With Lee Point known for its natural beauty and rich biodiversity, concerns relate to: the destruction of natural tropical savanna woodlands which form an integral part of Darwin's only remaining functional wildlife corridor; the adverse consequences for threatened and/or endangered species; and a number of socio-economic and cultural heritage issues.

In correspondence from Minister Plibersek to Senator Lidia Thorpe, Senator for Victoria, regarding DHA's development at Lee Point, Minister Plibersek refers to the housing crisis in the Northern Territory (NT), noting one in 20 people are homeless, and that in Darwin itself there is only a one percent rental vacancy rate. Under these circumstances, Minister Plibersek noted it was important to acknowledge that the DHA development will provide 800 new homes in Darwin, as well as a community hub. In the event the decision-making process to support the DHA's Lee Point development has been influenced by its potential to ameliorate homelessness in Darwin, the FLP determined that this potential should be examined more closely.

In response, a research project was undertaken to: review and/or critique relevant literature and documentation (on the development, homelessness and housing policy); provide background information to, and consult, key stakeholders to gather their expert opinions; analyse the information; and prepare a brief report presenting any findings.

The research found that homelessness rates in the Northern Territory and Darwin continue to be the highest in the country, with a significant over-representation of Aboriginal people in all categories of homelessness. In the Darwin, Palmerston and Litchfield Local Government Areas there were 1,965 homeless people counted at Census 2021, with a further 680 people in other marginal housing. Coupled with the high homelessness rates in the greater Darwin area, there is an acute and well documented shortage of social/public and affordable housing. In the electorate of Solomon, it is estimated there are 44,418 households with 17.3% of renters currently experiencing rental stress and 37.1% mortgage stress. That equates to 7,684 and 16,479 households, respectively, in housing stress in Solomon alone.

In relation to public housing in Darwin and Palmerston, the demand far exceeds the supply, and depending on the number of bedrooms required by an applicant, the 'general' wait period can be up to 10 years and the 'priority' wait period can be up to 8 years. As at December, 2023, there was a total of 3,629 current applications for public housing in

Darwin and Palmerston and there were 97 vacant homes. The NT Government had allocated 69 'general' public houses and 143 'priority' public houses in both Darwin and Palmerston in 2023.

The DHA's Lee Point development does not propose to include any social or affordable housing as part of the zoning mix. Given the significant rates of homelessness in the greater Darwin area, the high number of households experiencing rental and mortgage stress, the deficit of social/public housing together with the existing substantial demand for housing and the increase in rental costs, the Lee Point development will do little, if anything at all, to directly address homelessness and housing stress for households on low to medium incomes; those most at risk of experiencing housing crisis. Further, given the current housing crisis and demand for social and affordable housing, the DHA development is highly unlikely to indirectly deliver affordable housing in the broader community for a growing number of households experiencing housing stress. Yet the development will displace homeless people that currently utilise the Lee Point area.

The current DHA development is at odds with community expectations and the Commonwealth and Territory governments' own policy mandates concerning social and affordable housing. It is clear there is a growing appetite for, and interest in, reforms to land use zoning across governments, the non-government sector and private enterprise that create mandatory provisions for affordable and social housing (referred to as Mandatory Inclusionary Zoning) in new greenfield and large infill residential development as a key driver for addressing Australia's housing crisis.

While there is no current requirement in the NT Planning Scheme for Mandatory Inclusionary Zoning, the Lee Point development presents an important opportunity for the Commonwealth Government (the owner of the DHA entity – a major residential developer) to mandate the allocation of a proportion of all new dwellings and retail/commercial space at Lee Point for the purpose of social and affordable housing and associated non-government social and community sector services and supports. This opportunity aligns with the policy priorities of both the Commonwealth and Territory governments and will add real housing stock, benefiting households with the greatest needs.

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Background

Defence Housing Australia (DHA) proposes to develop land at Lee Point in Darwin, also known as Binybara by the Larrakia; the traditional owners of the Greater Darwin land and sea areas. The development is located in the northern suburbs, 17 kilometres from the Central Business District, and is being promoted by DHA as a “...*thriving residential community for Defence families, the local community and visitors to Darwin*”¹, offering seaside living. The development will span 132.5 hectares, requiring the clearing of up to 110 hectares of land, which includes natural tropical savanna woodlands, as well as a former defence facility that has since been removed with natural revegetation occurring.

According to DHA, over its lifespan, the development will accommodate 800 new homes, including detached houses, townhouses and apartments, of which around 25% (200) will be used to house Defence families.² In addition to residential land use, the development will include retail, tourism and community purpose areas. They describe a Main Street precinct that will “*offer a tourism activity centre containing restaurants, cafes, hotels, self-contained apartments and retail shops...*”, and in Muirhead North, a community hub “*will include a primary school, child-care facility and sports facilities...*”¹

In 2023, the Hon. Tanya Plibersek, Federal Minister for the Environment and Water, approved a variation to the approval conditions of the development under the provisions of the *Environment Protection and Biodiversity Conservation Act 1999*. Despite the variation, the development has continued to be met with opposition from environmental and community groups, including the Friends of Lee Point (FLP). Concerns relate to the destruction of natural tropical savanna woodlands at Lee Point, celebrated for its natural beauty and rich biodiversity. The development site links Casuarina Coastal Reserve with the Shoal Bay Coastal Reserve and is integral to Darwin’s only remaining functional wildlife corridor, which provides a 27km passage for the movement of land animals (FLP, 2023).³ The Lee Point area provides habitat and breeding grounds for threatened and/or endangered species, such as the Gouldian Finch, the Black-footed Tree Rat, the Flat Back Sea Turtle and a number of migratory Birds. Other community concerns include: increased CO² emissions; the lack of comprehensive planning for the site; social impacts, including traffic congestion and the loss of public access to the woodlands; limited consultation with the community; the impact on the cultural heritage of the Larrakia; and the cost burden to the tax payer.

According to DHA, they have “*obtained the necessary approvals, consents, permits and other authorisations as required by Commonwealth and Northern Territory law, including clearance for the proposed development by the Aboriginal Areas Protection Authority*”. DHA have voluntarily stopped land clearing while an application to preserve and protect the site on Aboriginal cultural heritage grounds is being considered by the Australian Government Department of Climate Change, Energy, the Environment and Water.⁴

¹ See <https://www.dha.gov.au/development/residential/lee-point>

² The Auditor-general, 2020, Auditor-General Report No.31 2019–20 Management of Defence Housing Australia, https://www.anao.gov.au/sites/default/files/Auditor-General_Report_2019-2020_31.pdf

³ FLP, 2023, *Lee Point: protecting critical habitat and Darwin’s last wildlife corridor*, <https://saveleepoint.org.au/lee-point-protecting-critical-habitat-and-darwins-last-wildlife-corridor/>

⁴ See <https://www.dha.gov.au/development/residential/lee-point>

Project rationale and scope

The FLP was established in 2020 as a non-profit Darwin community group with its main aim being to conserve the natural beauty and biodiversity of Lee Point/Binybara. They have been active in raising community awareness about the environmental, social and cultural values that will be lost if the DHA development progresses and have advocated to stop the development and explore suitable alternative sites that meet DHA's needs.

In correspondence from Minister Plibersek to Senator Lidia Thorpe, Senator for Victoria, regarding DHA's development at Lee Point, Minister Plibersek refers to the housing crisis in the Northern Territory (NT), noting one in 20 people are homeless, and that in Darwin itself there is only a one percent rental vacancy rate. Under these circumstances, Minister Plibersek noted it was important to acknowledge that the DHA development will provide 800 new homes in Darwin, as well as a community hub. The correspondence went on to provide information about the approval process for the development, as well as work being undertaken to improve Indigenous heritage outcomes under legislation.⁵

In the event the decision-making process to support the DHA's Lee Point development has been influenced by its potential to ameliorate homelessness in Darwin, the FLP determined that this potential should be examined more closely. In response, CHC was contracted to: review and/or critique relevant literature and documentation (on the development, homelessness and housing policy); provide background information to, and consult, key stakeholders to gather their expert opinions; analyse the information; and prepare a brief report, including any findings. The project had a very tight timeframe.

Methods

In addition to a review of relevant literature and documents, consultations were undertaken between Tuesday 12th and Thursday 14th March, 2024, with key stakeholders involved in addressing homelessness and housing affordability in Darwin and the NT. They included:

- Peter McMillan (CEO) and Michael Byrne (Regional Coordinator) from NT Shelter;
- Sarah Thurgood (Chief Operations Officer) from Venture Housing;
- Michael Berto (CEO) from Yilli Rreung Housing Aboriginal Corporation; and
- Skye Thompson (CEO) from Aboriginal Housing Northern Territory Aboriginal Corporation.

Stakeholders were provided with background information and questions to guide the consultations in advance. No commentary was made or sought on the merits of the DHA Lee point development with regard to the concerns of environmental and community groups, except to acknowledge that they existed. Consultations took approximately one hour each. Guiding questions included:

- How can new housing developments (such as the Lee Point development) address homelessness?

⁵ Copy of correspondence from The Hon. Tanya Plibersek MP to Senator Thorpe, Senator of Victoria regarding DHA's development at Lee Point, 4 October, 2023.

- Which homeless groups are likely to gain direct and/or indirect benefits through new housing developments (such as Lee Point)?
- In what way/s do/should new housing developments incorporate social, community and affordable housing?
- Where new housing developments incorporate social, community and affordable housing, what support or other services should be located within the community hub (or within close proximity)?
- Are there examples of best practice in this space in the NT or elsewhere?

All stakeholders consented to their names being included in this report.

Findings

A snapshot of homelessness in Australia, the NT and Darwin

At the 2021 Census, there were 122,494 people across Australia counted as being homeless. At the time of the count, COVID-19 pandemic restrictions were in force in many jurisdictions so the number of people that ordinarily live rough (considered to be experiencing primary homelessness, such as living in the Long Grass) were in temporarily and supported accommodated (a different form of homelessness).⁶ It's also worth noting that while counting methods have improved, the net undercount for First Nations people in the homeless population, according to the Australian Bureau of Statistics (ABS), was 17.4%.⁷

In 2021, the NT again had the highest rate of homelessness in the country (564 people per 10,000), totalling just over 13,100 people, at a rate 12 times the national average of homelessness. Indigenous people are significantly over-represented in this population, at a rate of 1,865 per 10,000 people, accounting for between 87% - 92% of all homeless people.⁶

To put this into perspective, the NT had 11% of Australia's homeless population. The jurisdiction with the next highest homelessness rate was in Victoria at 47 per 10,000 people, and the lowest rate was in WA, where it was 37 per 10,000 people. These rates and numbers exclude an additional 5,200 people in the NT that were counted as living in 'other marginal housing', such as other crowded dwellings, other improvised dwellings and in caravan parks.

Forms of homelessness in the NT

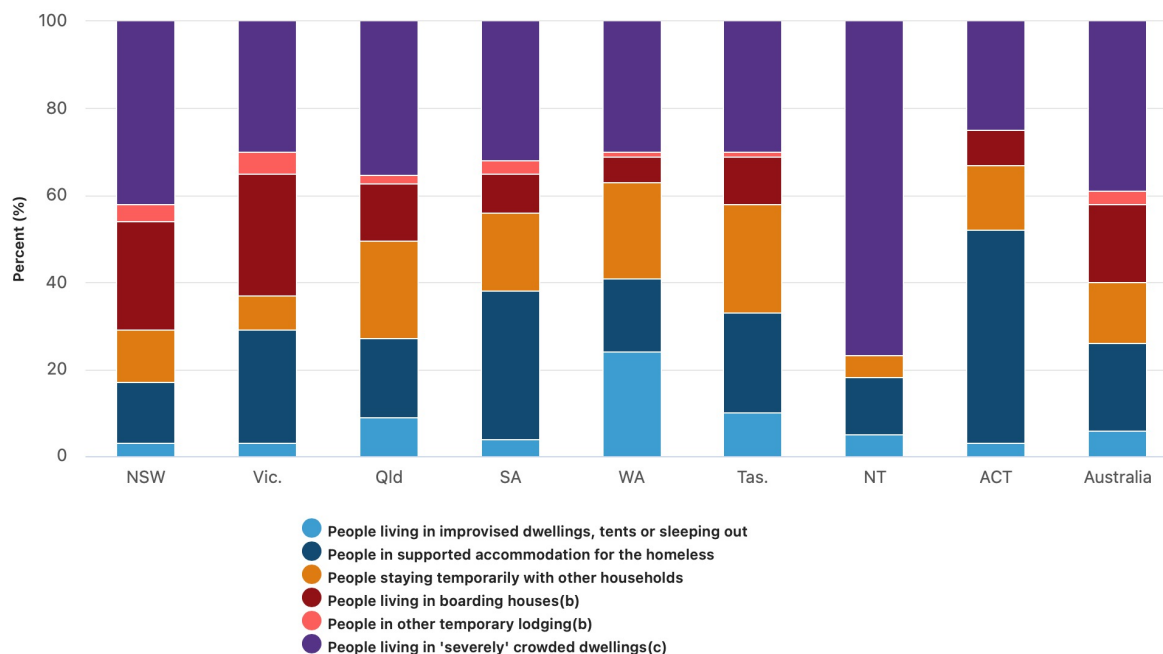
As shown in the **Figure 1**, at the 2021 Census, the NT had the largest proportion of their homeless people living in 'severely crowded dwellings', where a household needs four or more additional bedrooms, with the next largest cohort in 'supported accommodation', most likely as a result of COVID-19 pandemic measures.⁵ Homeless people are highly mobile and move in and out of different categories of homelessness. These numbers can

⁶ ABS, 2023, *Estimating Homelessness: Census*, <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release#:~:text=122%2C494%20people%20were%20estimated%20to%20be%20experiencing%20homelessness%20at%20the,increase%20of%201.6%25%20from%202016>

⁷ ABS, 2023, *Estimating homelessness: Census 2021. Housing statistics for Aboriginal and Torres Strait Islander Peoples, 2021*, <https://www.abs.gov.au/articles/aboriginal-and-torres-strait-islander-peoples-experiencing-homelessness#:~:text=Aboriginal%20and%20Torres%20Strait%20Islander%20Australians%20have%20been%20under%20enumerated,Strait%20Islander%20peoples%20was%2017.4%25>

also be skewed as people often report they usually live with family when they are living rough, potentially inflating the 'severely crowded dwellings' category.

Figure 1: Categories of homelessness, by state and territory, Census 2021



Source: Australian Bureau of Statistics, Estimating Homelessness: Census 2021

The number of people in each homeless category in the NT at the 2021 Census is presented in **Figure 2** (excluding people living in other marginal housing).⁸

Figure 2: The number of homeless people in the NT, by category, Census 2021

Category of homelessness	No. of people
People living in improvised dwellings, tents, or sleeping out	662
People in supported accommodation for the homeless	1,769
People staying temporarily with other households	653
People living in boarding houses	62
People in other temporary lodgings	44
People living in 'severely' crowded dwellings	9,904
TOTAL	13,094

Homelessness in the Darwin, Palmerston and Litchfield Local Government Areas (LGAs)

The 2021 Census reported that in Darwin, Palmerston and Litchfield LGAs, there were 1,965 homeless people and a further 680 people in other marginal housing, as presented in **Figure 3**.⁹ Almost half of all people living rough in the NT were located in these LGAs,

⁸ ABS, 2023, *Estimating Homelessness: Census*, <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release#state-and-territories>

⁹ ABS, 2023, *Homeless operational groups and other marginal housing, by place of enumeration, Local Government Area, 2021*, <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/latest-release#data-downloads>

with approximately half of all the homeless people in these LGAs in supported accommodation for the homeless on Census night (noting the Census data limitations relating to the COVID-19 pandemic measures and the net undercount of First Nations peoples).

Figure 3: Census 2021, homeless numbers in the Darwin, Palmerston and Litchfield LGAs, by operational group and in other marginal housing

Homelessness operational groups				
Category	Darwin LGA	Litchfield LGA	Palmerston LGA	All homeless persons
People living in improvised dwellings, tents, or sleeping out	273	20	37	330
People in supported accommodation for the homeless	945	0	69	1,014
People staying temporarily with other households	198	74	98	370
People living in boarding houses	0	0	0	0
People in other temporary lodgings	10	9	0	19
People living in 'severely' crowded dwellings	136	69	27	232
All homeless persons	1,562	172	231	1,965
Other marginal housing				
People living in other crowded dwellings	331	121	86	538
People in other improvised dwellings	0	27	19	46
People who are marginally housed in caravan parks	34	62	0	96
All marginally housed persons	365	210	105	680

Homeless people living at the DHA's Lee Point development site

There has been a long history of pushing Aboriginal people experiencing homelessness to the margins of the settlement, which has continued to the present day. The homeless population in the greater Darwin area is highly visible and they are commonly regarded by the mainstream population as problematic. They are generally perceived by the broader community as: adversely affecting amenity levels in public spaces; irresponsible; choosing a morally corrupt lifestyle; a source of contagion; neglectful of their children; and engaging in unhealthy social behaviours, including alcohol abuse and fighting.¹⁰

The DHA's Lee Point development site is on the urban fringe of Darwin. At the site there is a permanent camp occupied by at least one homeless person which has been

¹⁰ Holmes, C & McRae-Williams, E. 2008. *An investigation into the influx of Indigenous 'visitors' to Darwin's Long Grass from remote NT communities – Phase 2. Being undesirable: law, health and life in Darwin's Long Grass*, National Drug Law Enforcement Research Fund, Tasmania.

established for more than three years. There are a further four distinct camps that are intermittently occupied by groups of up to six people (predominantly occupied in the dry season). In addition, there are two camps located approximately 100m from the development site, both used generally during the dry season. There is evidence to suggest that one of these camps is used more regularly throughout the year and is occupied by a larger group of up to 12 people.

Social and affordable housing availability

On the housing continuum, there is an acute and well documented shortage of social/public and affordable housing in the NT. The NT Government (undated publication) notes:

...there are significant affordability challenges in the NT and very limited supply of rental properties on the market that are considered to be affordable and appropriate for people on income support payments. Low to moderate income families that seek housing solutions in the private market often face considerable rental stress (p.10).¹¹

With 36,207 households renting through social and private rentals, NT Shelter estimate that one quarter of all low to moderate income earners are in rental stress, where more than 30% of their income is allocated to rent.¹² According to Everybody's Home, in the electorate of Solomon, (which covers the Darwin LGA and most of the Palmerston LGA), there are 44,418 households with 17.3% of renters currently experiencing rental stress and 37.1% mortgage stress. That equates to 7,684 and 16,479 households, respectively, in housing stress in Solomon alone.¹³

Social housing (often referred to as public housing) is a critical component of the housing matrix in the NT and generally accommodates households on the lowest incomes. The NT Government reported they allocated 69 'general' public houses and 143 'priority' public houses in both Darwin and Palmerston in 2023. As at December 31st, 2023, they had 1,196 'general' applications for public housing in Darwin and 475 in Palmerston. In addition, there were 1,021 'priority' applications in Darwin and 392 in Palmerston. Depending on the number of bedrooms required, the wait times vary, although tend to be longer the fewer the bedrooms required (i.e. the highest demand is for 1 bedroom dwellings), as depicted in **Figure 4**. There were 97 vacant homes in the two areas, which included dwellings undergoing vacancy assessments, maintenance, major upgrades and that were available to allocate. At the same point in time, there was a total of 3,629 current applications for public housing.¹⁴

¹¹ NTG Dept. of Local Government, Housing and Community Development, undated, *A home for all Territorians. Northern Territory Housing Strategy 2020 – 2025*, https://tthc.nt.gov.au/__data/assets/pdf_file/0010/765433/nt-housing-strategy-2020-2025.pdf

¹² See <https://ntshelter.org.au/policy-statements/>

¹³ Everybody's Home, *Financial Stress Map NT*, <https://everybodyshome.com.au/financial-stress-map-northern-territory/>

¹⁴ NT Government, 2024, *Public housing wait times*, <https://nt.gov.au/property/public-housing/apply-for-housing/apply-for-public-housing/waiting-list>

Figure 4: Wait times for public housing in Darwin and Palmerston as at 31st December, 2023 (general and priority only)

Estimated wait times for public housing (years)						
Region	General wait times			Priority wait times		
	1 bedroom	2 bedroom	≥3 bedroom	1 bedroom	2 bedroom	≥3 bedroom
Darwin/Casuarina	8-10	4-6	4-6	6-8	4-6	4-6
Palmerston	8-10	4-6	2-4	6-8	4-6	2-4

According to SQM Research, as at February 2024, the vacancy rate of all dwellings in Darwin was 1.5%. Between March 2023 and March 2024, asking rents for houses increased by an average of 0.7% and for units 9.4%.¹⁵

The impact of the DHA Lee Point development on homelessness

The Lee Point development does not propose to include any social or affordable housing. Given the significant rates of homelessness in the greater Darwin area, the high number of households experiencing rental and mortgage stress, the deficit of social/public housing together with the existing substantial demand for housing and the increase in rental costs, the Lee Point development will do little, if anything at all, to directly address homelessness and housing stress for households on low to medium incomes; those most at risk of experiencing housing crisis. These households are unlikely to be able to afford market rent or secure mortgages over new land/house packages at the site, particularly given current interest rates. Further, it is unlikely that any housing that is freed up in the greater Darwin area by households relocating to the new Lee Point development will be within the reach of low to medium income households in need of social and affordable rental properties.

This finding was universally shared among expert stakeholders, who made comments such as:

Adding supply [of housing] is theoretically positive. But we all know, homelessness isn't solved by additional housing in the private market. Eligibility of access is key as to whether it [the development] will impact on homelessness.

If Lee Point is a development of 800 dwellings, with no allowance for social, affordable or disability-specific housing, I don't see it would make an impact on homelessness rates. It would only impact on the private market, not homelessness and not affordable housing.

¹⁵ SQM Research, 2024, *Residential vacancy rates*, https://sqmresearch.com.au/graph_vacancy.php?region=nt%3A%3ADarwin&type=c&t=1

The development could, in theory, free up houses in the private market along the housing continuum. But it will not be affordable to homeless people and is unlikely to make a difference given the current context.

[There will be] zero impact on homelessness. It may alleviate a little bit of the vacancy pressure - that's plausible. Equally, if we grow our economy and increase our population in the way the government is hoping to, we will need housing for key workers. There will be negligible impact of the development unless there is designated social and affordable housing.

[The development] doesn't free up affordable houses. In the NT, 770 households are in properties with NRAS* entitlements that are coming off... Once discontinued, these households need to pay full market rent. We will effectively lose 700 affordable houses in the system now. The need is so high here.

*National Rental Affordability Scheme is a commonwealth scheme in which rent assistance is provided to participants making housing more affordable.

While the development will not reduce homelessness in any tangible way, it will further displace people that are already homeless living permanently and/or periodically at, or within close proximity, of the site.

Mandated inclusionary zoning (MIZ)

Expert stakeholders had consistent and strong views that all new greenfield or major infill developments, such as Lee Point, can only address social and affordable housing needs through mandated inclusionary zoning (MIZ), whereby a minimum floor area or proportion of dwellings are specified for that purpose. Stakeholders contend that there are several planning incentives and concessions that have seen MIZ applied successfully in other jurisdictions in Australia and abroad, such as no or low interest loans, GST-free purchasing, allotment size variations, the easing of setbacks and developer contributions etc. They argued that MIZ is essential if the NT and Darwin are to address the current and projected housing crisis. Their views were expressed through statements such as:

It [the Lee Point development] can only address social and affordable housing if the principle of mandated inclusionary zoning is applied.

DHA do not see themselves as a community, social or affordable housing provider. That doesn't mean they shouldn't. There should be an expectation [for MIZ] on the Commonwealth given the housing crisis. The Minister points out, quite rightly, that the vacancy rates are very low here... DHA will sell the blocks to the private market on a commercial basis. There is no incentive for them to sell houses at 75% or 80% of market value unless there was pressure to do so and an expectation to do so.

I can't see a direct impact on homelessness unless there are specific measures built into the development conditions.

Stakeholders maintained they had been advocating for MIZ to be embedded into the NT Planning Scheme and relevant Territory and Commonwealth legislation, particularly when government entities are the developer. Their comments on MIZ included:

There should be a policy in place that requires a proportion of any new development to have provision for social, affordable and disability-specific housing. Looking at demographics of the area and other factors, it should be a primary consideration and should be around 15%. The unmet need in social housing space is significant... and wait times are significant.

DHA is owned by the federal government. They are a serious developer and it [MIZ] should be mandated in all their developments across Australia.

[MIZ must be] mandated in planning instruments. It's the only way to include people in houses [in new developments] that need it. Unless it's mandated and considered up front, how will the situation change?

Stakeholders reasoned that government land (whether owned by the Territory or the Commonwealth) released for development should have a higher percentage of MIZ than privately owned land. Aligning with other jurisdictions, some stakeholders maintain that a minimum MIZ for social and affordable housing of 15% should apply to greenfield and major infill developments, as well as 15% of retail/commercial space to accommodate place-based non-government sector support services to facilitate better outcomes. Others argue the need in the NT is far greater and advocate for MIZ of 10% social housing and 30% affordable housing:

40% should be sub-market given the huge waiting lists we have for public housing in the Territory and the huge need for affordable housing, including key workers that cannot afford market rent.

Stakeholders also maintain there must be clarity on the expectations of developers on MIZ for it to be properly costed and managed. The need for housing at different price points was raised and there was a shared view that the market cannot solve the NT's housing crisis. One stakeholder noted the importance of scattering MIZ of social and affordable housing throughout new subdivisions to better mirror the broader society, support inclusion and diversity and foster social cohesion.

Policy and planning reforms

The views of stakeholders regarding the potential of MIZ and/or planning, land use and zoning reforms to achieve social and affordable housing outcomes are supported by and reflected in government strategies, research reports and by special interest groups. For example, in 2007, the Planning Institute Australia's position statement acknowledged housing affordability as a major social and economic problem confronting all levels of government, the community and the private sector and argued that innovative affordable housing projects and strategies were essential. They advocated for new urban land releases to include affordable housing targets and for all jurisdictions to review and amend

their planning and development control legislation to include affordable housing.¹⁶ Similarly, the Community Housing Industry Association (2018) stated:

State and territory governments should implement mandatory inclusionary zoning with a default target of 15 per cent social and affordable housing in all new developments on private land above a certain size. Where government land is sold, rezoned or otherwise made available for residential development, reserving 30 per cent for social and affordable housing would address one of the major barriers to affordable supply — land (p.21)¹⁷

In research undertaken by the Australian Housing and Urban Research Institute (AHURI), Gurren *et al.* (2018) reviewed major inclusionary zoning schemes overseas and in Australia. They reported that in NSW, there had been a focus on affordable rental housing, and in SA, on homes for sale. In NSW, voluntary planning incentives had provided a small proportion of affordable rental homes in the Sydney suburbs of Canada Bay, Leichhardt, Ryde and Penrith, although the dwellings were only required to remain affordable, at 80% of the market rent, for 10 years. In SA, 15% of all housing in significant residential developments was for affordable housing. From 2005-2015, 5,485 affordable homes were delivered, amounting to 17% of the total housing supply in the state. The authors conclude that the schemes in SA and NSW are modest in contrast to international practice and highlighted the potential of extending inclusionary planning approaches across Australia; mandating affordable housing when land is rezoned for residential use, when planning rules are varied or following significant infrastructure investment. They observed that planning system tools can support affordable housing supply and that additional funding or subsidies are required for homes to be accessible by households on low and very low incomes. Further, they noted that voluntary planning incentives can encourage affordable housing inclusion within the existing planning and development control framework.¹⁸

A new National Housing and Homelessness Plan is under development by the Commonwealth Government and aims to build on existing housing initiatives. In relation to the effect of planning, land use and zoning on the housing system, the Commonwealth's National Housing and Homelessness Plan Issues Paper, released in 2023, acknowledges that some states and territories have planning that supports the delivery of social and affordable housing. The Issue Paper notes that under the National Housing Accord (planned to commence mid-2024), signatories have agreed to support the target to build 1 million, well-located homes over 5 years from 2024. To achieve this target, the jurisdictions will: expedite zoning, planning and land release for social and affordable housing; and work with local governments to deliver planning and land-use reforms. In addition, the *"Australian Government is identifying whether suitable Commonwealth land can be released for housing to assist as part of the contribution to*

¹⁶ Planning Institute Australia (PIA), 2007, *Affordable Housing National Position Statement*, PIA, ACT.

¹⁷ Community Housing Industry Association, 2018, *National Plan for Affordable Housing*, <https://www.communityhousing.com.au/our-advocacy/research-reports/>

¹⁸ Gurren, N., Gilbert, C., Gibb, K., van den Nouwelant, R., James, A. and Phibbs, P. 2018. *Supporting affordable housing supply: inclusionary planning in new and renewing communities*, AHURI Final Report No. 297, Australian Housing and Urban Research Institute Limited, Melbourne

delivering social and affordable housing” (p. 73).¹⁹ Similarly, the NT Government’s Housing Strategy 2020 – 2025 has a stated strategic objective to strengthen access for Territorians to a range of housing options, including social and affordable housing, private rental and home ownership. To achieve this, the then Department of Local Government, Housing and Community Development proposed to work with the Department of Infrastructure, Planning and Logistics to “*consider opportunities through the strategic land use and area planning process for the NT Planning Scheme to support increased supply of social and affordable new housing*” (p.23).²⁰

In a 2021 report prepared by Dick Guit for the NT Government, *Bringing Land to Market - an independent review of the Land Development Processes, Land Under Development and Titled Land*, 23 recommendations were made. Recommendation 7 related to land for affordable and social housing and is reproduced below:

Government to provide Titled Land (through Crown land developments) at a discounted price to affordable and social housing providers, with a covenant that building must commence within a specified timeframe. The extent to which this option is exercised would be subject to a policy position by the Northern Territory Government (p.26).²¹

The Constellation Project, founded by Australian Red Cross, Centre for Social Impact, Mission Australia and PwC Australia, has a vision to end homelessness in a generation. In their Mandatory Inclusionary Zoning National Framework 2023, they found their modelling of the implementation of MIZ in Australia had the potential to create up to 160,000 social and affordable rental homes in Brisbane, Sydney and Melbourne by 2036. They note that while MIZ is not a substitute for public investment in social and affordable housing, they point to the widespread support for the inclusionary zoning principle by economists, think tanks and influential developers and argue that governments should be using it in Australia. Their National Framework, aligning with the National Housing and Homelessness Agreement (commenced in July 2018) and the National Housing Accord (commencing mid-2024), aims to provide consistency and clarity to its application across Australia.²²

Conclusion

The DHA’s Lee Point development does not provide for social or affordable housing as part of the zoning mix. Given this, it will have no positive impact on homelessness rates in Darwin. Yet the development will displace homeless people that currently utilise the Lee Point area. Further, given the current housing crisis and demand for social and affordable housing, the DHA development is highly unlikely to indirectly deliver

¹⁹ The Commonwealth Dept. of Social Services, 2023, *The National Housing and Homelessness Plan Issues Paper*, <https://engage.dss.gov.au/developing-the-national-housing-and-homelessness-plan/developing-the-national-housing-and-homelessness-plan-issues-paper/>

²⁰ NTG Dept. of Local Government, Housing and Community Development, undated, *A home for all Territorians. Northern Territory Housing Strategy 2020 – 2025*, https://tthc.nt.gov.au/__data/assets/pdf_file/0010/765433/nt-housing-strategy-2020-2025.pdf

²¹ Guit, D. 2021, *Bringing Land to Market. An independent review of the Land Development Processes, Land Under Development and Titled Land*, NTG

²² The Constellation Project, 2023, *Mandatory Inclusionary Zoning National Framework 2023*, <https://theconstellationproject.com.au/projects/mandatory-inclusionary-zoning/>

affordable housing in the broader community for a growing number of households experiencing housing stress.

The current DHA development is at odds with community expectations and the Commonwealth and Territory governments' own policy mandates. It is clear there is a growing appetite for, and interest in, reforms to land use zoning across governments, the non-government sector and private enterprise that create mandatory provisions for affordable and social housing in new greenfield and large infill residential development as a key driver for addressing Australia's housing crisis.

While there is no current requirement in the NT Planning Scheme for MIZ, the Lee Point development presents an important opportunity for the Commonwealth Government (the owner of the DHA entity - a major residential developer in Australia) to mandate the allocation of a proportion of all new dwellings and retail/commercial space at Lee Point for the purpose of social and affordable housing and associated non-government social and community sector services and supports. This opportunity aligns with the policy priorities of both the Commonwealth and Territory governments and will add real housing stock, benefiting households with the greatest needs.

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- ⁴ See <https://www.dha.gov.au/development/residential/lee-point>
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²¹ Guit, D. 2021, *Bringing Land to Market. An independent review of the Land Development Processes, Land Under Development and Titled Land*, NTG

²² The Constellation Project, 2023, *Mandatory Inclusionary Zoning National Framework 2023*, <https://theconstellationproject.com.au/projects/mandatory-inclusionary-zoning/>