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Front cover: 90-year-old Myra Demetriou has lived in her tenth-floor Sirius apartment at Cumberland Street, The Rocks since 2008, and in The Rocks / Millers Point area for almost sixty years. She is one of the remaining few residents of Sirius, the landmark Brutalist building designed for housing in the late 1970s and which remains under threat by the NSW Government's plan to demolish the building. John Dunn from the Sirius Foundation has said that they have been 'investigating options for redevelopment that incorporate a significant portion of social housing while delivering a similar windfall profit to the government. These options save the building and save some of the Millers Point community, allowing people like Myra to stay in the area, while also allowing some houses to be sold to the highest bidder.' (*Assemble Papers*, November 2016) Photo: Alisha Gore

Upfront

President's message 2

Patrons news 7

Chapter news 4

Obituary 8
Don Gazzard LFRAIA (1929–2017)
Mark Sheldon

2017 Newcastle Architecture Awards 6

Special feature

Affordability – a field study 9
Jon Jacka

Context

The city as a system of systems 10
Roderick Simpson

Real Estates: life without debt 14
Ashley Dunn

Other models: diversity through
affordable housing 12
Jon Jacka

Shaping the housing market 15
City Futures, UNSW

Growing unequal 14
Ben Spies-Butcher

On government (in)action and
housing (un)affordability 16
Grattan Institute

Subsidised housing

Learning from London 18
Rob Burton

Modest in Millers Point 22
Hector Abrahams

Mixing it up: Communities Plus
and the future of social housing 20
Kate Rintoul

Part-subsidised housing

The rise of the not-for-profits 22
Michael Zanardo

On sharing 27
Rob Harper

Cohousing and the time of
our lives 24
Anne Colenbrander

The social cooperative 28
Hugo Moline

Bringing it back:
community land trusts 26
Louise Crabtree

Private housing

On caravan parks 29
Harry Margalit

Testing the Missing Middle 31
Lee Hillam

A Baugruppen in
White Gum Valley 30
Geoffrey London

Flight of the Nightingale 32
Adam Russell



As the rise in housing costs continue to outstrip inflation and wage growth, the crisis in affordable housing has been elevated to political priority number one by our Premier. We are told it is a supply and demand problem, and that if we increase supply, prices will stabilise.

In amongst the political squabbles over which lever to pull or push to increase supply, a basic question remains: if supply is the problem, where will the new housing be built and what might it look like?

The greatest risk for our city is that authorities fall for the easy option of new fringe land releases for new detached housing. This has always been the default 'quick fix' solution that avoids the harder issues of urban infill for increased density, which to date has not been sold well to the broader populace. Of course, there is no such thing as new land. With each new land release we take land away from other functions – food production, native landscape, recreation – so we lose something.

Sydney is a low-density city by world standards and it is not sustainable for urban sprawl to continue indefinitely. We already spend too much time in our cars, and that's an enormous drag on the economy and work-life balance. The economics of a fast and frequent public transport network only come into play when a critical urban density is reached. It is no coincidence that the parts of Sydney with the best public transport are those with the highest density.

The majority of new supply should therefore be built within the existing urban footprint. Increasing density has become a necessity and it is time to see it as an opportunity to create a better quality city.

But not all density is created equal and high density does not necessarily mean high-rise. For higher density to work, other urban outcomes need to occur, with greater investment in (a), the design of the public realm and (b), in public transport infrastructure, and (c), avoiding single-zoned communities.

Large brownfield sites ready for redevelopment are already providing examples of successful higher-density communities that combine the a-b-c requirements noted above, such as the Harold Park Tramsheds or the Central Park development in Chippendale. Since the drafting of SEPP 65 in 2002, mandating all residential flat developments to be designed by a registered architect, the standard of apartment housing has been improving. The urban wasteland of apartments along Anzac Parade that so upset Bob Carr is unlikely to be repeated.

Another important initiative instigated by the NSW Government and supported by the Institute is the Medium Density Housing Guide, currently in draft form. The guide aims to fill in what has been dubbed the 'Missing Middle' – low-rise, medium density housing that is neither traditional freestanding houses, nor strata-titled apartments – like the traditional terrace house or dual occupancy. The equation is simple, if you can fit two or three dwellings on a site that previously held only one, then you have shared the land cost and increased the density. Within existing communities, this becomes a practical and sensitive way of increasing density without destroying the existing suburban fabric that many enjoy. The scale remains domestic; the basic construction is economic and can be built by most home builders; and it can work in established areas that are well serviced by public transport and close to existing shops and services. The NSW Government could support their words with actions, by commissioning some of the Missing Middle competition winners as pilot projects.

Increasing the supply of housing will not suddenly 'solve' the issue of affordable housing. There are many alternatives: mandating sensible minimums of affordable housing within all new developments; building smaller well-designed dwellings without mandatory car parking requirements; reforming a distorted investment climate that brings annual double-digit returns on capital; and, of course, being innovative in the design of housing so we can do more with less.

Andrew Nimmo, NSW Chapter President

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ARCHITECTURE BULLETIN
Official journal of the NSW Chapter of the
Australian Institute of Architects

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ANNUAL SUBSCRIPTIONS
Five issues (including NSW
Architecture Awards issue)
\$60; students \$40
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PRINTER
Southern Colour

The printer and paper used to produce this publication have Forest Stewardship Council® (FSC®) and ISO 14001 environmental certification. FSC® is a Chain of Custody (COC) process. This publication is printed using vegetable based soy inks



Australian
Institute of
Architects



BOSTON
PUBLISHING

ISSN 0729 08714 Published five times a year, *Architecture Bulletin* is the journal of the Australian Institute of Architects, NSW Chapter (ACN 000 023 012). Continuously published since 1944

DISCLAIMER The views and opinions expressed in articles and letters published in *Architecture Bulletin* are the personal views and opinions of the authors of these writings and do not necessarily represent the views and opinions of the Institute and its officers. Material contained in this publication is general comment and is not intended as advice on any particular matter. No reader should act or fail to act on the basis of any material herein. Readers should consult professional advisers. The Australian Institute of Architects NSW Chapter, its officers, editor, editorial committee and authors expressly disclaim all liability to any persons in respect of acts or omissions by any such person in reliance on any of the contents of this publication

From the archive

'The whole question of aesthetics must be removed from legislation and planning codes. I would rather the risk of aesthetics being at the bottom end to save the top end ... I accept requirements in relation to bulk, scale, typology and so on. But that doesn't mean that architecture should be frustrated by challenging the status quo – mediocrity!'

– Glenn Murcutt, *Architecture Bulletin*, May/June 2003

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A word from the Executive Director

From the room to housing affordability: there is a theme this year with the *Bulletin* – and so too with the Institute – of returning to basic principles. Together with your Chapter Council the team at the Chapter are doing just that, with a focus on Practice, Education & Research, and Advocacy & Engagement. To date:

- We have assessed design excellence through our Awards program (with a record of 211 entries) and recognised achievement at the NSW Architecture Awards. This has also continued through to our Graduate and Student Awards, in which we have recognised the best of our graduating talent from 2016.
- Member engagement has been prioritised through the restored Practice Forums, as well as the upcoming Member Forums.
- Our professional development program has been well attended, we have held several successful ArchiMEETs throughout regional NSW and attendance at the Tusculum Talks has increased.
- We have continued to be active in policy, on issues ranging from specific projects to matters of procurement, to regulatory review.
- We are building our partnerships platform across the portfolio.
- Chapter Council has nearly completed a review of the structure of the Chapter's committees, to engage the knowledge base of our membership better.

We will continue to hone these basic building blocks into the right shape and set them in the right place, to better advance the interests of members – but as ever, this is a membership organisation and cannot succeed without your contribution. For those that have contributed to this edition, we extend our thanks. As always with the *Bulletin*, this is the place to have the conversation you need to have.

Joshua Morrin, Executive Director, NSW

Emerging Architects and Graduates Network

EmAGN NSW was busy earlier in the year organising fringe events for PRAXIS 2017 ranging from Open Studios to drawing classes, architecture tours, healthy walks and micro-brewery tours. Thank you to all our supporters, sponsors and attendees who made the events a great success.

Planning is underway for tours of the Bourke Street Childcare Centre and the Green Square Library site, and talks with a focus on careers, gender equality and design research. We're looking forward to the launch of the annual mentoring program and will be providing assistance to AGENCY2017, the Biennial Australasian Student Architecture Congress in Sydney (28 November – 2 December). More info: emagnnsw@architecture.com.au

EmAGN Newcastle has launched the new quarterly event series EmAGN THAT, a forum for emerging practitioners to share experiences, recent work, inspirations and approaches to practice. The recent one held at local Novocastrian haunt The Edwards, saw four emerging practitioners share ideas on biophilic design, symmetry, subversion and play. Speakers included Warren Haasnoot and Greg Lee of Curious Practice, Elizabeth Brown of SHAC Architects, Dominic Warland of EJE and Prudence Bowe.

The launch of the event follows the success of four events in the latter half of 2016, including construction site tours of the Paediatric Intensive Care Unit at John Hunter Hospital and NewSpace, the University of Newcastle's Faculty of Business and Law. EmAGN Newcastle hosted a Gold Medal Breakfast for 2016 recipient ARM Architecture and wrapped up 2016 with a Christmas celebration held at Battlesticks. We look forward to a successful 2017 with a continued focus on connecting the architecture community in Newcastle.

The EmAGN Newcastle committee comprises of Marly Swanson-Wood, Dominic Warland, Gabriel McLean and Nicholas Flatman. More info: emagnnewcastle@architecture.com.au

EmAGN NSW & Newcastle Committees



Policy

NSW Planning Act amendments

In what proved to be his swan song prior to his transition to the education portfolio, the former NSW Planning Minister Rob Stokes launched draft amendments to the Environmental Planning & Assessment Act 1979 at the beginning of the year. Many of the amendments were first proposed as new elements of the planning system in the ill-fated planning bill that was rejected by the NSW upper house in 2013. They included:

- protocols for councils' engagement with communities;
- strategic planning instruments at the local level to bridge the gap between the Greater Sydney Commission's district plans and statutory local environmental plans; and
- greater standardisation of local government development control plans (architects can help to make these more visually engaging documents).

The most far-reaching change affecting architects is the proposal to include 'good design in the built environment' as a new object of the Act. The Institute has applauded this very welcome innovation, as it places good design alongside other economic and social objectives.

There is one caveat, however: we believe that the objective wording should be changed to 'good design of the built environment'. The object needs to encompass the whole of the built environment, including residential and commercial development, infrastructure, streets, parks, street trees, etc. This will encourage proponents and consent authorities to look beyond the individual development proposal and to also consider its potential design impact on the existing and planned precinct as a whole. The design of the spaces between individual buildings is particularly important.

The NSW Chapter has also recommended the preparation of guideline documents associated with the amended Act or its regulation to clearly define 'built environment' and 'good design' from a visual, precinct-based perspective.

Greater Sydney draft district plans

Towards the end of 2016, the Greater Sydney Commission – at the time in existence for less than a year – released six draft district plans for public appraisal. These plans provide a link between the overarching metropolitan plan at one end of the planning spectrum and local councils' local environmental plans at the other.

The commission also released its three-city concept:

1. Western city based around the proposed Badgerys Creek airport;
2. Central city based around Parramatta; and
3. Eastern city based on the global arc of economic activity from Macquarie Park in the north to Sydney Airport in the south.



1 Parramatta Park. Extension of the green grid is one of the key elements of all district plans. Photo courtesy Parramatta Park Trust

The NSW Chapter supports the Commission's work as a game changer for the planning of the Greater Sydney region as a whole.

The district plans are however too long in their current form. They should explain principles clearly enough to inform local plans. There should be clearer references to the excellent research material in the extensive background reports. Some governance issues need to be addressed, particularly the role of mayors in district planning.

Nevertheless, the Institute considers that the district plans – if supported by a comprehensive and responsive transport master-plan, and developed in sufficient detail to provide clear guidance for local plans – are an excellent start and demonstrate real progress in the NSW planning system.

Labor proposes a heritage strategy

The NSW Opposition's Shadow Minister for Heritage Penny Sharpe organised a morning forum at Parliament House on 18 April to celebrate the 40th anniversary of the NSW Heritage Act, introduced by the Wran Government in 1977, two years before the Environmental Planning & Assessment Act.

Speakers included former President of the Legislative Council of NSW and Green Bans historian Meredith Burgmann and former Director of the NSW Heritage Office Reece McDougall. Immediate Past President of the NSW Chapter Shaun Carter gave a spirited account of the crowdfunding campaign to save the Sirius building in the Rocks, leading to a hearing in the Land & Environment Court in early April.

Opposition Leader Luke Foley closed the forum by proposing a five-point Labor heritage plan, including the development of a heritage strategy and amendments to the Heritage Act to prevent any future government from using financial hardship as grounds for refusing the listing of a government-owned building on the State Heritage Register.

Credit where it's due. In addition to the new design object in the Environmental Planning & Assessment Act, the former government planning minister also proposed another new object 'to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage)'. This object could help to resolve some of the difficulties created by the Wran Government's legislative separation of heritage protection and management from the planning system as a whole.

Murray Brown, Policy Advisor

Heritage

The Sirius Building had its first day in court on 6 April. Bruce McClintock SC argued, on behalf of the Millers Point Community Association in the Land and Environment Court, that the minister for heritage had erred in not listing Sirius on the State Heritage Register. Judge Simon Molesworth reserved his judgement.

A bold new strategy to save modern architecture of the 20th century was launched on 27 April. World Monuments Fund launched its Modern Century gallery at www.wmf.org/modern-century, showing stunning works of 20th-century architecture. All are invited to submit their nominations via Instagram.

On the above website, you can vote on which of the exhibited buildings matter to you. This tally will be used to frame campaigns for raising awareness. Five new buildings are expected to be shown each week. The Sirius building in The Rocks is among the 50 initial postings and it's in the top five on the voting list. Vote, vote, vote.

The 2017 Bathurst Macquarie Medal for Heritage was awarded on 6 May to architect Dr Scott Robertson, nominated by the NSW Chapter. The award recognises Scott Robertson for his advocacy for the conservation of the heritage of 20th-century modern in Australia. He is the founder and current president of Docomomo Australia.

Hector Abrahams, NSW Heritage Committee Chair

Country Division

Comparatively, pricing of regional dwellings and Sydney prices do not appear to warrant concern. However, issues of housing affordability encompass an area far greater than metropolitan Sydney. My relocation to the mid-north coast revealed this, as I was shocked to discover the district's ranking in terms of housing affordability.

In 2011, the seventh annual Demographia International Housing Affordability Survey ranked Coffs Harbour fifth in the world by severity of housing unaffordability, after Hong Kong, Sydney, Vancouver and Bournemouth & Dorset. Although the \$369,900 average house price appears affordable, it is the average household income of \$40,500 that leaves the regional area less affordable than Manhattan. Over the years, the Coffs Harbour region has intermittently appeared amongst such statistics, but its appearance on the list suggests a review is critical.

The difference from regional to major metropolitan areas is the issues that arise. These also differ from region to region in the vast area covered by the Country Division. The low cost of established dwellings, land and construction in my area often does not equate to the capital value of the finished project, and therefore financing is a problematic aspect. In addition to this issue, a predicted 65% increase nationally in the cost of single-household occupancy within the next 25 years* indicates the oversized nature of existing three- to four-bedroom housing stock. An increase in the number of dwellings permitted on a single property should be reviewed, making succession planning or alternative farm income a viable option.

Perhaps more fundamental questions should be asked about our housing model to challenge the status quo. What is the definition of a house? What is the housing entitlement, per block? How can planning controls enable greater flexibility for both dwelling numbers and occupancies, catering for the needs of all regions?

Tricia Helyar, NSW Country Division Chair

* Australian Bureau of Statistics, 19 March 2015

Chapter news

2017 Newcastle Architecture Awards

Newcastle Division

The Newcastle Architecture Awards, announced in March, showcases the quality of architectural projects within the Newcastle Division area, which encompasses the NSW Central Coast and Hunter Valley. The awards structure mirrors that of the State Awards and is timed to permit category winners to progress to the State Awards.

The quality of the entries was very high with a total of 24 projects submitted. These represented a broad range of projects from small residential alterations and additions to multistorey commercial developments. 120 members of the profession and clients attended the presentation night.

Congratulations not just to the winners, but to all members who submitted projects for the awards. We also wish to thank the jury of Prue Bowe (Chair), Ed Highton, Gabriel McLean, Andrew Donaldson, Ramsey Awad and Ross Bonthorne for their effort and time in assessing the submissions.

Peter Kemp, Newcastle Division Chair



Award for Excellence and Overall Winner

43 Ocean Street, North Avoca by Genton Architecture [1]

Award for Sustainable Architecture

'Allagai' – Crowe Residence by True North Architects
Commendation for Sustainable Architecture: St Francis Xavier Catholic Church, Belmont by Killen + Doran Architects

Colorbond Award for Steel Architecture

Battlesticks at Scratchleys by EJE Architecture [2]

Award for Interior Architecture

John Hunter Children's Hospital Neonatal Intensive Care Unit Refurbishment by EJE Architecture
Commendation for Interior Architecture: 25 Watt Street by EJE Architecture

Award for Small Project Architecture

MA House by SHAC [4]
Commendation for Small Project Architecture: SHAC Offices Adaptive Reuse by SHAC
Commendation for Small Project Architecture: Innovation Hub by SDA

Award for Commercial Architecture

25 Watt Street by EJE Architecture

Award for Public Architecture

St Francis Xavier Catholic Church, Belmont by Killen + Doran Architects [3]
Commendation for Public Architecture: Kilpatrick Court, Toronto by Jackson Teece

Award for Educational Architecture

Primary Building – Bishop Tyrrell Anglican College by SHAC

Award for Educational Architecture

The Junction Public School by dwp suters
Commendation for Urban Design: 18 Honeysuckle Drive by dwp suters

Award for Residential Architecture – Houses (Alterations and Additions)

Bull Street Residence by Studio Dot
Commendation for Residential Architecture – Houses (Alterations and Additions): 'Allagai' – Crowe Residence by True North Architects

Award for Residential Architecture – Houses (New)

MA House by SHAC [4]
Commendation for Residential Architecture – Houses (New): Lake House Warners Bay by SDA

Award for Residential Architecture – Multiple Housing

43 Ocean Street, North Avoca by Genton Architecture [1]

Photos: Rodrigo Vargas / EJE Architecture / Murray McKean / Alexander McIntyre

Allen Jack+Cottier

Few issues have generated as much talk and dogma in recent times as housing affordability – a deepening national crisis affecting us all and for which there is no simple solution. National President Ken Maher considered the issue holistically when addressing an Institute-organised event at Parliament House in March. Pertinently, he reminded all present of the significant creative contribution the profession can and must make to design affordable, sustainable and flexible housing, in the process providing savings in both upfront costs and the ongoing cost of occupation.

We couldn't agree more. To this end, AJ+C, having now designed student housing across the nation, is examining how these models can be reimagined as innovative and successful new forms of affordable housing.

Our design for 'built to rent' or 'multifamily housing' projects have smaller private spaces, with larger shared front-of-house areas, communal kitchens, music/games rooms, meeting rooms and laundries. Designs include three key apartments, which can act as a family home and source of rental income or provide wider family support as needs require.

Any such experimental approach requires a shift in thinking – a freeing up in the design process and an equally large adjustment on the part of clients, governments and regulatory bodies, involving a collaborative step into the future.



BKA Architecture

The affordable housing crisis is not just about first-home buyers, but also about affordable rent, with high competition and inflated prices making it difficult to find accommodation, especially in Sydney. Two contrasting projects by BKA Architecture, currently at the early stages of design, investigate new solutions for affordable rents, with the boarding house model offering an alternative for multi-residential housing.

The first, in the inner west, is an adaptive reuse of a church and school building with 55 rooms accommodating a mix of singles, doubles and communal spaces. This boarding house is situated close to nearby university campuses, which will enhance the site's use and activation. Three buildings linked by a central communal courtyard, incorporating elements of the existing heritage listed buildings, including the ecclesiastical appearance of the former church, which now features an additional level.

In Sydney's south-west, another boarding house located close to transport and shops retains its low scale at only two storeys, allowing it to blend into the existing streetscape. An amalgamation of three sites, including corner retail and houses on either side, the 32-room building offers a mix of singles, doubles, communal space, laundry room and communal roof garden.

Both projects provide excellent amenity beyond the SEPP 65 Apartment Design Guidelines, while also offering a low-cost alternative to those who may otherwise face being priced out of the rental market.

Cox

Cox has made a submission on both the Draft District Plans and amendments to A Plan for Growing Sydney, our Metropolitan Plan for Sydney. We firmly support such plans as well as a metropolitan level of governance through the Greater Sydney Commission. This is common in other global cities including London and New York. For years we and many others have been seeking an overarching and independent planning body for the greater metropolitan area of Sydney.

There is much to be supported in the Draft District Plans. These plans address many significant social and environmental plans previously absent from our city planning. We support the development of these social and environmental considerations for Sydney. We applaud the GSC for consulting early. Our submission attempts to recommend improvements.

Cox are the designers of the new ferry hub at Barangaroo, located on the western edge of the Sydney CBD. The overall ferry hub includes three piers, each 75 x 25 m, of which two are currently under construction as part of phase one. The design unites the Sydney Ferries upgrade program and an aesthetic reflecting the maritime qualities of the iconic harbour. The project construction is due for completion in 2017.

Mirvac Design

Now providing expert advice across Mirvac as design consultant, Peter Cotton was national practice director of Mirvac Design from 2008 to 2016. His legacy is evidenced in how the practice is structured: encouraging the emerging professionals while harnessing the skills and expertise of the established team.

'Be proactive ... do not be afraid to take on responsibility and ask for advice,' Peter recommends to recent graduates, taken from his early experiences working in small practices. He developed an appreciation of space, volume and efficient planning principles from UNSW tutor Russell Jack, a founding partner of AJ+C. Joining Mirvac Design in 1989 as project architect, Peter found under founder Bob Hamilton similar approaches to planning, which he believes is a key part of Mirvac's residential success. 'Internal planning must not be compromised by external design priorities. The best architecture is where both work in harmony.'

Involved in Newington, Sydney Olympic Village, from bid stage through to post-Games became a career highlight for Peter at Mirvac Design, collaborating with talented internal and external architects

The respect for Mirvac Design in the broader industry was fostered under Peter's stewardship. Strategy around innovation, affordable housing and sustainability are all initiatives Peter has driven, and which are now being realised across Mirvac Design and the Mirvac Group. His legacy continues.

Don Gazzard: architect, writer, mentor

I met Don Gazzard in 1977 when I went to work with him on the recommendation of Colin Griffiths from Harry Seidler's office, after returning from overseas travels and graduation. Don Gazzard had worked for Harry as apprentice and undergraduate from 1950 to 1953. Through Harry's mentorship, Don became an unashamed modernist, Bauhaus disciple and pragmatic designer, city planner and conservationist. There were numerous milestones of success and achievement over Don's 67-year-career in architecture.

He was very well known in the profession and greatly respected by his friends and peers, not only for his contribution to architecture and the city but as an educator, mentor and writer. In 1970, Don Gazzard became a Life Fellow of the Royal Australian Institute of Architects (RAIA). In 2006, Don published his memoir *Sydneysider: an optimistic life in architecture*. In it, he acknowledged those special consultants, peers and friends who he respected and worked with to achieve his great work. It would be remiss if I did not mention some of them here: Aldis Birzulis, Louis Challis, John Ferris, George Gallagher, Tom Jumikis, Phil Kirkland, Bruce Mackenzie, Peter Miller, Leo Port, Ralph Stedman, Allan Thompson, Barry Webb, Harry Williamson, Colin Griffiths and Keith Cottier. My apologies to those not mentioned who worked with Don during his career.

Don's early studies started in engineering, but he soon found himself drawn to architecture, and in 1950 took a position with Harry Seidler. For three years, Don worked with Harry, who became his teacher and role model, working from the Point Piper studio. It was a true master-apprentice relationship in which he was indoctrinated into the modern movement. Encouraged by Harry, Don left for Europe and later America and Canada, where he travelled and worked for six years before returning home in 1960. While in London, Don passed the Board's exam and became a registered architect, which was reciprocated by the NSW Board of Architects. In America, Don met George Clarke, who was studying planning at the Massachusetts Institute of Technology in Boston. Don and George decided what Australia needed was a multidisciplinary architectural, city planning and urban research firm, and that they would start it. Clarke, Gazzard and Partners flourished with offices in Sydney, Melbourne, Perth, Brisbane and the Gold Coast.

During those years, there were many milestone achievements for Don; he won the first RAIA Wilkinson Award for domestic architecture in 1961 for the Herbert House he designed at Hunters Hill for his sister-in-law and her husband. This led to working with Lend Lease on creating a range of project houses as part of the Kingsdene Estate in Carlingford.

From the early sixties, Don's most important work was that of the Wentworth Memorial Church at Vaucluse, influenced by his travels in the Greek Islands and Le Corbusier's church at Ronchamp. The building was published by the influential UK *Architectural Review*. The church was selected as one of forty buildings chosen to represent the best of Australian buildings of the 20th century in the millennium series of books. It was listed on Woollahra Council's Heritage Register in 2006.

Don had a conscience for our built environment, and in 1964 produced an exhibition at the RAIA (and later a book) titled *Australian outrage: the decay of the visual environment*. This project led to Don's long love affair with the then unfashionable inner-city terrace



Photo: supplied by Serge Thomann

house area of Paddington in the eastern suburbs of Sydney. It was considered a slum and a 1958 plan proposed almost total demolition, replaced with new road patterns and high-rise flats. This led to the formation of the Paddington Society with John and Pat Thompson, later joined by others including Keith Cottier. It took many years and a great deal of political and community action to change views, before the architectural importance of Paddington as one of the largest coherent areas of Victorian terrace housing in the world was realised.

Also, out of *Outrage* came Don's ideas for public open spaces in the city, in particular Martin Place, opposite the General Post Office containing the cenotaph. In 1968, he wrote to the City Council formally proposing the creation of a civic square. At first this had difficulties, in particular proposing the closing of main roads to vehicular traffic. The idea then became the platform for the Civic Reform Party led by Leo Port, the then lord mayor of Sydney. This was a ten-year saga of design and politics, until finally all the spaces between George and Macquarie Streets became a pedestrian precinct. An amazing legacy.

In the years that followed, Don designed many great buildings, including the Sydney TAA Terminal at Kingsford Smith Airport, one of his most important buildings of the 1970s. Initially a temporary building, it stood for more than 25 years before its replacement by the current Qantas Domestic Terminal. During this period Don also designed his family home on the corner of Hargrave and Elizabeth Streets in Paddington, demonstrating that a modern building can fit in perfectly with older heritage buildings as long as scale, form and materials were sympathetic to their context. The house received an RAIA award in 1976.

During my time with Don Gazzard and Associates, we collaborated on some significant projects, including a split-level apartment building in the Le Corbusier logic for the Department of Housing as part of the development of Woolloomooloo.

From 1985, Don and I had a wonderful ten-year partnership together as Gazzard Sheldon Architects; he was a great mentor and educator. We worked on projects throughout the South Pacific, NSW and Queensland. We won several projects with what was then known as AIDAB, Australian International Development Assistance Bureau, now AUSAID, including three 500-pupil public schools in remote locations in the Solomon Islands. These were exemplars of environmental sustainability, employing alternate renewable energy sources. We won the competition for the South Pacific Region of Environmental Partnership in Western Samoa, a new terminal building at Fiji International Airport, a new regional airport terminal at Coffs Harbour and houses in Sydney and Queensland. Our last buildings designed together included the multipurpose sports complex at the University of Newcastle and the Byron Bay Council Chambers and Administration Building.

Don passed away on 15 May after suffering from cancer and other ailments over recent years. He remained lucid of mind and continued to write his blog until the last week. He will be sorely missed.

Mark Sheldon, Managing Director, GroupGSA. In 1985, Mark Sheldon and Associates merged with Don Gazzard to form Gazzard Sheldon Architects, which then became the current GroupGSA in 1994. This is an edited excerpt of Don Gazzard's obituary. The complete text can be read here: www.groupgsa.com/vi/news/obituary-donald-gazzard

AFFORDABILITY

A FIELD STUDY

Myra Demetriou graces our cover. She is one of two remaining residents of the Sirius building in The Rocks, which is earmarked for sale and demolition. I don't know Myra, but I met her on a tour of the building earlier in the year. She was generous and open. She had a calmness about her that defied the tenuous nature of her housing situation. Her position hinges on a particular appreciation of land and housing – one that values financial profit over people.

Housing for financial gain sits uncomfortably with the opportunity that housing offers, not just for social housing but for housing generally. Housing is about people – us. It talks to and helps shape the lives we want to live. The financial imperative sidelines this fundamental role and, at the same time, it underlines the current issues on affordability.

The way we value land and housing needs a rethink. Stepping back, it's our economic system, or at least the way we appreciate it, that needs change. It's the long game. In the meantime, we do what we can.

This edition of *Architecture Bulletin* has been approached as something of a field study. It aims to inform the architectural community and promote its engagement. Key commentators on housing affordability provide the context. A series of projects, housing types/measures/initiatives are presented to describe what's currently being done to address affordability, both locally and internationally.

Nothing is simple. The context pages begin with Rod Simpson amid a swirl of ideas – systemic failure, the importance of engaging with the broader precinct scale, the need for recalibration in how we perceive risk in finance to allow for new outcomes. I present some contemporary housing projects from Europe, highlighting the diversity offered and noting the obvious comparison between the richness of the international projects and lack of similar local projects. Ben Spies-Butcher talks to the increasing divide between the haves and have-nots. Ashley Dunn, on a review of Fulcrum's *Real Estates* (and his own real estate), ponders whether he should personally have or have not. City Futures and The Grattan Institute offer different takes on unaffordability, supply and demand, and the best ways forward.

The definition is clearly put by Hazel Easthope and Laurence Troy of City Futures – 'housing affordability is the ability of people to access housing to live in that meets their needs at a price that does not compromise their ability to pay for other essentials'. However, they go on to note that the discussion on affordability 'has become much broader ... often focused not only on the ability to access housing but on the ability to *buy* housing'. Our discussion on addressing affordability needs to appreciate this – affordability has very different meanings for people of different economic means. There are distinct starting points that are not necessarily aligned. There is a spectrum of housing measures that respond to these different contexts.

Acknowledging the role different housing measures have within this spectrum, we have arranged the articles in order – from the most affordable to the least. They are grouped loosely under the following headings: subsidised housing, part-subsidised housing and private housing.

In order, the articles cover – Karakusevic Carson's work on housing estate regeneration in London; the NSW Government's Communities Plus program; the not-for-profit housing sector and inclusionary zoning; cohousing and aging; community land trusts; share houses and boarding houses; cooperative housing; caravan parks; a Baugruppen project in Fremantle; the NSW Missing Middle Design Competition; and Nightingale's recent trip to Sydney.

There are some key omissions worth noting. The broader context of affordability (beyond housing to workplaces, goods, etc) is not adequately addressed – that housing supply in inner Sydney typically displaces affordable workplaces is due more comment. Locational/spatial disadvantage is raised partly in Michael Zanardo's article in reference to inclusionary zoning but is a field of its own. The Sirius building, Millers Point and Waterloo – all high-profile 'developments' – also deserve more attention. Most significantly, it would have been great to have an Indigenous opinion on the way land is valued in this country to both broaden the discussion – to turn it on its head – and bring it home in a very particular way. Perhaps a forthcoming issue of the *Bulletin* can tackle these in more depth.

We thank all of the contributors for their time and for making this issue possible.

Jon Jacka, Guest Editor

The city as a system of systems

Housing is one system of many that make the city. It is an essential part of the many different strategies people employ to operate in the city, and so the cost and affordability of housing need to be also seen as part of overall household costs. For many, navigating the city and choosing housing is a matter of trade-offs on location, 'quality', size, type, tenure and accessibility. When there is no longer a capacity for trade-offs, when housing costs intrude into the other essential parts of household budgets (such as food, clothing, energy and water), and when this applies to a large and increasing proportion of the population, this constitutes systemic failure.

Affordable housing policies, inclusionary zoning (*SEPP70*), community housing and the definition of distinct 'asset classes' – such as *New Generation Boarding Houses*, serviced apartments, student housing and the *Missing Middle* – can be seen as compensatory 'tactical' measures. These are facilitated in various ways through the planning system, or, in the case of social housing, direct government expenditure. But all of these may only address a small part of the problem, remain 'fringe' and not change overall affordability. The tactical measures need to be accompanied by changes to taxation and finance along with measures aimed at reining in investor demand to address the underlying issue of land value.

A systems approach to affordability

TERRITORY: Architects could be more involved in improving affordability by adopting a systems approach – to the household, the delivery process and the urban context at the precinct scale.

SKILLS: We should recognise that the core expertise of architects – that distinguishes us from project managers, engineers and planners – is the ability to draw together disparate needs, to resolve or reconcile diverse interests into a compelling idea that can then be implemented by others.

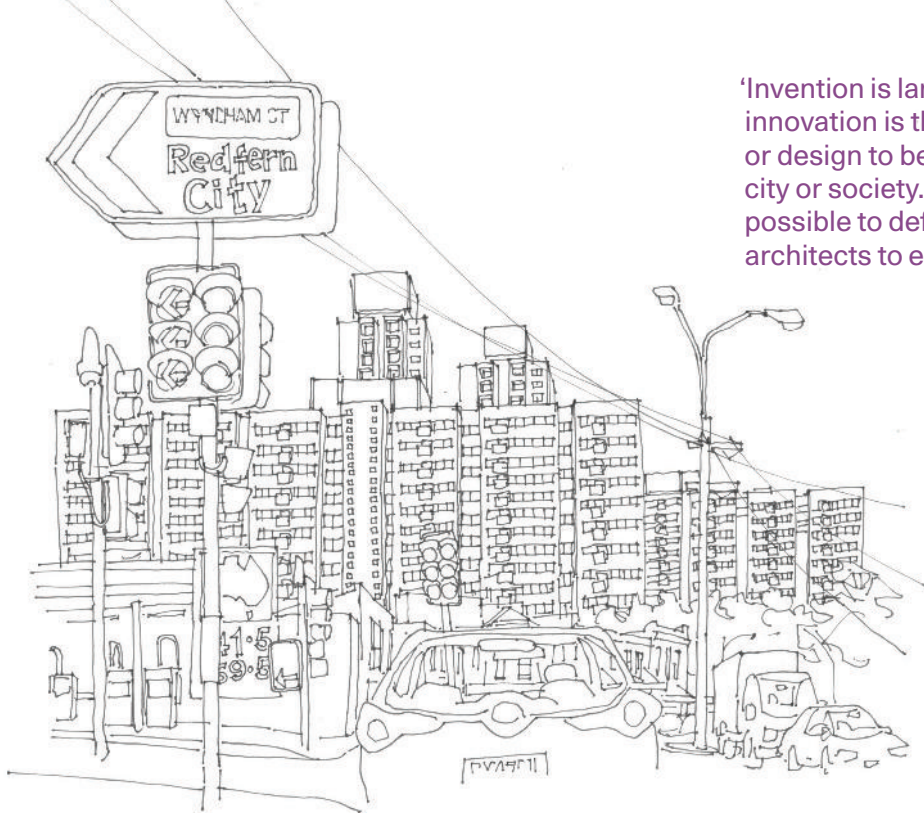
PROCESS: *Invention* is largely what every architectural project is; *innovation* is the mainstreaming of a method, process or design to become a significant part of the market, city or society. If we make this distinction, then it is possible to define both the scope and aims for architects to engage with the challenge of affordability. Architects must become more involved in creating the conditions for invention to become innovation, and to see individual buildings as one part of a system that requires reconfiguration. It may also be the object of 'design' as much as a building.

The scope

HOUSEHOLD: Improving affordability by lowering household running costs through energy efficiency, efficient planning and cajoling clients to build smaller is familiar territory. We can move on.

DELIVERY: Planning, design and construction operate in conditions that have already largely been determined. These in turn determine and limit the outcomes and lock-in inefficiencies and additional costs. We have developed a limited number of typologies: detached, row, villas, apartments, perimeter block, podium and tower. But physical 'types' also need to be seen as part of a larger system of procedures: planning, approval, codes, site assembly, financing (house and land) and legal arrangements (strata and community title, Torrens, serviced apartments) that accompany them. The focus of reform tends to streamline these processes and standardise these arrangements. This makes what was done previously easier, but also tends to stifle innovation and make alternatives more difficult.

For example, the requirement for on-site car parking entails site assembly (and is often motivated by floor space bonuses), but this involves higher holding charges due to a longer construction and project duration. Together with 'marketing fees', all this leads to higher costs that can be attributed to the particular delivery and development model that is not only facilitated but effectively locked in by financial, legal and planning arrangements. It is this whole system that should be questioned with the aim of lowering costs. It is in this context that the development of the Nightingale model – that addresses site acquisition, financing, titling and co-creation – should be recognised as an extraordinary achievement by architects engaging with this wider scope of practice.



'Invention is largely what every architectural project is; innovation is the mainstreaming of a method, process, or design to become a significant part of the market, city or society. If we make this distinction, then it is possible to define both the scope and aims for architects to engage with the challenge of affordability'

PRECINCT: If it is the overall affordability of living and operating in the city that is of interest and concern, then much can be gained by designing the 'precinct', rather than individual buildings. It is at the precinct scale where other aspects of 'urban quality' – diversity, adaptability, authenticity, social cohesion and identity – may be fostered. Architects could have a role in not only the spatial design but also the design of the delivery and governance systems, with the aim of providing a mix of dwelling types, tenures and price points. In other words, a range of trade-offs within a particular precinct, not just across the entire metropolitan area.

In higher-density accessible precincts, forgoing a car space and car is the equivalent of a \$250,000 mortgage.¹ Alternatively, treating car parking as 'infrastructure' and providing it above ground in adaptable buildings (in anticipation of autonomous vehicles) would equal the construction cost for the few cars needed. Other approaches to car parking could be added: rear-ranging and reprioritising the public and private domain, embedded energy generation, integrated water cycle management, pedestrianising streets and varying building heights and types to achieve greater density and diversity at a precinct scale.

Realising this potential relies on detailed precinct planning and a mechanism for distributing benefit to all landowners in the renewal area, rather than the opportunistic first in, best dressed argy-bargy that currently characterises much 'renewal' and understandably undermines public trust and confidence in the planning system. The issues with large sites under the control of single developers are different. Here the problem is unrelieved uniformity and maximisation of yield that comes from a single designer and rigid controls that do not anticipate or require diversity.

So what to do about it? And what is the role of architects?

An advocacy role should not be overlooked. Architects may underestimate their shared knowledge of overseas precinct scale development² and assume that politicians, developers and the public are as familiar with these projects as we are. One of the greatest difficulties in urban design and urbanism is to communicate what is happening 'below the surface' of renderings. What makes great places and what are the ownership, governance and delivery processes required?

Secondly, we need to take a cold shower: given the prospect of 'designing' a whole precinct, architects should have the spine to push for the involvement of other architects and recognise that urbanism is not architecture, and 'urban quality' is not simply the aggregation of 'design excellence'. We must resist the temptation to see a precinct as a megaproject that will put the firm on the global stage.

Finally, we do need help. If the task is invention of new processes rather than incremental improvement or 'innovation', it requires a commitment to 'circuit-breaker' or 'catalyst' funding to test and demonstrate new approaches; it is extremely difficult, if not impossible if left to the market. The perceived risk of doing something substantially different is often simply too high. We need 'market catalysts' more than 'market analysts' to foster invention and then the move to innovation.

Catalytic philanthropy

Realdania is a philanthropic organisation established in 2000 in Denmark when two major mortgage financiers merged. Its mission is to 'improve the quality of life and benefit the common good by improving the built environment'. Realdania refers to its activities as catalytic philanthropy: 'Working as a catalyst for change, we initiate projects that address the structural challenges facing the built environment and our society.' It is striking how many exemplary Danish projects have been supported by Realdania and their recognition of the need to overcome financial, procedural and planning impediments. Each year Realdania distributes about €500 million. Since its inception it has assisted over 3,000 projects.³ Last year it granted €621 million. In Sydney, on a population pro rata basis, that would equate to about \$750 million – a tidy sum to act as a catalyst for invention and innovation.

Whether it is through philanthropy, industry or government, intervention in the Australian housing market is essential, as incremental improvement has not and will not be sufficient.

Roderick Simpson was formerly associate professor and director of Urbanism and Urban Design Programs at the University of Sydney

NOTES

- 1 Based on an approximate marginal difference between 100% public transport and walking, and the average Sydney cost of owning and running a car: \$21,000 per year and 25-year mortgage with 5% interest and garage space. The construction cost of underground car parking in Sydney's Green Square is now approaching \$180,000 per car space. <http://bit.ly/2sqIUTC>
- 2 Overseas precinct scale developments that reconsider parking and participation include HafenCity, Hamburg; Vauban, Freiburg; Viikki, Helsinki; Nordhavnen and Nørheden, Copenhagen
- 3 www.realdania.org

Other models: diversity through affordable housing

Under different conditions housing offers so much more. Here we've selected six contemporary international projects that show how housing can be done differently. The examples present a diversity of living arrangements, delivery models and spatial conditions. They reflect other opportunities for housing. With very little happening in the local context to compare, there's a lot to learn from what's happening elsewhere. As architects, our task is to take this to our communities, our policy makers, our banks and our clients to help affect positive change.

Donnybrook, London Peter Barber Architects

Recognising the potential for the social street, Donnybrook Quarter creates its own. The new streets provide space for community interaction – for chance encounters – linking the site to the broader neighbourhood. Single-storey and elevated two-storey apartments are tightly gathered along the respective frontages. Every apartment is offered a door to the street. The degrees of privacy between public, semi-public and private spaces are finely tuned. Photo: © Morley von Sternberg www.peterbarberarchitects.com



Edificio 111, Barcelona Flores Prats

In their contribution to a new masterplanned area for social housing on the edge of Barcelona, Flores Prats creates a nuanced, highly articulated and eccentric semi-public square. A diversity of relationships is established between the private spaces and the communal and also between the apartments across the square. A refreshingly honest (often humorous) appraisal of the building by its occupants is presented by the architects to understand, learn and move forward. Photo: Duccio Malagamba www.floresprats.com



Carré Lumière, Bordeaux

LAN Architecture

Taking the single-family home as a precedent, LAN Architecture set out to reinvent community housing in Carré Lumière. There are two blocks, each establishing their own courtyard. Each apartment is given prospect and refuge, an outlook over the neighbourhood and a connection to the communities gathered around the courtyards. The plan of the apartments is linear, its width a single room. Winter gardens can be closed off or open for summer. Flexibility is built in. Photo: © Julien Lanoo / © LAN www.lan-paris.com



Grundbau und Siedler, Hamburg

BeL Sozietät für Architektur

A self-build multi-storey housing project, BeL established a system that provides an empty building frame for 'settlers' to fill in themselves. The settlers buy a plot within the frame along with the construction materials, and a detailed installation manual instructs them on how to go about it. The project's potential provides for low-cost entry into the housing market, along with flexibility and the potential to plan for the very particular. www.bel.cx



R50 Baugruppen, Berlin

ifau, Jesko Fezer, Heide & von Beckerath

A Baugruppen project from 2013, R50 still stands as a great example of the type. Baugruppen – literally 'building group' – has the owners replace the developers in the provision of housing. Explicitly bottom-up, the model gives the owners control, does away with any need for a profit margin and, in turn, makes for tailored, lower-cost housing. Today, in inner Berlin, approximately 10% of new housing and a required 30% of housing on government land is delivered through the Baugruppen model. Other notable examples are BIGyard (Zanderroth) and Coop Housing at River Spreefeld (Carpaneto, Fatkoehl, BAR), the latter scaling up the model to deliver 64 unique apartments. Photo: Andrew Alberts www.ifau.berlin.heimat.de www.jeskofezer.de www.heidevonbeckerath.com



Grand Parc, Bordeaux

Lacaton Vassal, Frédéric Druot, Christophe Hutin

'Never demolish, never remove or replace; always add, transform and reuse!' Lacaton Vassal's approach to the regeneration of social housing estates in France could be seen to provide direct comment on familiar local examples – the potential of the existing structures at Sirius and the Waterloo Estate are due greater consideration. Lacaton Vassal's work prioritises refurbishment, bigger 'villas' and maintaining existing residents and communities in place. Photo: © Philippe Ruault www.lacatonvassal.com www.druot.net www.christophehutin.com



'Never demolish, never remove or replace; always add, transform and reuse!' – Lacaton Vassal

Growing unequal

Australia's system of home ownership is, very slowly, starting to break. Since the 1950s we have enjoyed high levels of home ownership. Public policy helped people buy a home, which supported security in older age. Because ownership was ubiquitous, private renting was allowed to become insecure.

Since the 1980s those policies have been changing, encouraging people to be entrepreneurial investors. These policies encourage people to invest by offering tax concessions. As housing is the biggest investment most of us make, naturally these changes have a big impact on housing prices and affordability.

The problem is that richer households can save more than poorer households, so incentives for investment almost always favour high-income earners. Tax concessions are also designed to give richer investors more *per dollar* than poorer investors. At the same time, wages have also become less equal and funding cut to social housing.

Older households are better insulated from these changes because they bought under different policy settings. It is not that the old had it better than the young, it is that they had it more *equal*.

Younger households will be both less likely to own one home, and more likely to invest in several. The richer households will own more of the share of housing than the poorer households. As housing becomes more expensive, parents (who can afford to) may help their kids, creating intergenerational inequality, meaning inequality is set to rise for decades to come.

Past policies built a relatively equitable model of home ownership. Ironically, current incentives to buy property and to save for retirement are creating a new cycle of inequality.

Housing should be a place to live. That means giving renters more secure tenure, increasing the availability of social housing that low-income households can afford, and eliminating tax concessions for capital gains and negative gearing that encourage speculation.

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Real Estates: life without debt

The question of housing affordability is at the forefront of most people's minds. Most of what I read in the media frames this issue as a crisis: our government speaks of it in the same terms as a natural disaster, something that has happened to us rather than something we have created. It is therefore a shot in the arm to read *Real Estates: Life Without Debt*, edited by Fulcrum (Jack Self and Shumi Bose). The book is a carefully curated collection of essays that explore the moral, political and economic ramifications of property and ownership. It asks what role the architect might play in addressing widening social and spatial inequality in the built environment. The introduction by Jack Self, immediately acknowledges that architects cannot 'solve' this problem so there is a touch of irony in the fact that a majority of the 15 contributors are architects.

Fulcrum argues that the crisis has been constructed by neoliberal or late-capitalist economics and is intrinsic to the aggressive wealth redistribution that is a result of these systems. *Real Estates* puts out a call for architects to confront the 'instruments of neoliberalism in order to overthrow them' and suggest this confrontation begins with the 'detailed articulation' of these instruments.

This little book packs a powerful punch; it asks one to reconsider what it is to be a property owner and what has led us to believe that it is so important. The reaffirmation that debt is a form of social control, and that by buying into it we are very much part of the problem, is confronting. Jack Self said in an interview with *Something Curated* in 2016 that often, 'you don't not know what you think until you say it out loud or write it down. It's not until you get into an argument or a discussion that you actually realise sometimes that you hold beliefs you didn't know you had.'* I agree.

Reading this book got me fired me up, energised, ready to fight the good fight, sell my house ... and then I took a step back. The essays are all well written and present engaging and relevant positions but it does what architects always do – it hangs out with other architects. Sitting around a table and discussing how, as a profession, we might make the world a better place, is stimulating but I can't help but think that injecting a bit of grit and maybe some opposing opinions might have helped to push the argument along. In saying that, *Real Estates* is refreshingly radical and provocative. It opens up the discussion around housing affordability, property ownership and the widening social and spatial inequality in our built environment. Read it and start confronting the system we are part of.

Before setting up Dunn & Hiram Architects with Lee Hiram in 2001, Ashley Dunn worked for Caruso St John Architects amongst other practices in the UK and Germany. He is adjunct professor at UNSW and this year he joined the AB editorial committee

* *Something Curated* interview with Jack Self (November 2016): <http://bit.ly/2s6FQel>

Real Estates: Life Without Debt was first published by Bedford Press in 2014. Thank you to Genevieve Murray for suggesting it as a reference

Shaping the housing market

There's been more talk than usual about housing in Australia in recent months. In particular, the phrase 'housing affordability' has been hitting the headlines and crossing the mouths of politicians at a rapid pace, often followed closely by 'crisis'. But what is this crisis in housing affordability, why has it happened and what can we do about it?

What is housing affordability?

Housing affordability is the ability of people to access housing to live in that meets their needs at a price that does not compromise their ability to pay for other essentials (such as food, transport and health costs). Although there are lots of different measures, a common rule of thumb is that households in the bottom 40% of the income distribution, should not be paying more than 30% of their income on housing. The assumption is that households in the top 60% of the income distribution may choose to pay more than 30% of their income on housing without compromising their ability to pay for other daily essentials – although this is questionable in severely unaffordable housing markets such as those of Sydney and to a lesser extent Melbourne.

However, the housing affordability debate in Australia has become much broader than this and has often focused not only on the ability to access housing in which to live but on the ability to *buy* housing. In many cases, 'housing affordability' has become a proxy for 'home purchase affordability' with a large and growing proportion of Australians unable to save for a deposit or service a mortgage on a 'home of their own'. This reflects the fact that home ownership rates have been declining across the country (and underlying affordability pressures even for those who do own a home are shown in increasing mortgage debt). Home ownership has become harder because house price growth has consistently outpaced wages growth.

The result is that there has been greater demand for rental housing, the vast majority of which in Australia is provided through the private rental market. As a result, increasing numbers of people are spending increasing proportions of their income on private rental housing, impacting on their ability to save for a house deposit. We now have a new generation of people who face an expensive and insecure private rental market as their only housing option. Sydney is by all measures unaffordable even to those on decent incomes.

Why do we have a crisis in housing affordability?

So, why has the price of home purchase increased faster than wages growth and why has the cost of private rental properties skyrocketed? When the price of anything goes up rapidly, it's reassuring to turn to the concept of supply and demand. If the price of housing to live in is going up quickly, it must be because there's not enough supply of housing, right? Wrong. Sydney and Melbourne are facing a housing affordability crisis in the midst of an unprecedented construction boom. Dominated by the construction of new apartments, if there was a moment that supply should increase affordability, it is now. However precisely the opposite is occurring. This reveals the policy fallacy that housing academics have long known – housing supply alone cannot increase affordability.

'When the price of anything goes up rapidly, it's reassuring to turn to the concept of supply and demand. If the price of housing to live in is going up quickly, it must be because there's not enough supply of housing, right? Wrong'

To understand why, you first must ask who is buying all this new housing. The overwhelming majority of new dwellings being built in Sydney are being purchased by investors, both local and international. While for the most part, they have had little trouble renting these out, fundamentally demand is being driven by flows of capital detached from either wage or population growth. Demand is only limited by the amount of money banks are willing to lend. Detached from the fundamental drivers of housing needs, in relative terms this means demand is limitless. The asset price bubble this is causing only fuels more demand as people seek to cash in on enormous capital gains. This is how a Ponzi scheme works.

A major implication of this investor-fuelled demand is the type and quality of the properties being built. These are mostly one- and two-bedroom apartments, with few other options available. Dwelling composition reflects investor, not occupier, demands and these properties are often not designed to suit long-term occupants, larger households or families with children.

There is also a rising concern over the quality of new buildings, which are being built at speed to satisfy the rapacious market. Poor standards and oversight are leaving new apartment owners with significant repair bills and long-term maintenance problems. This type of behaviour is being rewarded through the market where development speed is paramount for developer returns.

What can be done about it?

Market housing, either for purchase or private rental, is not meeting the housing needs of Australians. People and families who cannot afford to live in market rental housing or purchase in an inflated market, are being squeezed to the margins. There is a need for fundamental change and this can take one of two forms (preferably both). The first is changes in regulation around the private rental market and private 'home' ownership market. This might include the abolition of existing regulations that are known to have an adverse impact on house price purchase affordability (eg negative gearing) and the creation of new rules to curb housing costs (eg rent controls in the private rental market). The second is the introduction and support of alternative mechanisms for the provision of housing, such as shared equity home ownership, affordable rental housing, and social housing.

This can be done but requires long-term strategic commitment by all levels of government to ensure that there is a legitimate choice of housing tenures available to all Australians at a price they can afford. Government is the domain through which this can occur as it is through their actions that markets are shaped and regulated. By actively shaping how the housing market operates, and facilitating the delivery of affordable housing options to all citizens, housing can once again be the bedrock of a fair and egalitarian society.

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Dr Hazel Easthope is an ARC Future Fellow and UNSW Scientia Fellow based at the City Futures Research Centre at UNSW Sydney. She has been working in the area of housing and urban research for 15 years and for the last decade her research has focused on strata title and apartment living

On government (in)action and housing (un)affordability

‘Housing affordability’ is a catch-all banner for a grab bag of public concerns linked to rising house prices. Some people resent spending more of their pay packet on housing. Some fear that younger Australians will be locked out of the housing market. Patterns of home ownership are increasing inequality between and among generations. Others fret about the risks that higher house prices pose to the economy.

At its most basic level, of course, housing affordability is about how much a person spends on housing relative to everything else. Overall, spending on housing in Australia has increased from about 16% of all spending in 1980 to more than 20% today.

Australian house prices have more than doubled in real terms since the mid-1990s, far outstripping growth in household incomes. Most of the increase in the value of housing reflects increases in the price of land, not the housing that has been built on it. And this isn’t just an Australian phenomenon. According to one prominent study in the *American Economic Review*, rising land prices explain about 80% of the global house price boom since World War II.

These higher land prices [see chart 1] mainly reflect restrictions on the supply of residential land – limits on rezoning for urban infill and limits on developing land at the urban fringe (particularly in Sydney). Development restrictions have been most stringent in the more desirable established suburbs of major cities. Unsurprisingly, land values have risen fastest in these inner-city areas.

Of course, most Australians don’t buy a home outright: instead, they borrow to purchase a home. Housing affordability is falling mainly because it takes longer to pay back the principal on a mortgage, because house prices have risen much faster than incomes.

But while it is harder to pay down the principal, paying the interest on a new mortgage on the average-priced home is no more difficult

today than in 2003: the rise in prices has been counteracted by the fall in interest rates.

As for rents, they have more or less kept pace with wages over the past 20 years. Inevitably, averages conceal problems for some groups. In particular, it is getting harder for low-income households to pay the rent, particularly if they live in large cities. About 47% of low-income households in capital cities now spend more than 30% of their pre-tax income on rent, up from 36% in 2007.

Higher house prices and debts may not currently mean higher mortgage payments, given lower interest rates. But they do increase the risks. If interest rates rise by just two percentage points, mortgage payments on a new home will cost more of a household’s income than at any time in the past two decades. [see chart 2]

These risks may explain the second big concern about housing affordability: the worry that ‘my child can’t afford to buy a house’. While buying a first home might seem ‘affordable’ if we only look at mortgage payments relative to income today, it now involves a lot more risk.

As a result, home ownership rates are falling quickly for people under 55. Home ownership among this group has fallen from about 75% in 1991 to about 60% today. The fall has been particularly steep among low-income households.

Concerns about housing affordability also reflect worries about an increasing wealth divide between generations. The wealth of older households increased rapidly over the past decade: the average household aged between 35 and 55 in 2004 increased its wealth by \$50,000 a year over the decade to 2014. Wealth was boosted significantly by the rapid run-up in the price of houses and other assets. A younger generation is unlikely to get this kind of free kick.

Finally, concerns about housing affordability also reflect concerns about economic stability. Higher levels of debt increase the risks of borrower default and thus the risks of banks getting into trouble.

More concerning still is the risk of a rapid fall in household spending. A fall in house prices, or a relatively small rise in the

Chart 1: Real market value of Australian property in trillion dollars (2016)
All charts courtesy Grattan Institute

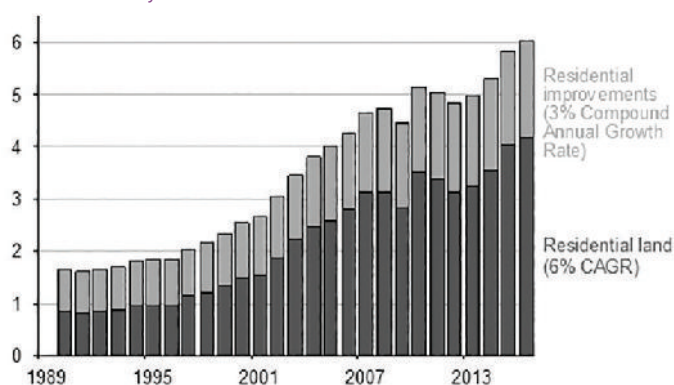
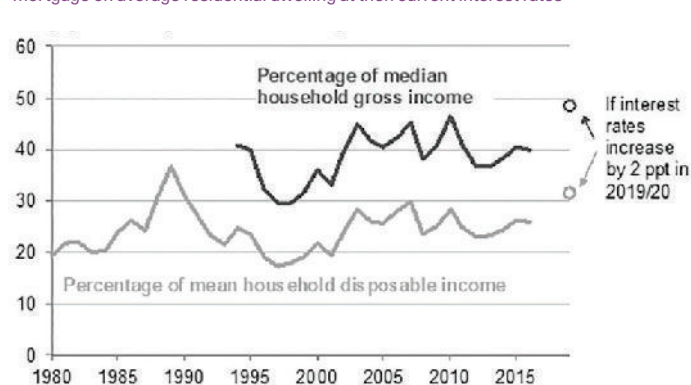


Chart 2: Per cent of household income to service an 80% loan-to-valuation ratio mortgage on average residential dwelling at then current interest rates



‘State and local governments need to change planning laws and practice to make it easier to subdivide within the middle-ring suburbs of our biggest cities. Population density in the middle rings has hardly changed in the past 30 years, yet urban infill could supply a lot of the new housing needed’

interest rates paid by households, would force many households to save more – and to consume less. This would probably slow economic growth, potentially increasing unemployment and further reducing house prices.

What governments can do to help

Australian governments need to address both the demand and the supply side of housing markets. The Federal Government can primarily intervene to reduce demand. States have more ability to boost supply.

Disappointingly, the 2017 federal budget shows that the Turnbull Government is not yet serious about making housing more affordable. At least the giveaways to first homebuyers and downsizers were small, and the overall package will contribute to dealing with the budget deficit by reducing deductions for landlords and increasing taxes on those who don't vote. Overall demand for housing will fall, though only very slightly.

The budget does contain some measures to boost housing supply, and these may make some difference over time. The government will establish a 'bond aggregator' for the social housing sector, which will help community housing providers access cheaper and longer-term finance. Tax incentives to encourage investment in affordable housing will also help a little, but a substantial increase in the affordable housing stock is unlikely unless there are additional large public subsidies to cover the costs of providing housing at below-market rents.

The Federal Government plans to use the new intergovernmental housing agreement and City Deals to encourage state and local governments to boost housing supply by offering incentive payments to support planning and zoning reform. This sounds promising, but much will depend on the final deals struck.

The most obvious way the Federal Government could materially reduce housing demand is by reducing the capital gains tax discount and abolishing negative gearing. Grattan Institute analysis shows

the effect on property prices would be modest – they would be roughly 2% lower than otherwise. But affordability would improve much more if the states did the heavy policy lifting over some years to increase supply.

State and local governments need to change planning laws and practice to make it easier to subdivide within the middle-ring suburbs of our biggest cities. Population density in the middle rings has hardly changed in the past 30 years, yet urban infill could supply a lot of the new housing needed.

This is politically difficult. Many people who live in the established middle suburbs don't like the idea of more density in their neighbourhoods. But the alternative is that we push more of the populations of our biggest cities to the urban fringe, far from jobs and requiring more spending on transport infrastructure.

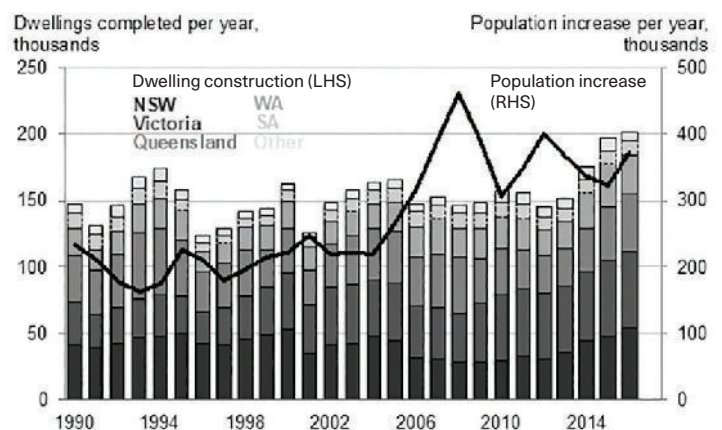
However, increasing supply will only restore housing affordability slowly. Several years of construction – probably at even faster rates than currently – will be needed to erode the large backlog that accumulated between 2006 and 2014, estimated to be a shortage of about 200,000 dwellings. [see chart 3]

Doing nothing will have consequences

Continuing government inaction will further reduce home ownership, increase inequality, dampen economic growth, and increase the risks of an economic downturn. Governments must take tough decisions, rather than opting for politically painless, cosmetic 'solutions'. Pretending there are easy answers will only make things worse.

John Daley is CEO and Brendan Coates is a fellow at the Grattan Institute, a non-partisan think tank providing independent, rigorous and practical solutions to Australia's most pressing policy problems

Chart 3: Dwelling construction in relation to population increase in Australia (1990–2016)



Learning from London



Federal Treasurer Scott Morrison recently hailed London's Elephant and Castle regeneration as a success in delivering affordable housing that Australia could emulate.

Elephant and Castle is a large urban renewal project in central south London that had been earmarked for redevelopment by the UK Government, drawing parallels with Sydney's Redfern and Waterloo in terms of scale and public ownership. In 2007 Southwark Council invited developers to submit planned bids to form a partnership for the regeneration of the Heygate Estate – a part of the Elephant and Castle redevelopment area that once housed 3,000 council residents in long heroic slab blocks set in dense greenery. Despite design flaws of access and ground level permeability, the units themselves were very generous, dual aspect with good orientation. However, the estate had suffered decades of neglect once Southwark Council decided the estate was beyond salvation in the 1990s.

Lendlease was the successful bidder to lead the design team. By 2010 a contract was in place between Lendlease and Southwark Council that included the sale of the 11-hectare site to the developer. The majority of council tenants were rehoused in other parts of south London. Many of the remaining owners were offered compulsory purchase based on their property's neglected condition and significantly below equivalent local property values, forcing them to relocate to the outskirts of London.

The masterplan prepared by Make Architects arranged generic mid- to high-rise blocks loosely around courtyards, allowing the developer a high degree of design flexibility to respond to future market demands and making it difficult to assess the quantum of housing provided or typologies employed. The plan was granted outline planning permission by Southwark Council in 2013 with the separate buildings to be designed by a series of well-regarded architects, stage by stage. It is an approach that does not necessarily provide for well-integrated community development, and one we are familiar with in Sydney.

The new buildings at Heygate will provide 2,500 apartments, including 25% affordable housing¹ replacing 1,214 once well-liked council housing units². This is significantly below Southwark's policy for 35% affordable housing (70% of which is intended to be for social rent)³. The reduction in affordable housing was privately agreed with Council based on a 'viability assessment' produced by Lendlease. These 'commercial in confidence' viability reports are largely unchallenged at planning stages and are open to misrepresentation of genuine values, skewing the figures in favour of the developers. Further, the existing community facilities at Heygate are being replaced by new buildings, largely paid for by Southwark Council and with little expansion to suit the swelling population.

With such a net loss of social and affordable housing and little public benefit provided from the private sector, projects like Heygate do not represent an ideal benchmark for urban renewal.

Affordable Housing policy in London comprises a range of different forms of tenure, including social rent, affordable rent (up to 80% of market value) and intermediate affordable housing (including shared ownership schemes). The key issue for most of inner London is that median incomes cannot meet the affordable discounted rents or shared equity provisions due to the inflated values of the housing market. The problem is compounded with council housing rapidly becoming a threatened species, with 80% of stock lost in the last five years alone. Publicly owned rental housing, once at levels of 32% in the 1970's, has now dropped to 7% in the UK⁴.

In London, Housing Associations (Community Housing Providers) are now responsible for most affordable housing supply providing social rented housing in-lieu of local governments. Many of these nonprofit organisations are struggling to meet demand and maintain their existing properties adequately.

The new London Mayor, Sadiq Khan, has refreshed affordable housing policy, waiving protracted viability assessments to developers who commit to a minimum of 35% affordable housing. In addition, the Greater London Authority will provide grants to those who commit to 50%. We will have to wait and see whether these incentives are enough to effect positive change.

Perhaps Scott Morrison should have taken a detour north of the river Thames to witness the regeneration plans emerging from the London boroughs of Hackney and Enfield.

Hackney Council has embarked on a number of council estate regeneration projects. The Council is retaining land and controlling planning of new development that aims to rehouse all existing council tenants and provide additional affordable housing and private housing for sale. One example is Colville Estate led by Karakusevic Carson Architects. The existing estate, made up of poorly planned council blocks, is being revised under a detailed masterplan informed by extensive rounds of community consultation. The proposed medium-rise, street-based buildings will rehouse existing residents on site. Typically each of Hackney's regeneration projects provide a minimum of 50% social housing, with an additional blend of intermediate affordable housing and market housing to cover council's costs. This tenure-blind integrated approach of on-site affordable housing should be made mandatory in NSW to ensure existing communities are not dislodged or stigmatised in silos. A mandatory on-site contribution incentive would also take the heat out of ever-increasing land values.

At Enfield, this public-led form of regeneration has been taken a step further. With assistance from the Greater London Authority, Enfield Council has purchased land to enable new infrastructure, transport connections, public domain, community facilities, commercial units and new public and private housing. Enfield's project – Meridian Water – also has Karakusevic Carson Architects leading a

collaborative architecture team⁵. Through a process of public consultation, they have developed an outline planning proposal with all stakeholders that incorporates building plans, elevations, material palettes, detailed 3D views and apartment layouts. The approved outline planning proposals form part of the tender package for private housing developers, giving more certainty in time and costs. Further, the joint venture agreement between council and the private developers ensures the development costs are shared.

Of particular interest at Meridian Water is that an arts community had previously formed within the disused industrial structures, with artists relocating from Shoreditch and Peckham due to gentrification and associated rent increases. Enfield Council is keen to build on this community and prevent its future displacement by providing additional affordable commercial units within a vibrant live/work neighbourhood for creative industries and start-up businesses. This approach ensures a target of 40% affordable homes will be delivered in a new and diverse urban centre.

Karakusevic Carson Architects have consistently been engaged by local authorities to drive the regeneration design process. They genuinely believe in community consultation to inform the design process. Often they will lead a team of designers during the outline planning stage primarily to ensure that there are common urban principles and sympathetic material palettes. This ensures an underlying civic consistency in form and material, with individual detailed design flourishes that provide a more subtle richness of character and sense of place.

What is evident from London is that the 'market' cannot be relied upon to produce such important outcomes. Is it possible our local and state governments can take inspiration from Hackney and Enfield – along with the inclusive processes epitomised in the work of Karakusevic Carson Architects? This would be a bold step to drive and plan the changes necessary to ensure we create affordable, vibrant and socially sustainable communities.

Rob Burton is an architect with over 25 years of housing experience from single dwellings to large scale urban masterplans in the UK and Australia with BVN and Turner. He recently established Burton Architecture to focus on raising the quality of the everyday built environment with more socially engaging projects. www.burtonarchitecture.com

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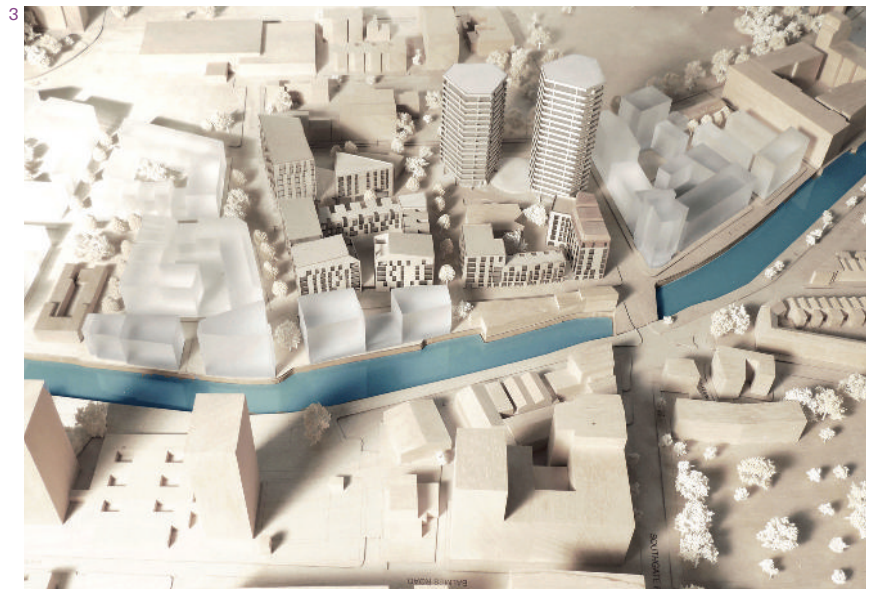
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'Karakusevic Carson Architects have consistently been engaged by local authorities to drive the regeneration design process. They genuinely believe in community consultation to inform the design process'



- 1 Colville Estate masterplan (phase 2) by Karakusevic Carson Architects
- 2 The existing Colville Estate is owned by Hackney Council and consists of 438 homes
- 3 Colville Estate masterplan (phase 3) by Karakusevic Carson Architects with David Chipperfield Architects

Images courtesy of Karakusevic Carson Architects



Mixing it up: Communities Plus and the future of social housing

Communities Plus (C+) is an ambitious program that aims to deliver 23,000 new and replacement social housing dwellings in NSW over the next 10 years. The C+ model targets existing social housing properties in accessible locations across NSW, redeveloping them 'at no cost to taxpayers' as mixed social, private and affordable housing communities.

Australia's social housing system was born in the 1940s to house low-income working families and drive economic activity in the wake of World War II. In those early days, three in four tenant households were couples with children. Now, 50 years later, families (18%) are outnumbered three to one by lone singles (58%). Only those with the highest needs are catered for by the current system: today's dominant tenant profile is a single person of working age (25–54), who relies on the disability pension as their primary income.¹

The NSW Land and Housing Corporation (LAHC) owns 85% (150,000) of the state's social housing dwellings, catering for most of NSW's 290,000 social housing tenants. There are currently more than 60,000 approved applicants waiting for a tenancy. LAHC's asset portfolio is ageing and, due to demographic and policy changes over time, no longer matches the needs of its tenant profile.² Further, housing subsidies from the public purse are limited, exit rates are low and rental income doesn't come close to covering the ever-increasing maintenance bill.³ Until now, LAHC's two main funding options for the maintenance, redevelopment and growth of its portfolio have been through the deferral of 'non-urgent maintenance' and the strategic sale of selected properties.⁴ This includes the ongoing high-profile sales of properties in Millers Point – an episode that has publicly highlighted the tension between renewing the portfolio and keeping social housing where it is needed.

Launched in late 2015, C+ is one of the key programs under *Future Directions for Social Housing in NSW*.⁵ For each C+ site (there are 27 so far), developers and community housing providers (CHPs) form consortium arrangements and then bid for the opportunity to partner with LAHC to develop new social, affordable and private housing on that land. CHPs are also responsible for managing the social and affordable housing tenancies, as well as partnering with multiple service providers to offer support and education for tenants.

C+ projects are delivered both through contract of sale and traditional project delivery agreement models. In both cases, LAHC aims to retain a maximum of 30% of the development for social housing in exchange for their land contribution. This model is only made possible through significant increases in permissible density on selected LAHC sites.

C+ has not specified exactly how many of the 23,000 social dwellings are new and how many are replacements. C+ sites are varied and range from vacant land to established, concentrated social housing communities and therefore the net social housing yield is highly variable. On a high-value low-density site like Ivanhoe in Sydney's north-west, LAHC stands to increase social housing numbers significantly. On sites like Waterloo, where density is already high, LAHC could stand to lose numbers if 30% of the overall yield is less than the original stock, or if the land value is below the final development cost.



OPPORTUNITIES AND CHALLENGES

Leveraging the asset

LAHC is a major contributor to the quality of the state's built environment. It owns roughly one in twenty dwellings in NSW⁶ making it one of the largest land-owners in the southern hemisphere. Despite the power and influence this implies, LAHC has arguably carried its portfolio more as a burden, or a set of risks to be managed, than an opportunity. C+ represents a positive reframe of this thinking, seeking to leverage the significant value inherent in key land assets to attract private investment for new and improved social housing.

De-concentration

The de-concentration of social housing down to 30% of the total housing in the areas of renewal is a key component of the C+ program. The benefits of de-concentration are hard to argue against. Research has linked de-concentration to reduced stigmatization of social housing tenants, as well as improvements in the physical environments they occupy and the local institutions they are served by, such as schools.⁷ More nuanced positive impacts have also been suggested, flowing from closer proximity of tenants to individuals with higher incomes, along with those who place a greater priority on the maintenance of their neighbourhood.⁸ However, the logic here, which assumes that those living in social housing will be 'normalised' by their private tenure neighbours, has also been contested due to its moralistic overtones.⁹

Regardless of whether or not it is moralistic, the strategic aim of this part of the C+ program is likely to be a hard slog. The underlying goal of increasing the mix is to increase exit rates by encouraging those who can gain education and employment to do so, moving

them closer towards private rental. However, with close to two-thirds of current tenants on disability or aged pensions, those in a position to gain sustained employment are in the minority.

Salt and pepper

C+ requires new social housing to be externally indistinguishable from private and affordable dwellings. Although low-density social housing is often 'salt-and-peppered' with private housing, this approach is new for medium- and high-density social housing in NSW. C+ puts the resolution of this vision firmly in the hands of the developers (including their architects) and makes no rigid requirements on how it might be achieved.

LAHC's intention here is good, but we know these models have come under harsh critique internationally due to the complexity of managing the varied preferences and influence of mixed tenure residents. Recent developments in London were criticised for encouraging social exclusion of affordable housing tenants through requiring them to use separate entrances, garages and bin areas to their private tenure neighbours.

While the ideal of placing mixed tenants side-by-side sounds good, the challenges facing social housing tenants – including everything from their ability to buy curtains to managing complex health and relationship issues – sets up a potentially volatile situation. C+ aims to transform existing concentrated estates such as Ivanhoe or Waterloo into 'vibrant, integrated communities' that are socially diverse and inclusive.¹⁰ Negotiating this outcome will be one of the key challenges for the designers and the managers of these new communities.

'World-class urban design'

LAHC has traditionally exerted stringent design standards over its social housing, with the goal of 'designing out' maintenance, improving passive thermal comfort and lowering ongoing costs for the tenants. This has led to a consistent 'look' of social housing in NSW, with its recognisable brick types, fencing and signage.

Encouragingly, C+ has moved away from this specification-based standard and towards (although not quite to) a performance standard. The C+ tender documents call for 'world-class urban design' and 'passive solar design', but they mention no benchmarking standards (other than the Livable Design Code) by which to define these visions.¹¹ The design quality of the realised projects will rely heavily on both the calibre of the designers and how design is prioritised in the tender evaluation framework and the ongoing governance structure.

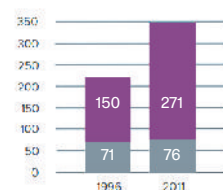
How much 'affordable housing' will we see?

In 2011, the Australian Housing and Urban Research Institute identified a need for 271,000 additional affordable homes for lower income households in Australia, with around one-third of this shortfall in NSW.¹² Increasing the supply of affordable housing in the private market is a key factor in realising the government's vision to see social housing tenants being more 'aspirational' than 'generational'. One Waterloo resident put it succinctly: 'I think people aren't moving out of public housing like they used to because they can't afford to go anywhere else.'¹³

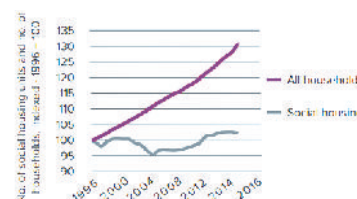
In C+, the provision of affordable housing (as distinct from social housing) is an aspect of the program that appears ill-defined. For each redevelopment, the affordable housing component will be funded by the developer, not through the value of the LAHC-owned land. No minimum percentage of affordable housing dwellings is specified, leaving it to the consortia to propose an amount in their bid. It will be interesting to see just how much affordable housing the C+ model produces, and whether other mechanisms are required to stimulate affordable housing without depleting interest from developers.

'One can't help but wonder, 50 years from now, how LAHC will renew their C+ sites. With only a minority representation on strata boards, how much influence will they have in the future redevelopment of their mixed tenure properties?'

2 Shortfall in available and affordable private rental homes for lowest income households (000s)



Change in household numbers and social housing provision, 1996–2015



The long game

Although C+ offers considerable promise for social housing renewal in this current decade, one can't help but wonder, 50 years from now, how LAHC will renew their C+ sites. With only a minority representation on strata boards, how much influence will they have in the future redevelopment of their mixed tenure properties?

There will also be a need to evaluate the long-term outcomes for tenants. C+ sites are purported to all be well-located, with good access to transport and services. The housing mix will also see social housing tenants living alongside private renters and owner-occupiers. While this dual proximity sets the context for increased access to employment, education and social diversity, most social housing tenants will still face complex disadvantage associated with their financial and social circumstances, as well as possible mental and physical health challenges.

The Communities Plus tender portfolio is accelerating rapidly. It is encouraging to see a public agency taking the plunge and partnering with the private and community sectors to attempt to deliver a sustainable social housing model for vulnerable communities. This is an immense task, both at the physical and the human scale, and it will require an unprecedented level of collaboration between the public, private and community sectors to achieve its aims.

Kate Rintoul is a public architecture specialist who has worked across a range of portfolios in the NSW Government Architect's Office. She has an honours degree in Architecture from Sydney University and is currently undertaking a Master of Urban Policy and Strategy at UNSW

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Modest in Millers Point

What has our heritage to teach us about low-cost housing design? Affordable housing is not rocket science. Here is a quick comment on obvious design principles of one of the very first architect-designed modern low-cost housing in New South Wales in the 20th-century terrace at numbers 1 to 63 Windmill Street, Millers Point. It was built in 1907 to the design of the architect William Foggitt, in the office of the NSW Government Architect Walter Vernon. Rented on a long term basis to the family of maritime workers and single workers, this successful arrangement lasted until 1984. (Conservation Management Plan, September 2016 by GML Heritage Pty Ltd)

Modest not mean. Providing what is important and leaving out the rest, the accommodation in this set of 32 houses in a single terrace, includes three good-sized and airy bedrooms, generous sunny verandah, a separate sitting room and dining room and a well-appointed kitchen (for its day).

Built of good materials. This terrace was built of a limited palette of good durable materials – fair faced brick and heavy-gauge zinc galvanised steel. There is limited use of timber where it works best. No pretence to luxury.

Having style. The house expresses its late arts and crafts design style with a bold directness.

Sociable. It looks normal, has a normal mode of address to the street and adds up to something architectural in the street.

Low tech to live in. The house is well planned to ventilate and be liveable all year round. It had an efficient active heating system for its day and a passive cooling system: shaded walls and window systems providing high- and low-level ventilation in each room. The materials of construction can be maintained by low tech solutions and it can bear neglect without major threat to the structure.

But don't believe me. Go out and see some.

Hector Abrahams is chair of the Heritage Committee of the Australian Institute of Architects (NSW Chapter). He is principal of his architecture office and also a guest lecturer for the Masters of Conservation at the University of Sydney



The rise of the not-for-profits

In order to provide appropriate design solutions, or indeed, challenge the parameters for even better design outcomes, it is important for architects to have an appreciation of the policy context in which affordable housing is delivered.¹ One area that architects can particularly add value to is the burgeoning not-for-profit housing sector.

Community Housing Providers (CHPs) are playing an increasingly important role in the broad spectrum of affordable housing provision in New South Wales. Accommodating more than 31,000 households across the State,² they work within the increasing gap between government-owned public housing and the lower end of the private rental market. Historically, CHPs have been housing managers who have delivered tenancy and community services, often within geographically discrete areas. They include housing associations, which are agencies set up specifically to manage housing; cooperative organisations, who are managed by the tenants themselves; and faith-based bodies, who are able to bring other resources to the table.³ In more recent years, some of these providers have evolved beyond being a landlord to become property developers in their own right, constructing the housing they will ultimately manage. The social agenda of these organisations, coupled with their maturing professionalisation, will see them deliver thousands of new dwellings to eligible low-to-moderate income households⁴ over the coming years.

Future Directions,⁵ the current State housing policy, envisages that CHPs will assume a greater proportion of the housing responsibility over the coming decade. The intention is that by 2026, up to 35% of existing social housing properties will be transferred to the community housing sector for management, leveraging their significant capacity and capabilities. The policy will also see CHPs partner with private sector developers under the Communities Plus⁶ program to redevelop existing social housing properties as mixed-tenure projects, expanding the stock of new social and affordable housing. Another conduit, the Social and Affordable Housing Fund,⁷ is intended to unlock private land and capital to be put to similar ends. With these initiatives already well underway, it is clear that there is much activity occurring in the community housing sector. The drive for non-profit CHPs to grow their portfolios, while reinvesting any profits generated, means that architects will be working with them increasingly into the future to deliver more affordable housing.

Several other pieces of legislation work to enable the development of affordable housing. SEPP Affordable Rental Housing is a 'volun-



'Gaining renewed interest, inclusionary zoning has been discussed as one promising way to significantly scale up affordable housing operations across our city. While certain areas of industry consider inclusionary zoning to be a form of "tax", it is not. Rather, inclusionary zoning is a form of "value sharing"'

tary' incentive-based mechanism, which provides a floor space ratio bonus and car parking dispensation for in-fill projects that choose to include a component of affordable housing.⁸ A proviso is that CHPs are required to manage the designated dwellings as affordable housing for at least ten years. It is also common for CHPs to take advantage of these benefits to develop projects for themselves. Another instrument is SEPP 70 Affordable Housing (Revised Schemes), which is a 'mandatory' inclusionary zoning mechanism requiring affordable housing contributions through conditions of development consent. These contributions can be in the form of dedicated land, or as money in lieu. Financial contributions are usually then pooled and used to develop affordable housing projects elsewhere in the locale. However, SEPP 70 currently only has limited applicability – within the Ultimo-Pyrmont, Green Square and Willoughby areas – and is levied at the modest rate of 0.8% to 4%, calculated as a percentage of the floor area.

Of late, gaining renewed interest, inclusionary zoning has been discussed as one promising way to significantly scale up affordable housing operations across our city.⁹ While certain areas of industry consider inclusionary zoning to be a form of 'tax',¹⁰ it is not. Rather, inclusionary zoning is a form of 'value sharing' where a portion of the increased land values as the result of government-initiated upzonings are delivered back to the community as a benefit. While this concept has support from many quarters, the actual percentage of affordable housing put forward varies enormously – the Greater Sydney Commission has nominated a target of 5% to 10% of development gain in new urban renewal areas;¹¹ the City of Sydney stipulates 7.5% of total housing stock;¹² Inner West Council has adopted a policy for 15%;¹³ whereas the NSW Federation of Housing Associations has called for 30%.¹⁴ While poles apart, it is clear that some gain is achievable. It may be that the percentage should be adjusted by the specific needs of each area.

Inclusionary zoning appears to be one of the available keys to unlocking Sydney's affordable housing problem and would allow for Community Housing Providers to make an even larger contribution towards affordable housing provision in New South Wales. Architects are well placed to assist them, creating designs for safe, sustainable, efficient, high-amenity housing that will meet and exceed their briefs well into the future.

Michael Zanardo is a registered architect who specialises in urban design and the design of housing, particularly social and affordable housing. He is currently completing a doctorate investigating typologies of pre-World War II workers' housing in Sydney.

- 1 SGCH's Lawrence Street Affordable Housing, Peakhurst, designed by DKO Architecture delivered under SEPP ARH. Photo courtesy SGCH
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Cohousing and the time of our lives



Having a home of one's own, whether through ownership or rental, is central to feelings of security, dignity and independence. With the number of Australians aged over 65 predicted to double within 30 years,¹ and the lack of affordable housing stock already reaching crisis point, increasing numbers of older Australians are facing a retirement of financial uncertainty. For older women in particular, who continue to face a disproportionate disadvantage in later life, the possibility of an isolated, insecure old age is becoming very much a reality.

In the *Time of Their Lives* report, Feldman and Radermacher state that single older women have 'the worst outcome in retirement'.² As compared to older men, older women are more likely to live alone, for longer, and to retire with about half as much superannuation as men, even if they did not have children and remained in work full time.³ For many older women, facing poverty in old age is a culmination of the systematic discrimination and inequalities they have faced throughout their lives. Loss of employment, health problems, widowhood or divorce, can be triggers resulting in high financial stress.⁴

When it comes to housing affordability, the issue is compounded. With more than one in three Australian women over 60 considered to be in income crisis,⁵ there is an upward trend for women with conventional housing histories to be faced with a first-time housing crisis, or even the possibility of homelessness, late in their lives. Further to this, many are failing to meet the requirements for social housing, as lack of stock has led to a tightening of criteria towards those most in need.⁶ The common housing alternatives are falling short of the needs of the newly aged.

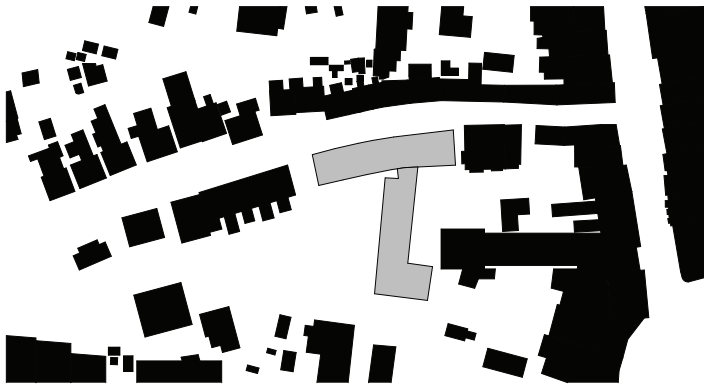
In Australia, the majority of government policies aimed at later life (primarily superannuation and the old age pension) are geared towards homeowners and fail to adequately cater for renters or

those who don't own homes outright, which represent an increasing number of older people. Research by Anglicare has shown that only 6% of Australian rentals are affordable and appropriate for couples on the old age pension, and this decreases to 1.5% for singles.⁷

Of course, having suitable and adequate housing is about more than just shelter. Lower levels of health and wellbeing have repeatedly been attributed to social isolation, with lonely people found to be twice as likely to be admitted to residential aged care. Due to the lack of affordable housing, many older women face the prospect of living further out of the city, away from family, social networks and adequate transport. The stresses of insecure tenure in the rental market can further compound these social impacts. So what can be done?

Cohousing is a way of living that harks back to a more old-fashioned, place-based sense of community.⁸ In cohousing, which developed in Denmark in the 1960s, a cluster of independent dwellings is situated around central common space, allowing for smaller, more manageable dwellings. Shared facilities and work within the community create economies of scale and facilitate neighbourliness. For older people, and especially the one in three older Australian women who live alone, perhaps these ideas could translate into solutions to provide more affordable and socially engaging housing.

One of the central intentions of cohousing is to facilitate community and connection. Through proximity, design and the sharing of space and tasks, cohousing can foster a sense of mutual support that is often absent in modern neighbourhoods. Architecturally, the opportunity of cohousing lies in its adaptability – whether a suburban setting or a restricted urban block, the typology can be adapted to fit the needs of the site and residents. Additionally, due to inherent economies of scale, including transport, food and energy, cohousing can offer an affordable alternative to standard housing, and many cohousing groups aim explicitly to provide affordable housing or cater for a range of incomes.



‘One of the central intentions of cohousing is to facilitate community and connection. Through proximity, design and the sharing of space and tasks, cohousing can foster a sense of mutual support that is often absent in modern neighbourhoods. Architecturally, the opportunity of cohousing lies in its adaptability – whether a suburban setting or a restricted urban block, the typology can be adapted to fit the needs of the site and residents’

- 1 A resident from the Older Women’s Cohousing (OWCH) project in north London, dubbed ‘New Ground’ by architects Pollard Thomas Edwards, in her recently completed apartment
- 2 A figure ground plan showing New Ground in its urban context. The T-shaped plan was developed to maximise daylight and provide equitable outdoor space access for all residents
- 3 New Ground viewed from the communal courtyard. The low-rise brick form responds to the existing terrace house typology prevalent in the street. Photos: Tim Crocker / Pollard Thomas Edwards



One such group is Older Women’s Cohousing (OWCH) in London, whose recently completed project, New Ground, comprises 25 apartments for women over 50, eight of which are for social rent. Maria Brenton, who has been active in the development of the community since its inception, describes cohousing as ‘a way of living collaboratively while preserving personal space and privacy. Based on shared values, agreed living arrangements and mutual support, it offers companionship and continued autonomy to individuals who would otherwise live alone.’

New Ground was developed on the site of a disused school in north London and comprises a mix of one, two and three bedroom homes configured in a T-shape around a central courtyard. A social common house includes a meeting room, kitchen, dining area, guest room, and a laundry and drying space, allowing for both casual and organised interactions. This balance of private and shared space is somewhat unique to cohousing, encouraging long-term tenure and the development of relationships.

Being a relatively experimental housing type has its drawbacks. After an 18-year gestation period from concept to completion, the path for the women of OWCH was anything but smooth. A lack of institutional support and experience led to delays from planning through to construction. ‘[The residents’] feelings of urgency in getting older have never been reciprocated by an equivalent urgency among the professionals or local officials involved’, says Brenton. However, these challenges helped the group to forge a strong bond, even before moving in earlier this year. ‘There is an ethos of sisterliness, which will translate into neighbourliness’, says Brenton.

Similarly, in Australia, despite the obvious benefits for residents and society, policy makers still show a lack of initiative and an unwillingness to innovate, and many attempts at cohousing have failed to thrive. Given the cultural and financial significance that is placed on owning property in Australia, for many older Australians there is still a sense of stigma attached to renting and even more so to sharing. But how can we challenge this outlook?

It seems that although attitudes towards housing are slow to shift, there is an increasing tendency for the newly aged to question the way that their parents grew old, and show a desire to make more positive and earlier decisions about ageing. Senior cohousing can enrich the later years of many individuals, as well as reducing pressure on health and care services. By creating an appealing stock of products, which give a degree of control to renters as much as owners, perhaps architects can be instrumental in repositioning the idea that sharing is second best.

Though the cards may seem to be stacked against them, there is a tenacity and resilience evident amongst older women that suggests being a single older woman need not be ‘the worst’ outcome in retirement. For the women of OWCH, cohousing has offered new possibilities. ‘It’s the first time in my life that I’ve done something revolutionary’, says Anna, a resident of New Ground, ‘and it feels incredibly exciting’.⁹

Anne Colenbrander was awarded the David Lindner Research Prize in 2016 by the NSW Chapter for her study of affordable housing alternatives. She is currently working at Sissons Architects on community, social housing and masterplanning projects

NOTES

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- 3 ANZ Women’s Report, ANZ, 2015, p 68
- 4 Feldman and Radermacher, *Time of Our Lives?*, pp 16–17
- 5 Feldman and Radermacher, *Time of Our Lives?*, p 11
- 6 Emily Millane, *The Head, the Heart and the House: Health, Care and Quality of Life*, Per Capita Australia, 2015, p 22. <http://bit.ly/2qS4yyS>
- 7 *ibid.* p 7
- 8 Graham Norwood, ‘Co-housing: a lifestyle with community spirit built into the foundations’, *The Guardian*, 24 February 2013. <http://bit.ly/2qZID8K>
- 9 Sally Williams, ‘Sixty, female and all living under one roof (just don’t call it a commune)’, *The Telegraph*, London, 19 August 2016. <http://bit.ly/2brqBOX>

Bringing it back: community land trusts

Community land trusts (CLTs) are a form of perpetually affordable housing developed in the United States and more recently adopted in other jurisdictions including the United Kingdom. They are not-for-profit entities that are defined by a twin focus on community benefit and perpetually affordable housing, which leaves each CLT to determine what these mean in the local or regional context. This has led to immense diversity in their activities, with CLTs providing very-low income boarding houses, rental homes, cooperatives (both rental and limited equity), and resale-restricted home ownership. In the US, most CLTs provide more than one form of tenure, and many also have non-residential properties within their portfolios, including community facilities. Since the first CLT was established in the southern US in the 1960s, the sector has grown to include more than 250 CLTs in nearly every state.

The core CLT premise is that land value is held out of the market by the CLT, and does not change hands. Homes are then rented or owned through the range of tenures outlined above, and where homes are owned, a resale formula spells out how the resident's invested equity will be treated at inheritance or resale. In such ownership scenarios, as residents have bought in at a greatly discounted rate, the resale formula aims to balance the retention of that affordability with sufficient equity gain to the seller to enable them to move on. This means CLTs are very efficient in their utilisation of any public subsidies that either the CLT or homeowners receive, such as first homeowner grants. Further, while the model was initially greeted with suspicion due to the resale restrictions, with fears the restrictions would limit seller mobility, research to date suggests this does not seem to have been the case.

CLTs differ from Australia's Community Housing Providers (CHPs) in two main ways – they provide a greater range of tenure choices and generally have a much higher level of community involvement and investment in the organisation. CLTs are member-based organisations, with the largest in the US having several thousand voting members, including CLT residents. The majority of CLTs have a high degree of resident involvement in their governance. The 'classic' CLT model has a board comprising: one-third CLT members living in CLT housing; one-third CLT members not residing in CLT housing; and one-third skills-based or professional appointments, as appointed by the other two-thirds. The last third might include other non-profits, public representatives, architects, developers, financial institutions, or other distinct entities according to the needs of the CLT. This three-part board means no single interest can easily dominate the conversation and more importantly, tends to create very dynamic and proactive organisations. It is also frequently the source of the diversification of property portfolios, as the diversity of the board and the stewardship function of the organisation provide a channel for long-term visionary thinking and planning about the CLT's service area, based in on-the-ground, lived experience.

The Champlain Housing Trust ('Champlain') in Burlington, Vermont was formed by the merger between the Burlington Community Land Trust and Lake Champlain Housing Development Corporation in 2006. Champlain has over 4,000 members and over 2,000 households. These consist of 1,500 rental units, 115 cooperative homes, and 430 owner-occupied homes. The Trust has a portfolio of new-built and refitted homes, including rental apartments, cooperatively-owned apartments (in several limited equity cooperatives), limited equity condominiums, cohousing, seniors' living and free-standing single family homes. Many of Champlain's properties are multi-use, such as combined artists' live/work apartments, rental units above retail spaces in the centre of Burlington, a senior living complex housing the local health clinic and a First Peoples' after school care centre. Funding for start-up from the City of Burlington was crucial. Now that Champlain is at scale, it can cover its ongoing costs of overseeing and reselling its portfolio of resale-restricted owner-occupied housing out of its revenues, but it still requires external operating and project funding to support many of its other activities. A resale study of Champlain in 2008 showed that over resales, properties became available to people on lower incomes than at purchase, so affordability had increased, while resident mobility was not affected.



'The core strength of community land trusts is in the diversity and vision of their developments and their stewardship role of maintaining permanently affordable stock in line with community need. This means, as with any other affordable housing provider, they will need to make use of any means by which affordable stock is generated, such as inclusionary zoning'

The implementation of CLT principles in Australia raises several issues. First is the means by which land value can be held out of the market. This can be achieved through a shared equity (co-ownership) arrangement or a long-term, renewable lease that restarts at sale or inheritance. Either can be used to articulate the rights and responsibilities of both the resident and the CLT, including resale restrictions and formulae. Second is the appropriate legal entity. CLTs are not trusts as they are understood in Australia and do not require any form of legal trust mechanism – the most suitable form is a not-for-profit company analogous to existing CHPs.

Third and related to the second point, is the issue of where and how CLT activities might start up. The US sector shows immense diversity in CLT inception, from totally community-initiated grassroots entities through to programs set up within and by existing affordable rental providers, with the CLT subsequently either staying within the parent entity or becoming a separate organisation. Any of these are possible within Australia, although existing CHPs might be an obvious point of origin as they look to develop strategies for rental residents to move into ownership options that are far more readily within reach than the open market. CLT options such as shared equity ownership are already under exploration by CHPs in Australia and are relatively low-hanging fruit. The structural issue of broad membership bases and prominent resident involvement in governance is yet to be addressed by the Australian sector.

Fourth is supply – nothing in CLTs makes housing inherently easier or cheaper to build or acquire, although they may over time receive targeted grants, funds or other contributions. CLTs' core strength is in the diversity and vision of their developments and their stewardship role of maintaining permanently affordable stock in line with community need. This means, as with any other affordable housing provider, they will need to make use of any means by which affordable stock is generated, such as inclusionary zoning. Fifth and again related, is an appropriate lending environment, which in Australia while nascent, is extending into the affordable housing space. This will require the development of appropriate mortgage products that do not place residents at risk and that understand and enable the CLT's right and ability to intervene in instances of foreclosure and default. Notably, in the US the rates of foreclosure and default in the CLT sector have been consistently less than those in the open market.

Given ongoing affordability issues in many Australian housing markets, and the need for quality and diversity in housing stock, community land trust principles may well be ripe for implementation.

Dr Louise Crabtree is a senior research fellow in the Institute for Culture and Society at Western Sydney University. Her research focuses on housing affordability, urban sustainability and the role of digital technology in wellbeing

1 The Champlain Housing Trust in Burlington in the United States, has a portfolio of new-built and refitted homes, including rental apartments, cooperatively-owned apartments (in several limited equity cooperatives), limited equity condominiums, cohousing, seniors' living and free-standing single family homes (pictured). A resale study of Champlain in 2008 showed that over resales, properties became available to people on lower incomes than at purchase, so affordability had increased, while resident mobility was not affected

Part-subsidised housing

Rob Harper

On sharing

Share houses, boarding houses and 'granny flats' are the most ubiquitous forms of affordable housing. This type of housing is often simple to construct, easy to manage and readily adaptable to the evolving city.

They are typically small scale, which means they can 'fit in' almost anywhere. They are also the most accessible and, I would guess, many of us have experienced living in this type of housing. I like to emphasise this point, as it reminds us that the issue of housing affordability touches just about everyone at some time. The introduction of the *Affordable Rental Housing SEPP 2009 (AHSEPP)* created the potential for small land owners to build more of this type of housing.

Dwellings built under *AHSEPP* are not necessarily rent controlled – in fact they regularly attract market rates. Instead, the policy encourages the development of smaller dwellings in the hope that they will simply rent for less, and this generally appears to be true. The *SEPP* aims to stimulate potential for thousands of small developments across our cities, increasing the available stock and hopefully easing rents. The government has its fingers crossed here as, eight years on, there is no compelling evidence to show that the hope has translated into reality.

AHSEPP encourages a type of housing that has traditionally been missing from the spectrum. In planning parlance, it is referred to as a 'boarding house', though more appropriate labels are desperately needed. An emerging model is a form of small-scale, multi-dwelling housing where some amenity is shared – not quite an apartment, not quite a share house. It's an intriguing model because we find ourselves dealing with the basics of what makes housing affordable and equitable.

The model and *SEPP* might also have potential to offer a type of affordable home ownership. On the face of it, it seems perfect for say four households to combine to create a small, cohousing style development under shared ownership through a company structure. However, financing such models is tough. Lenders are wary and unlikely to share the cooperative spirit.

Affordable housing relies on good architects with a sincere understanding of housing. Basic principles of sustainability dovetail perfectly with affordability, like low energy use and low running costs, shared amenity and simple living. Experience and empathy are needed to conceive shared spaces that allow for ownership, identity, interaction and retreat. Sensitivity is required to create compact dwellings that are comfortable and flexible.

Within this context, the most confronting challenge for the architect will be as arbiter and champion of what is a decent dwelling. The pressure is to make spaces smaller, but at some point, liveability is sacrificed. While the *AHSEPP* opens an array of possibilities, it has very few minimum standards. Importantly, we cannot detach the principle of equity from affordable housing. Every person should be able to enjoy a decent place to live – even a small dwelling should be liveable and more. Architects must be equipped with insight and conviction on what a decent place to live looks like, as no one else will be around to make that call.

Rob Harper is director of RDO, an architecture office in Sydney. RDO have designed and reviewed projects designed under the *AHSEPP*. Rob is currently teaching Urban Design at UNSW

The social cooperative

The Kapitbahayan project represents a new approach to genuinely *social* housing in Sydney. It is a model that combines government partnership with social and financial self-management and architectural forms of sharing to create a real housing alternative.

In Sydney, we are deeply in need of new approaches to housing. Decades of unchecked speculative land investment have helped to make Sydney houses some of the most inaccessible and unaffordable in the world. This crisis of affordability hurts most those who are least able to pay: people living on the fringes of the city, renters, new migrants and low-income groups.

Property developers often use the crisis of affordability to call for new land releases in the north-west and south-west. But with Sydney's agricultural food basin already almost entirely paved over, coupled with a profoundly inadequate public transport system, it is difficult to see how increasing the physical size of Sydney could make things better. Further, the houses these same developers are building are now officially the largest in the world. Sydney's new houses have more than quadrupled in size over the last 50 years, while the number of people per household has decreased. Innovative solutions to these problems are coming from the very groups who often get blamed for them: Sydney's immigrant communities.

From 2007–11, I worked with Kapitbahayan, a housing cooperative of Filipino migrants living in Western Sydney, to design one such solution. Kapitbahayan is a Filipino word meaning neighbourhood. But more than the physical proximity of houses, it symbolises the social qualities of a traditional Filipino neighbourhood where there is an abundance of community support, sharing of resources and democratic decision-making.

The cooperative is a form of public housing but with the key difference that the housing is managed and maintained by the tenants themselves, requiring no ongoing expenditure from government. Far from the stigmatised public housing estates often represented, Kapitbahayan's first property in Berala is a mainstay of the Auburn Council's Best Garden Awards and long-time host of the neighbourhood Christmas party.

Through the voluntary work of their members, Kapitbahayan accrued a large rental surplus, enough to buy a piece of land in Canley Vale and develop their custom-made housing solution. It is the first time in NSW that a housing cooperative has been able to design, develop and fully own their housing project. It demonstrates

'The houses are individually much smaller than the average, but the spaces are better designed to serve multiple functions and there is a variety of communal spaces open for use by the residents'



an exciting new pathway in housing: a transition for low-income people from government support to self-sufficiency through self-management, cooperation and hard work.

With the assistance of Common Equity NSW and in partnership with Van Lang, another equally successful local housing cooperative, Kapitbahayan successfully gained access to partial project funding from the National Rental Affordability Scheme (NRAS), a joint federal and state government initiative. For eligible projects, NRAS provided up to 40% of project costs and \$6,000 per dwelling for the first ten years. However, the scheme has since been discontinued and is no longer available for future projects.

Unlike most housing developed by the government or private developers, the involvement of the actual tenants was fundamental to the entire design process. Through an ongoing series of meetings and workshops the wisdom, common sense and creativity of the cooperative members fundamentally shaped the architecture – from including a traditional, guest-oriented, entry sequence to secondary outdoor kitchens and culturally-appropriate bathrooms.

The six new houses are designed individually to make the most of their position on the site and provide for a broad range of tenants, accommodating a diversity of cultural backgrounds, family types, ages and levels of mobility. The buildings are finely articulated to take advantage of the winter sun and summer shade. Each house has a sheltered patio, a private courtyard and a sunny deck providing a range of outdoor living possibilities. Together they share a range of common facilities including a library and meeting room, communal deck, vegetable gardens and a variety of informal gathering spaces.

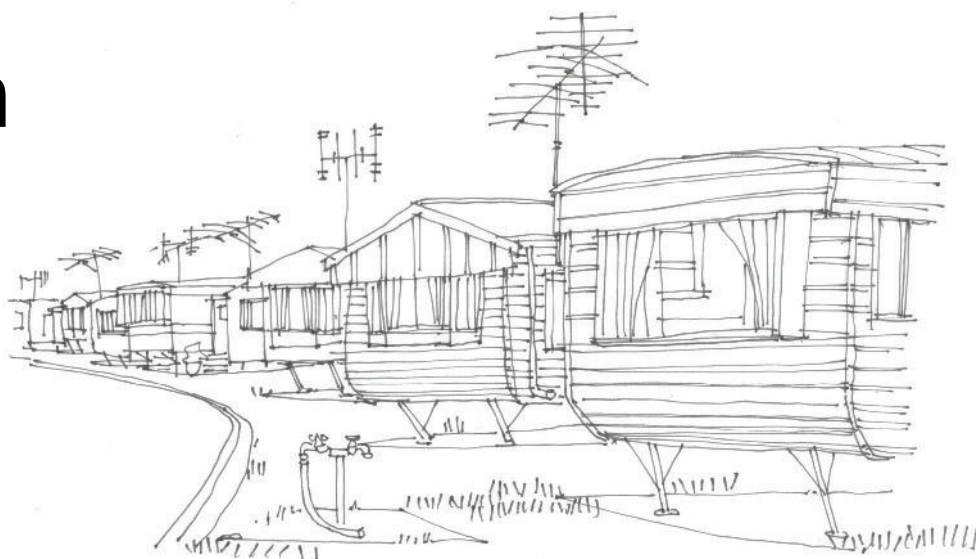
Through this complex interweaving of public and private spaces, six houses fit comfortably on a site that would typically accommodate one or two. The houses are individually much smaller than the average, but the spaces are better designed to serve multiple functions and there is a variety of communal spaces open for use by the residents. Although they have less regarding individual square metres, they collectively have access to much more. By literally building its neighbourhood along with the physical houses, Kapitbahayan provides a prototype for financially-viable, socially-rich and resource-efficient housing management and development.

Hugo Moline is a designer, urbanist and researcher working within community, architecture and social art practices. In collaboration with various groups and individuals, he designs buildings, urban places and public artworks. More information: mapa.net.au

1 Kapitbahayan, a housing cooperative of Filipino migrants living in Western Sydney

On caravan parks

Illustration: Peter Rush



More architects should go caravanning. It's touring while dragging Corb's Cabanon behind you. The advantage of the caravan is that it takes half an hour to set up and pack away, and they are clever in ways we can only dream about in fixed dwellings. Caravanning also brings one into contact with a whole substratum of society – the 'permanents' that are fixtures of many parks. These are the folks who have chosen to live in caravan parks long-term, for a variety of reasons.

Foremost among these is probably location. Lots of parks are beautifully sited near rivers or beaches, although this puts them away from jobs. For retirees and other pensioners, this is not an issue, and they benefit from the communality that caravan parks foster. They are also places of rare class overlap, where permanents live alongside the prime sites that are used for short-term stays by wealthier tourers with their setups that can run to a couple of hundred thousand dollars. They meet in the amenities and the camp kitchen, and mostly it works fine. I have seen families living in converted buses, and a group of Aboriginal families in north Queensland who had created a de facto village in the back reaches of a very diverse park. From here they went off to work early in the morning, and the children were shepherded in groups to the school bus. It had simply emerged as the best housing option available over time. The same park had a few other permanents who evidently had only the pension to survive on, but they had a communal campfire every night and they came round knocking on caravans to invite their inhabitants to join in. An indistinct air of idealism born of necessity prevailed over the whole place.

Estimates are hard to get, but it seems that around 20–30,000 people live as permanents in the larger states, either in their own van or park cabins or permanent vans. Rules vary for parks, with some council restrictions on the number of sites that can be let to permanents. The downside is that tenure is insecure, but the system works because the park owner or manager monitors everyone, and troublesome tenants are moved on. Over time, caravan parks have spawned permanent villages of manufactured dwellings, sometimes adjoining the caravan park, as in South West Rocks. Here residents own their houses but pay rent for the land on which they sit. This arrangement rests on a legal distinction between these factory-built houses, which are regarded as demountable (in practice they are

'I see lots of potential in the model of a community of manufactured homes of varying size, with a proportion of tourists onsite, that has shared facilities. The camp kitchen would be the social centrepiece. At their best these are magnificent – soaring timber shelters with roll-down screens, equipped with sinks, stoves, fridges and TVs, and a veritable United Nations of users'

bought and sold in situ), and almost identical site-built ones. Moves are afoot to correct this anomaly, as the minimum new freehold lot size gets smaller and new suburbia drifts to resembling a demountable village without the communal aspect.

It seems that soon in NSW we will have a clearer legal distinction between residential parks full of permanent residents, and caravan parks with some permanents and a majority of short-term sites, with the proportion determined in the approval for the park. I think that a model that allows the two to interact is desirable. The key to making these places unlike suburbia lies in the communality that arises, firstly out of the shared facilities themselves, and secondly out of the commercial imperative that everyone should feel like they are on holiday, or at least living outside more than in a conventional house. There is the added benefit of economy, where showers and toilets and cooking facilities can be shared, as they were in Parisian garrets and early tenements.

It might be argued that encouraging permanent residents in caravan parks and demountable villages makes reduced building standards acceptable. But conventional housing standards are changing too: single-aspect apartments have made the windowless bedroom common and ownership rates are declining. I see lots of potential in the model of a community of manufactured homes of varying size, with a proportion of tourists onsite, that has shared facilities. The camp kitchen, generally better equipped than the name suggests, would be the social centrepiece. At their best these are magnificent – soaring timber shelters with roll-down screens, equipped with sinks, stoves, fridges and TVs, and a veritable United Nations of users. The park approval would be ongoing rather than subject to review, and arrangements would be in place for secure tenure for long-term inhabitants. There would be rules of behaviour necessary for people living so close together and people would willingly adopt these as a prerequisite for the benefits of economy and amenity that ensued. It would be a great retirement option, but it would also be an acknowledgement that we need to start inventively housing people of working age who have been excluded from mainstream economic life, as the old middle-class existence becomes the new privilege.

Harry Margalit is an Associate Professor in Architecture at UNSW. His latest book is *Energy, Cities and Sustainability: an historical approach* (Routledge 2016)

A Baugruppen in White Gum Valley

LandCorp, the Western Australian Government's land development agency, is directing an ambitious super-lot project on an old school site in White Gum Valley (WGV), two kilometres from Fremantle. The project is targeting a range of innovative and sustainable residential strategies and is appropriately described as 'innovation through demonstration'. The development has implemented a water management policy that will use 70% less potable water than conventional developments and has adopted an approach to energy that will result in a 60% reduction of grid energy consumption.

In addition to these sustainability initiatives, enabling it to be WA's first One Planet Community, the WGV project has introduced a number of new housing types and delivery methods. The Gen Y house has been designed as a bridge between the single house and apartment block, with three small apartments for Gen Y-ers contained within what reads as a large house on a small lot. Sustainable Housing for Artists and Creatives (SHAC), is a continuing cooperative providing affordable rental units for a community of artists. Demanding design guidelines that emphasise high sustainability targets will direct development on the 23 small single-residential lots and the three multi-residential lots, one of which has been designed as apartments, one as townhouses and the third is a demonstration project for a delivery process new to Australia, the Baugruppen, or building group.

The Baugruppen process for housing provision has been operating in Germany for more than two decades. Its origins were pragmatic: individuals coming together to act as their own developer, to access desirable locations and dwellings that were more affordable and better designed than the marketplace was offering. At the completion of construction, the result was individual home ownership, an outcome no different from conventional forms of housing delivery. While a developer-driven project will recognise yield as key to its site planning and necessarily include developer profit and marketing costs as part of the selling price, the Baugruppen offers owner-occupiers what can be regarded as a 'wholesale' entry point, without these expenses added on. From these pragmatic beginnings, the process grew to embrace ambitions for designs tailored to individual needs, high levels of sustainability and shared communal facilities.

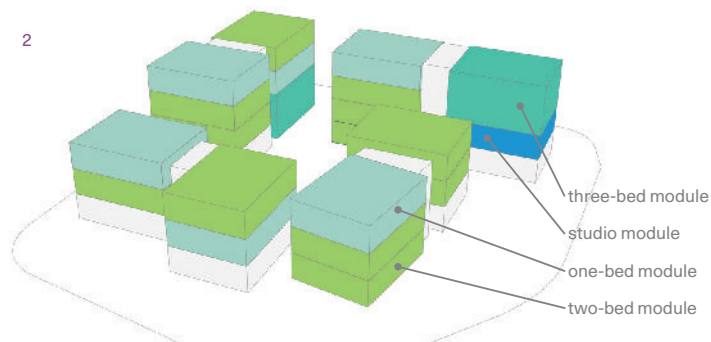
The process of establishing a Baugruppen enables a real community to be formed from the outset, a result of people working together to achieve a shared ambition. The time taken to deliver the project and the processes through which the group will be taken, will tend to bond the group and establish a level of trust. And, once completed, the project will be lived in by the owners who know one another and have formed a ready-made community.

LandCorp has partnered with The University of Western Australia's School of Design to develop a model capable of being replicated in the marketplace, one that offers quality design, better affordability, and more diversity of unit types than is currently on offer. The WGV site will be reserved for this purpose until the full group of owner-

occupiers is established and development approval gained. It will then be sold by LandCorp to the group at market price.

Baugruppen projects in Germany are often initiated through the speculative work of an architect. The design is determined from what is considered to be an optimal use of the site, a design-led process that foregrounds the architect's skills. The architect sets out a conceptual framework, which has designed into it a high degree of flexibility, a capacity to accommodate and customise for individual household needs and different levels of communal facilities.

In the same way, a conceptual design for the WGV site has been prepared by the award-winning Fremantle architects, Spaceagency, almost a kit-of-parts capable of a variety of configurations. An experienced project manager will work with LandCorp and UWA to develop the legal framework and financing for the project. An environmental scientist has been appointed to ensure that high levels of sustainability are achieved and a real estate agent will assist with title management issues. These individuals recognise the significant benefits to be gained from the successful development of the Baugruppen model and are undertaking this initial work pro bono. The process of working with the group to finalise the design



and apportion costs is based on detailed research that has been conducted in Germany and adapted to work in local conditions.

A public information evening has been held, together with more targeted workshops for those who have indicated a strong interest in being involved. There is a project website: www.baugruppen.com.au.

Beyond its more established and successful use for delivering apartments in urban and near-urban higher density settings, the Baugruppen process offers potential for use in Australia's greyfield suburban locations for well-designed smaller medium-density projects.

Geoffrey London is the professor of architecture at The University of Western Australia and a professorial fellow at The University of Melbourne. He is an active researcher in the Cooperative Research Centre for Water Sensitive Cities and has a long-term research interest in medium density housing and forms of delivery that provide more affordability and better design

1 & 2 Spaceagency are the project architects for the first 'Baugruppen Innovation Project' demonstration development in Western Australia, on a site in White Gum Valley. This spatial development model shows one possible arrangement. It has been designed so that all unit configurations can be located in any part of the project, so that participants are able to choose their module type or at least first in, first served



'The idea is that people who own their own homes can make simple moves to provide more housing, either for their extended family, or as a rental property. They can be effectively outside the market and give people the chance to solve their own housing affordability crisis'

Testing the Missing Middle



The Missing Middle Competition was an open competition that aimed to test the draft Medium Density Design Guide. Architects, designers and students were asked to propose designs that applied the Medium Density Design Guide and could achieve the standards required to be approved through Complying Development. The competition ran through December 2016 and the winners were announced at an event in April this year.

Architects have a complex role when it comes to density in our existing suburbs. Our work is a balance between the briefs of the clients (who want to maximise what they can build on their site), the desires of the affected communities (who typically want nothing to change), and an architect's wider role in creating a city that is equitable, clever and sustainable. Increasing the density will be necessary and if done well, will be positive for our cities. The Medium Density Design Guide and the Missing Middle Competition aimed to demonstrate the potential for successful medium density housing and importantly, how we can mitigate against it being done badly.

Affordability was not part of the brief for the Missing Middle Competition, however many entries addressed it in interesting and innovative ways. The most striking thing about two of the three winning proposals is that they chose to work with existing freestanding buildings, altering and adding to them to allow accommodation for twice as many people in diverse configurations. The idea is that people who own their own homes can make simple moves to provide more housing, either for their extended family, or as a rental property. These are developer free, stamp duty free and probably real estate agent free. They can be effectively outside the market and give people the chance to solve their own housing affordability crisis.

Another very strong theme in many of the entries was context. How do we insert density into the existing suburbs of our city, where

the transport infrastructure already exists, where there are schools and shops and community facilities already in place? Though most people would have to agree that it makes no sense to allow Sydney to keep spreading further out from its periphery, they also do not want their own suburbs to change. When you mention increasing density, most people think of a block of flats overlooking their backyard and a fight in the street to find a carpark. The successful proposals in the Missing Middle Competition dealt thoughtfully and cleverly with the existing suburbs in which they were placed, acknowledging and addressing these anxieties. Shape, scale, materials and the spatial elements that define the character of a suburb such as the size of the backyards, could be seen in the designs. The proposals in the Manor House category, in many cases, took the envelopes of the surrounding single family houses and reconfigured them as four dwellings. In doing so, they reflected the expectations and desires of the existing residents – to maintain the character of their much loved suburbs.

Perhaps it can be said that the most important contribution medium density housing can make on the issue of affordability is that it can be done quietly, in existing suburbs, by the homeowners or by small builders/developers. As part of the wider solution it is a drop in the ocean, but addressing affordability will likely be made up of many such drops.

Lee Hillam is a director of Dunn & Hillam Architects and a senior design advisor with the NSW Government Architect, where she helped with the running of the Missing Middle Design Competition

1 Madigan Architecture and the University of South Australia won the manor house category in the Missing Middle Competition. 'An innovative, practical and ethical idea to make clever additions and alterations to two existing houses that makes four houses from two', the jury citation said. 'The arrangement and variety of housing types within the four houses allows for flexible intergenerational living'

Flight of the Nightingale

The Nightingale model, supported by not-for-profit social enterprise Nightingale Housing offers an alternative development process to speculative developer or 'market'-led housing. Nightingale projects aim to balance environmental, social and long-term financial sustainability. At the same time, each Nightingale project aims to be cheaper per square metre than equivalent housing in the same neighbourhood. The Nightingale model makes the owner-occupier instrumental to the design of their own dwelling by allowing them to co-create private and shared spaces and facilities in their buildings.

Media saturation on the Nightingale 'movement' has pre-empted any secured projects in Sydney, bringing much focus on how the model might transfer to this buoyant and competitive market – a market where land values, construction costs and undersupply are blamed for escalating affordability issues.

The Commons (a precursor to Nightingale) and other early Nightingale projects coming out of Melbourne are comprised of traditional strata title apartments with pre-registered owner-occupiers who purchase through a ballot system. The model delivers homes to owner-occupiers (not investors) at 10–30% below average sale prices for projects of comparable spec in the neighbourhood. This below-market rate is then pegged to the apartment under caveat on title to be passed on at resale through the Nightingale purchasers list.

The Nightingale model housing is not considered affordable housing under NSW definitions. For a start, the legislation defines affordability through rent-to-income ratios – Nightingale projects are owner-occupied, not rented. Under the terms of the National Rental Affordability Scheme, affordable rental dwellings are set at a 'rental rate of at least 20% below market rate'. The NSW Affordable Housing SEPP goes on to define affordable housing as housing rented at 'no more than 30% of gross (household) income'. Eligibility for affordable housing kicks in when household income is less than 120% of the Sydney median.

On affordability, Nightingale works at what it can. Design efficiencies in energy and services systems radically reduce fossil fuel dependency, with completed projects operating 100% fossil fuel free and improving affordability over the lifetime of building occupation. One instance modelled a reduction to only 10% of average electricity costs. The substantial and ongoing lower living costs are also not captured by any state definition of housing affordability.

Nightingale also offers another rung on the 'housing ladder'¹ for people who wish to remain living in their neighbourhood as their earning capacity changes.

So Nightingale might better be understood as a process to achieve a more affordable and sustainable model of aspirational housing.² Unlike rental payments, the 'housing costs' that Nightingale residents typically service a personal property mortgage. 'Getting ahead' through owning your home persists as a dominant pillar in the Australian dream and these payments slowly accumulate as capital value in the home rather than as income for a landlord.

It is important to point out the agency that owner-occupiers have in these projects. As non-speculative, intentional communities³ a cohort of Nightingale residents come together with a collective spirit and an inclusive social vision. The shared ethos typically manifests in prevalence for well-designed common spaces and shared facilities, though these elements are not mandated by the process.

'Design efficiencies in energy and services systems radically reduce fossil fuel dependency, with completed projects operating 100% fossil fuel free and improving affordability over the lifetime of building occupation. One instance modelled a reduction to only 10% of average electricity costs'

Social inclusivity is a key attribute in a Nightingale community and potential owners acknowledge this through extensive consultation via the website when they register interest. It is worth speculating on how the Nightingale model might be adapted to include dwellings that can meet current NSW definitions of affordable housing.

The Nightingale model lends itself to an expanded mixed model of tenure that could be aligned with the NSW Communities Plus target – a mix of 30% social/affordable and 70% market housing. This model could potentially include 30% affordable dwellings, owned and managed by a community housing provider (CHP) and blended with traditional owners. The owners in the project would benefit from the below-market sale and substantially lower operating costs in the Nightingale model.

From the perspective of a CHP, this concept is enticing for several reasons. Firstly, the Nightingale project manages the design and procurement of the building, meaning the CHP does not need to have in-house development nous. Secondly, a blended tenure model is an easier fit with an intentional cohort already committed to a diverse and supportive community. Further, a housing ladder is embedded in the community of the building itself, where, should their circumstances allow, affordable housing tenants might choose to ascend to ownership while remaining within the building. Finally, social cohesion enabled by the prevalence of common spaces and shared facilities in Nightingale projects to date helps alleviate any stigma attached to affordable housing tenants.

The Nightingale project is somewhat unique as it stacks up in today's housing market but flips traditional apartment development on its head. Nightingale completely re-calibrates the 'risk/value' equation of traditional developer-driven housing while providing architects with agency in the delivery of equitable, efficient and quality living environments for committed owner-occupier clients.

Nightingale architects are united with the future community of the building prior to the resolution of the design. This gives owners a voice in the design process and the opportunity to inform and shape their project. And in turn, the architect can tailor the project to the specifics of each unique community.


As the number of Nightingale projects grow and various permutations emerge, there is no doubt that mixed projects embedding dwellings that meet social and affordable housing definitions will be amongst them. What might be of equal attraction to potential Nightingale architects is the way a Nightingale project brings the joy of bespoke design for end users into a more inclusive and more socially and environmentally sustainable housing typology.

Adam Russell is a principal architect at RobertsDay, an adjunct associate at the University of Technology Sydney and a Nightingale Housing licensed architect. Adam has particular expertise in public buildings, urban design and fine-grain urban housing. Before RobertsDay, he held the positions of founding director at RAW Architects and director at DRAW (deManincor Russell Architecture Workshop)

NOTES

- 1 The term 'housing ladder' refers to a series of ascending housing options from social housing through affordable and rental to home ownership
- 2 Aspirational housing refers to non-subsidised, market housing
- 3 The term 'intentional community' refers to a group of people who have self-organised into a community under shared goals and design. The term is often used to refer to cooperative and collective housing and characterised by strong social cohesion

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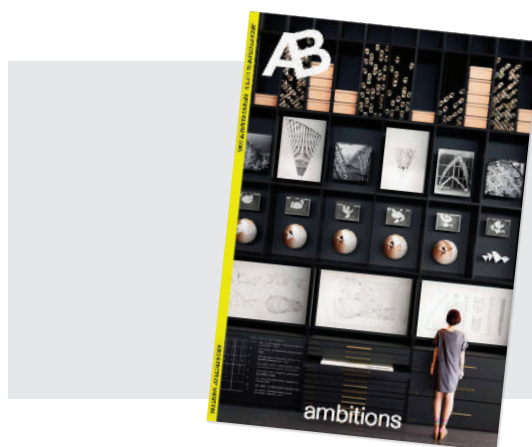
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