



AGENDA

FOR POLICY AND PLANNING COMMITTEE MEETING TO BE HELD ON

21 JUNE 2021 AT 6:30 PM

**IN THE LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY**

MEMBERS

Deputy Mayor, Cr C Buchanan (Chairman)
Mayor G Aldridge
Cr M Blackmore (Deputy Chairman)
Cr L Braun
Cr B Brug
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr D Proleta
Cr S Ouk
Cr S Reardon
Cr G Reynolds
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr J Devine
General Manager Community and Org. Development, Ms G Page
Risk and Governance Program Manager, Ms J Crook
Governance Support Officer, Ms K Boyd
Manager Governance, Mr R Deco

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Policy and Planning Committee Meeting held on 17 May 2021.

REPORTS

Administration

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For Decision

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For Information

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OTHER BUSINESS

CONFIDENTIAL ITEMS

1.4.1 Residential Opportunities in the Salisbury City Centre

Recommendation

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on grounds that:

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *The report contains references to previous reports considered by Council which are still the subject of confidentiality orders together with additional information, the disclosure of which may prejudice the commercial position of Council or confer a commercial advantage on a third party with whom the Council may conduct business in the future concerning this matter.*

*On that basis the public's interest is best served by not disclosing the **Residential Opportunities in the Salisbury City Centre** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CLOSE



**MINUTES OF POLICY AND PLANNING COMMITTEE MEETING HELD IN THE
LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY ON**

17 MAY 2021

MEMBERS PRESENT

Cr C Buchanan (Chairman)
Mayor G Aldridge
Cr L Braun
Cr A Duncan (*via Teams VC*)
Cr K Grenfell
Cr P Jensen
Cr D Proleta
Cr S Ouk (*via Teams VC*)
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager City Infrastructure, Mr J Devine
General Manager Community and Org. Development, Ms G Page
Manager Governance, Mr M Petrovski
Risk and Governance Program Manager, Ms J Crook
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.31 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Cr M Blackmore, Cr B Brug, Cr N Henningsen, Cr D Hood and Cr S Reardon.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr P Jensen
Seconded Cr L Braun

The Minutes of the Policy and Planning Committee Meeting held on 19 April 2021, be taken as read and confirmed.

CARRIED

REPORTS

Administration

1.0.1 Future Reports for the Policy and Planning Committee

Moved Cr P Jensen
Seconded Cr J Woodman

1. The information be received.

CARRIED

For Decision

1.1.1 Lindblom Master Plan - Update

Moved Cr L Braun
Seconded Cr C Buchanan

1. The draft Lindblom Park Masterplan Working Party Terms of Reference as contained in Attachment 1 to this report (Policy and Planning 17/05/2021, Item No. 1.1.1) is endorsed.
2. The draft Lindblom Park Strategic Masterplan Consultancy Brief as contained in Attachment 2 to this report (Policy and Planning 17/05/2021, Item No. 1.1.1) is endorsed.
3. That a report be presented to the Policy and Planning Committee in December 2021 detailing the proposed finalised concept design.

CARRIED

1.1.2 Recommendations of the Intercultural Strategy and Partnerships Sub Committee meeting held on Monday 10 May 2021

Moved Mayor G Aldridge
Seconded Cr K Grenfell

The information contained in the Intercultural Strategy and Partnerships Sub Committee of the meeting held on 10 May 2021 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

CARRIED

1.1.2-ISPS1 Future Reports for the Intercultural Strategy and Partnerships Sub Committee

Moved Mayor G Aldridge
Seconded Cr K Grenfell

1. The information be received.

CARRIED

1.1.2-ISPS2 Council of Europe Intercultural Cities Index

Moved Mayor G Aldridge
Seconded Cr K Grenfell

1. The information is received and noted.
2. Council endorses the inclusion of feedback into priority actions, which will be collated and reported through the Intercultural Strategic Plan reporting process.
3. The Mayor sign the Statement of Intent forming Attachment 3 to this report (Intercultural Strategy and Partnerships Sub Committee 10 May 2021, Item ISPCS2) for the City of Salisbury to join the Council of Europe Intercultural Cities Network as a formal member as outlined on page seven of this report.
4. Staff to submit a NIB for a cost of formal membership to join the Council of Europe Intercultural Cities Network of €5,000/for one year (approx. A\$7,775.00).

CARRIED

OTHER BUSINESS

Nil

The meeting closed at 6.32 pm.

CHAIRMAN.....

DATE.....

ITEM	1.0.1
	POLICY AND PLANNING COMMITTEE
DATE	21 June 2021
HEADING	Future Reports for the Policy and Planning Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This item details reports to be presented to the Policy and Planning Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

3.1 The table below outlines the reports to be presented to the Policy and Planning Committee as a result of a Council resolution.

Meeting Item	Heading and Resolution	Officer
28/05/2018 1.2.1	<p>Cities Power Partnership Program</p> <p>1. That Council re-consider becoming a partner of the Cities Power Partnership program once the City of Salisbury's Energy Management Plan has been finalised and endorsed during 2018/19.</p> <p>Due: June 2021 Deferred to: September 2021 Reason: The Energy Plan is expected to be reported back to Council in September and this will be included in that report.</p>	Dameon Roy
28/01/2020 1.10.1	<p>Bridgestone Athletics Centre – Sponsorship Opportunities</p> <p>Council has previously resolved this resolution to be confidential.</p> <p>Due: June 2021 Deferred to: July 2021 Reason: A draft corporate wide sponsorship policy has been prepared and is pending legal review prior to presentation next month.</p>	Charles Mansueto
23/03/2020 AC-OB1	<p>Strategic Review</p> <p>1. That a strategic review of the project management and contract management regarding the Salisbury Community Hub be performed.</p> <p>Due: June 2021 Deferred to: July 2021 Reason: Defects Liability Period and contract close-out extended.</p>	Terry Sutcliffe
23/03/2020 1.0.2- TVSC2	<p>Promotion of Salisbury Community Hub and Council Area</p> <p>2. The Tourism and Visitor Sub Committee support the proposed strategy as set out in this report (Item TVSC2, Tourism and Visitor Sub Committee, 10/03/2020), with a review to be conducted of the strategy by June 2021.</p> <p>Due: June 2021 Deferred to: September 2021 Reason: The Visitation and Activation (Tourism) workshop was conducted on Tuesday 1st June, from which, a comprehensive report and proposed strategy will be delivered.</p>	Julie Kushnir

28/09/2020 1.1.1	Street Libraries 1. The Community led option for Street Libraries, as detailed in Paragraph 4.1 of this report (Policy and Planning Committee, 21 September 2020 Item No. 1.1.1) be endorsed and be re-evaluated in 12 months' time. Due: October 2021	Natalie Cooper
26/10/2020 6.0.2- IBDSC6	Community Bus to Service Western Suburbs 6. That a report be brought back at the conclusion of the trial, analysing the success or otherwise of the trial, including; – the uptake of the service overall – which stops are used the most/least – customer and staff feedback. Due: June 2022	Julie Douglas
21/12/2020 1.1.2	Summary of the City of Salisbury Tourism & Visitor Strategy, 2016-2021 c) That following the workshops, a report be prepared that summarises the session, outcomes of consultation and advises Council on a draft 2021 and beyond draft visitation strategy. Due: August 2021	Julie Kushnir
21/12/2020 4.1.3	Lindblom Park & Thomas More College Improvements 3. The working party to provide a recommendation to the Policy and Planning Committee by October 2021. Due: October 2021	John Devine
22/03/2021 1.2.1	Places of Worship within Primary Production Zone – policy transition to the Planning and Design Code 6. That the draft submission be reported to the Policy and Planning Committee no later than July 2021. Due: July 2021	Peter Jansen
27/04/2021 1.1.3	Thematic Heritage Framework Study 2. Staff undertake a preliminary Identification Survey of the Council area using the Salisbury Thematic Heritage Framework, and report back to Council on the findings. Due: December 2021	Peter Jansen
24/05/2021 1.1.1	Lindblom Master Plan - Update 3. That a report be presented to the Policy and Planning Committee in December 2021 detailing the proposed finalised concept design. Due: December 2021	Jamie Hosking

24/05/2021 2.1.8	2021-22 New Initiative Bid Update - Sustainability 1. That New Initiative Bid OPN000691 - Sustainability Coordination and Partnerships be updated to incorporate a further provision of \$50,000 for 2021/22 and in-principle support for years 2 and 3 <u>subject to a further report within the first 12 months being presented to Council about the collaboration project with other Councils and consideration of other funding opportunities.</u>	Clint Watchman
Due:	February 2022	

4. CONCLUSION / PROPOSAL

- 4.1 Future reports for the Policy and Planning Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: EXECUTIVE GROUP

Date: 17/06/2021

ITEM	1.1.1
	POLICY AND PLANNING COMMITTEE
HEADING	Recommendations of the Youth Council Sub Committee meeting held on Wednesday 16 June 2021
AUTHOR	Joy Rowett, Governance Coordinator, CEO and Governance
CITY PLAN LINKS	4.5 We engage meaningfully and our community is aware of Council initiatives
SUMMARY	The minutes and recommendations of the Youth Council Sub Committee meeting held on Wednesday 16 June 2021 are presented for Policy and Planning Committee's consideration.

RECOMMENDATION

1. The information contained in the Youth Council Sub Committee Minutes of the meeting held on 16 June 2021 be received and noted and that the following recommendations contained therein be adopted by Council:

YC1 Future Reports for the Youth Council Sub Committee

1. The information is received.

YC2 Youth Programs and Events Update May 2021

1. The information is received and noted.

YC3 Youth Council Membership

1. Uyen Tran be appointed as a Youth member to the Salisbury Youth Council until December 2022.

YC4 Youth Council Project Team Updates

1. The information is received and noted.

YC5 Waste Management Education Partnership Update

1. The report is received and noted.
2. Acknowledged that the letter from the Mayor was sent to the Minister for Education, Minister for Environment and CEO of NAWMA on the 27th of May.
3. The Sub Committee requests continued regular updates on this item.
4. The Sub Committee requests further information in relation to whether straws are recyclable.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Youth Council Sub Committee - 16 June 2021

CO-ORDINATION

Officer: GMCOD
Date: 17/06/2021



**MINUTES OF YOUTH COUNCIL SUB COMMITTEE MEETING HELD IN THE
JOHN HARVEY GALLERY, 34 CHURCH STREET, SALISBURY ON**

16 JUNE 2021

MEMBERS PRESENT

Tuyet Nhi Sofina Le Thi (Chairman)
Brooke Duncan
Chloe Fern-Pring
MengChheng Hong
Nicolette Nedelcev
Jack Prince
Madeline Prince (Deputy Chairman)
Fillette Uwamahoro
Emily Williams
Stacey Williams
Cr M Blackmore
Cr G Reynolds
Mon-Maya Chamlagai (Mentor)
Rebecca Etienne (Mentor)
Amanda O'Sullivan (Mentor)
Damien Walker (Mentor)

OBSERVERS

Uyen Tran

STAFF

General Manager Community Development, Ms G Page
Manager Community Capacity and Learning, Ms J Cooper
Community Planner Youth Participation, Ms J Brett
Personal Assistant to the Executive Office, Ms M Healy

The meeting commenced at 5.43pm

The Chairman welcomed the members, staff and the gallery to the meeting and read the Kaurna Acknowledgement.

APOLOGIES

Apologies were received from Mayor Gillian Aldridge, Rana Afzali, Christian Gudic.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved B Duncan
Seconded M Hong

The Minutes of the Youth Council Sub Committee Meeting held on 13 April 2021, be taken as read and confirmed.

CARRIED

REPORTS

YC1 Future Reports for the Youth Council Sub Committee

Moved B Duncan
Seconded E Williams

1. The information is received.

CARRIED

YC2 Youth Programs and Events Update May 2021

Moved B Duncan
Seconded E Williams

1. The information is received and noted.

CARRIED

YC3 Youth Council Membership

Moved M Prince
Seconded M Hong

1. Uyen Tran be appointed as a Youth member to the Salisbury Youth Council until December 2022.

CARRIED

YC4 Youth Council Project Team Updates

Moved M Hong
Seconded F Uwamahoro

1. The information is received and noted.

CARRIED

YC5 Waste Management Education Partnership Update

Moved B Duncan
Seconded M Prince

1. The report is received and noted.
2. Acknowledged that the letter from the Mayor was sent to the Minister for Education, Minister for Environment and CEO of NAWMA on the 27th of May.
3. The Sub Committee requests continued regular updates on this item.
4. The Sub Committee requests further information in relation to whether straws are recyclable.

CARRIED

OTHER BUSINESS

General Discussion concerning the following events occurred, with Youth Council members being asked to encourage entries and attendance from among their networks:

- Healing the HeART of our Country Exhibition – competition closes 25 June 2021 and artwork to be displayed from 3 July 2021.
- 10,000 Trees – final Community Planting Day on 1 August 2021 at John Harvey Oval.

CLOSE

The meeting closed at 6.21pm.

CHAIRMAN.....

DATE.....

ITEM	1.1.2		
	POLICY AND PLANNING COMMITTEE		
DATE	21 June 2021		
PREV REFS	Policy and Planning Committee	1.3.1	17/02/2020
	Policy and Planning Committee	1.3.1	21/09/2020
	Policy and Planning Committee	1.1.3	14/12/2020
	Policy and Planning Committee	1.2.1	15/03/2021
HEADING	Planning and Design Code March 2021 Release		
AUTHOR	Peter Jansen, Strategic Planner, City Development		
CITY PLAN LINKS	1.1 Our City is attractive and well maintained 3.4 Our urban growth is well planned and our Centres are active		
SUMMARY	<p>The new Planning and Design Code (the Code) was released on 19th March 2021. The Code, along with an online lodgment and assessment digital access replaces the current Council Development Plans and assessment systems. This report provides (a) a summary of key policy changes affecting Salisbury and (b) a list of Council submission matters that staff see as accepted changes or outstanding matters that require further discussion with Planning and Land use Services. Matters related to more detailed planning assessment and administrative processes will be reviewed by staff over the coming months.</p>		
RECOMMENDATION	<p>1. The information is received, and it is noted that staff are continuing to liaise with Planning and Land Use Services in relation to identified issues with the Planning and Design Code, and in relation to addressing administrative and procedural matters.</p>		
ATTACHMENTS	<p>This document should be read in conjunction with the following attachments:</p> <p>1. Council Submissions and March 2021 PD Code comparison table</p>		
1. BACKGROUND	<p>1.1 The reforms to the planning system have been ongoing since 2016 with changes to the legislation, processes, structure and the replacement of all Council Development Plans with a single version, known as the Planning and Design Code (the Code).</p>		

- 1.2 The Code consultation occurred in October 2019 and on a revised version in November 2020. Council made submissions at each release. The State Planning Commission and Planning and Land Use Services (PLUS) have also been making ongoing technical changes to the Planning and Design Code in response to the submissions.
- 1.3 Council has endorsed two matters relevant to the Code:
 - 1.3.1 In April 2020 a position relating to confirmation of the zone boundaries in the Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment, (*Resolution 501/2020*); and
 - 1.3.2 In March 2021 on Places of Worship locations (*Resolution 874/2021*).
- 1.4 The 19 March 2021 release of the Planning and Design Code included a number of associated system changes that impact on the assessment and administration of development applications.
- 1.5 The new system is designed so that all persons can lodge and track development applications online, search property zoning, find accredited professionals, review development rules, make payments, submit information, and track major projects and development activity across the state.
- 1.6 Further information can be found online at:
 - 1.6.1 https://plan.sa.gov.au/our_planning_system/south_australias_new_planning_and_development_system_is_now_live!
 - 1.6.2 The link includes the Summary of the Engagement Report and Guide to the Code for more detailed information.

2. CITY PLAN CRITICAL ACTION

- 2.1 Nil

3. CONSULTATION / COMMUNICATION

- 3.1 Internal
 - 3.1.1 Development Services
- 3.2 External
 - 3.2.1 Planning and Land Use Services (ex DPTI)
 - 3.2.2 LGA

4. REPORT

Summary of Key Policy Changes Relating to the City of Salisbury

The following is a summary of the key policy changes under the Planning and Design Code relevant to the City of Salisbury:

- 4.1 Home businesses such as shop, consulting room, or office, in conjunction with a dwelling, are limited to 50sqm floor area and do not display goods. Previous limit applying to home activities was 30sqm floor area.

- 4.2 Limiting the shop, consulting room or office land uses in the General Neighbourhood Zone to 200sqm when abutting an Activity Centre, and does not result in all such uses having a total floor area greater than 50% of the abutting Activity Centre, or a 1000sqm (whichever is lesser).
- 4.3 Public notification changed to incorporate buildings of 4 storeys or more in urban corridor zones when adjoining neighbourhood type zones.
- 4.4 Demolition control for all heritage places and areas is retained after the draft Code removed controls for local heritage.
- 4.5 Increase in the minimum site areas in the General Neighbourhood Zone for row or terrace dwellings from 200sqm to 250sqm.
- 4.6 Private Open Space requirements for the various dwelling types are increased from 24sqm to 60sqm when the allotment or site is larger than 300sqm.
- 4.7 Introduce dwelling rear setback distance of 4m at ground level, and 6m for upper level, in the General Neighbourhood Zone when the allotment or site is greater than 300sqm.
- 4.8 Addition of minimum landscaping criteria for ancillary buildings such as outbuildings, verandahs and carports.
- 4.9 New general policies for development outside of Activity Centres to recognise that Activity Centres are the primary locations for retail, administration, cultural, entertainment and community services.
- 4.10 Policy introduced for size, number, and height of Advertisements relevant to the zone.
- 4.11 Including reference to the Ministerial Urban Tree Canopy Off Set Scheme. A separate report will inform Council on this matter.
- 4.12 Requiring SAHT and Community Housing providers to comply with the Urban Tree Canopy Overlay policy.
- 4.13 Stormwater policy changed to reduce roof area connection to tanks from 80% to 60%, and have a requirement of half of rainwater tanks set aside for detention.
- 4.14 An additional Flooding Overlay policy introduced for areas identified as having an unknown risk.
- 4.15 Increase in on site carparking requirement from 1 space to 2 spaces for two bedroom dwellings, with one space to be covered.
- 4.16 Aircraft Noise Exposure Overlay policy limit is changed from 25 ANEF (Australian Noise Exposure Forecast) to 30 ANEF. This allows consideration of sensitive uses up to the new limit. A Ministerial Building Standard (MBS 010) has been amended to now include aviation noise attenuation consideration as part of the building construction for residential buildings.
- 4.17 Requirements for classrooms as Accepted Development within the Community Facilities Zone are changed to be one storey and no greater than 200sqm. Also new policies added to guide expansion of existing community services, and setbacks from all boundaries.

4.18 Spatial application of Code;

- 4.18.1 The Bolivar Wastewater Treatment Plant is now designated as an Infrastructure Zone (previously Employment Zone). Same provisions as draft PD Code apply.
- 4.18.2 St Kilda is now designated as a Rural Shack Settlement Zone. (previously Rural Settlement Zone). Same provisions apply as draft PD Code version.

4.19 Spatial Overlays;

- 4.19.1 An additional Overlay - *Hazards (Flooding – Evidence Required)* to areas where flood risk has not yet been analysed. It has been applied to St Kilda, the salt pans south of St Kilda down to the Bolivar Wastewater Treatment Plant, the major salt pans at Dry Creek, the majority of the Cavan industrial area, portion of Pooraka Markets, South Terrace Pooraka Triangle, and the Shoalhaven estate area of Mawson Lakes. The identified area generally reflects the area not covered by Stormwater Management Plans.
- 4.19.2 Apply the Urban Tree Canopy and Stormwater Management Overlay only to the Metropolitan Adelaide area. These provide policies to support tree planting and rainwater tank requirements for new development based on allotment size.

Council Submission Matters

- 4.20 Staff have reviewed the new Code against the two submission made to the draft code (Attachment 1).
- 4.21 The key submissions matters that have not satisfactorily been addressed in the new Code are:
 - 4.21.1 **Shoalhaven Wetlands** remains as Open Space in the PD Code. It will require environmental and biodiversity studies for any future development consideration over the site as part of a Code Amendment.
 - 4.21.2 **Technology Park** - the new zone of Strategic Innovation does not include the existing technology land uses at 16-28, 19-23 and 25- 31 Park Way which have designated as Urban Neighbourhood Zone.
 - 4.21.3 **Places of Worship** policy has not been updated to align with the previous Development Plan provisions. Council endorsed an action in March 2021 to request the support of LGA members to seek a revision to the Code policy as a Code Amendment. (*Minute 874/2021*). A submission is currently being prepared.
 - 4.21.4 **Aviation policy**, as it relates to detailed mapping, referrals and controls of building heights and lighting, particularly for the Kings Road site opposite Parafield Airport, and an area within Vicinity Industrial Estate adjacent the Edinburgh Defence Base.
 - 4.21.5 **Concept Plan** showing future road linkage to the salt fields area west of Port Wakefield Road through Globe Derby Park from Port Wakefield Road and Elder Smith Road extension has been omitted.

- 4.21.6 **Boral Quarry** residential surrounds at Salisbury East policy for interface and rehabilitation requirements has not been included.
- 4.22 Attachment 1 provides a full list of submission policy matters staff have determined as being acceptable or have not been satisfactorily addressed and require further discussion with PLUS (these are considered outstanding). Council may determine that the best approach to address some of these outstanding matters is to initiate a Code Amendment process.
- 4.23 Staff will be meeting with PLUS to discuss the outstanding matters and evaluate the next course of action.

Development Assessment and Systems

- 4.24 From a Development Assessment and development systems perspective, Council's Development Service team is collating any detailed assessment concerns as it becomes experienced with the Code and processing applications.

5. CONCLUSION / PROPOSAL

- 5.1 The March 2021 PD Code has been released with a number of changes as a result of the submissions made during consultation. These changes have been evaluated by staff. Outstanding matters will be taken up further with PLUS.
- 5.2 Staff will continue to evaluate the effects of the new Code Policy and assessment processes/systems over the coming months.

CO-ORDINATION

Officer: GMCID
Date: 10/6/2021

Issue	March 2021 PD Code	Response
<p>Recognition of Policy Area 18 (Salisbury Residential area) using council guideline criteria:</p> <ul style="list-style-type: none"> • Minimum frontage of 18m • Side setbacks of 900mm • Rear setback of 7m • Front setback that aligns with adjoining dwellings <p>Applies to the Goodall Cr, Theta St, Davis St, and Lawrie St area of Salisbury.</p>	<p>Suburban Neighbourhood Zone</p> <p>March release increased Rear Boundary Setback dimensions when site is greater than 301sqm :</p> <ul style="list-style-type: none"> • Distances are now 4m at ground level, and 6m for upper level. 	<p>Considered to be a close fit with the submissions made by Council.</p> <p>No further action required.</p>
<p>Wetland at western end of Shoalhaven Mawson Lakes should be zoned the same as the adjacent housing area.</p>	Designated as Open Space Zone	Remains Outstanding
<p>The proposed Planning and Design Code Rural Living Zone policies for the area at Globe Derby</p>	<p>Designated as Rural Living Zone with an Animal Husbandry Sub Zone.</p> <p>Limited identification of restricted land uses. This is in accordance with PD Code drafting philosophy</p>	<p>Considered to be a close fit with submissions made by Council.</p> <p>No further action required.</p>
<p>Current provisions for St Kilda be mirrored in the proposed Rural Settlement provision</p>	<p>Zone name changed to Rural Shack Settlement.</p> <p>Limited identification of restricted land uses. This is in accordance with PD Code drafting philosophy</p>	<p>Considered to be a close fit with submission made by Council.</p> <p>No further action required.</p>
<p>Zone boundary adjustments for</p> <p>26 Clayson Rd Sal East 26 Willochra Sal Plain 16 Beadell St Burton 105,117 Bolivar Rd Burton</p> <p>1, 3 Wyatt Rd Direk</p>	Confirmed adjustment to zone boundaries except for 1 and 3 Wyatt Road Direk.	No action required
<p>Technology Park precinct reviewed for suitable zoning reflecting Innovation</p>	Confirmed as Strategic Innovation Zone but does not apply to Sarstedt Aust and Daronmont Technologies are in the Urban Neighbourhood Zone.	Remains Outstanding

Aviation Policy	Australian Noise Exposure Forecast references as suitable for residential development increased from 25 to 30 provided compliance with an upgraded Ministerial Building Standard (MBS 10) for construction methods that reduce external sound levels. Development siting opportunities in noise affected areas have been widened but will be assessed in detail at the building construction stage.	No action required
Detail mapping of Concept Plan 30 Kings Rd in overlays and policy	Not included	Remains Outstanding
Referral Bodies be identified for aviation impact assessment	No Defence Referral identified.	Remains Outstanding
Concept Plan 6 Direk restrictions resulting from proximity to Edinburgh Defence Base runway to be retained	Not included	Remains Outstanding
Flood Mapping	Included. An additional map – <i>Flooding – Evidence Required</i> is included. This map identifies the following areas in Salisbury: <ul style="list-style-type: none"> • St Kilda • salt pans • Cavan, Shoalhaven, Pooraka Markets, and Pooraka Triangle 	No action required
Seaward council boundary change question on legal implications to Council arising from change	No response. Not a PD Code position	No action required
Council road boundary setback tables and referral	included	No action required
Concept plans retained CP 4 – road link to saltfields CP 10 Boral buffer Gulf View Heights CP 22 burton residential acoustic CP 34 Salisbury City Centre future	Not included	Remains Outstanding

Residential area adjacent Boral quarry Salisbury East and buffer policies to recognise proximity and interface and rehabilitation.	Not included	Remains Outstanding
Universal Design module preparation and inclusion, and training plan	Not included	Remains Outstanding
Place of Worship policy from Salisbury Development Plan incorporated into PD Code	Not included	Remains Outstanding
Public notification triggers simplified	Interpretation added.	No action required

ITEM	1.1.3
	POLICY AND PLANNING COMMITTEE
DATE	21 June 2021
PREV REFS	Policy and Planning Committee 1.1.3 14/12/2020
HEADING	Urban Tree Canopy Off-Set Scheme
AUTHOR	Peter Jansen, Strategic Planner, City Development
CITY PLAN LINKS	1.1 Our City is attractive and well maintained 2.3 Our community, environment and infrastructure are adaptive to a changing climate 3.4 Our urban growth is well planned and our centres are active
SUMMARY	<p>Council at its December 2020 meeting sought a report on the establishment of an Off-Set Scheme for a tree fund under the <i>Planning, Development and Infrastructure Act 2016</i> for those instances when payments can be sought in lieu of tree planting for new development.</p> <p>In February the State Planning Commission announced that a state wide Urban Tree Canopy Off-Set Scheme would be controlled by the Minister. It will be limited to the Mawson Lakes area and to certain designated highly reactive soil areas that impact on housing foundation construction costs.</p> <p>The ability exists for Council to establish a separate Urban Tree Fund subject to the approval of the Minister. However, based on existing evidence, the contributions will be limited as applicants to date have preferred to replace trees rather than contribute monies.</p> <p>It is considered that Council should not progress with its own Off Set Scheme or Urban Tree Canopy Fund.</p>
RECOMMENDATION	<ol style="list-style-type: none">1. The information is received.2. The Council does not proceed with establishing its own Off Set Scheme or Urban Tree Canopy Fund.
ATTACHMENTS	<p>This document should be read in conjunction with the following attachments:</p> <ol style="list-style-type: none">1. Urban Tree Canopy Off Set Scheme2. Urban Tree Canopy Off Set Scheme map

1. BACKGROUND

- 1.1 In 2010 legislation was introduced which defined Regulated and Significant Trees and enabled Councils to set up an Urban Tree Fund that required contributions to be paid by applicants when these trees were removed in development applications.
- 1.2 Council considered that the contribution rate of \$50 at that time was severely undervalued and would not result in any significant accumulation of funds. Consequently Council resolved to not establish a fund.
- 1.3 The 2017 update to the 30 Year Plan for Greater Adelaide set targets for infill housing and urban green cover. However a September 2020 report for the State Government on Urban Tree Canopy policy found that the urban green cover had reduced over a three year period, with evidence that minor infill development was a contributing factor.
- 1.4 Council endorsed a recommendation in December 2020 as part of an update report on the Planning and Design Code, more specifically:
 - 1.4.1 *Staff investigate the benefits or otherwise of establishing an offset scheme for an Urban Tree Fund and report back to Council on this matter. (Resolution# 775/2020)*
- 1.5 In February 2021, the State Planning Commission announced that a State Urban Tree Canopy Off-Set Scheme will be established and controlled by the Minister. The Scheme is outlined in Attachment 1. A map of the designated Scheme areas is Attachment 2. – for the City of Salisbury it is limited primarily to Mawson Lakes.
- 1.6 The Scheme is still to be initiated by the Minister. There is no indication to date of the implementation date.

2. CITY PLAN CRITICAL ACTION

- 2.1 A Welcoming and Liveable City –
Enhance the visual appearance and amenity of public space through an expanded verge maintenance program, appropriate lighting and more greening of reserves.
- 2.2 A Sustainable City –
Adopt practices and infrastructure that make the City cooler in an increasingly warm climate.

3. CONSULTATION / COMMUNICATION

- 3.1 Internal
 - 3.1.1 Development Services
 - 3.1.2 Infrastructure Management
- 3.2 External
 - 3.2.1 Planning and Land Use Services
 - 3.2.2 Local Government Association
 - 3.2.3 Norman Waterhouse

4. REPORT

- 4.1 The City of Salisbury has an estimated 80,000 street trees and 400,000- 500,000 trees in open space areas. It is unknown what the number of trees is on private land.
- 4.2 There are a number of Council activities under its landscape program that impact on urban tree provision:
- 4.2.1 Feature landscape renewal program;
 - 4.2.2 Reserve planting and street tree planting;
 - 4.2.3 Streetscape renewal;
 - 4.2.4 Biodiversity and community planting; and
 - 4.2.5 Capital works upgrades, renewals and projects.
- 4.3 The Planning and Design Code was released with a number of policies relating to vegetation. These include:

Policy Overlay	Area in which it applies in the City of Salisbury
Native Vegetation	west of Port Wakefield Road
Regulated and Significant Trees	whole of City of Salisbury
Significant Landscape Protection	not applicable
Scenic Quality	not applicable
State Significant Native Vegetation	the mangroves
Urban Tree Canopy	the residential areas

- 4.4 The Planning and Design Code also contains general design policy that requires provision of, or retention of, an area of soft landscaping and deep soil zones to assist in tree retention around dwellings depending on lot size.
- 4.5 The Regulated and Significant Trees Overlay reflects the intent of the 2010 legislation controls which seek to retain the trees, and prevent tree damaging activity and require applications for such activity. Replacement trees or a contribution to a Tree Fund may be conditions of approval.
- 4.5.1 The City of Salisbury dealt with 138 applications for significant or regulated tree removals on private land in the last two years. Only two financial payments were made during this period as all other applicants opted to replace trees. This also applies to Council development applications involving the removal of significant or regulated trees.

- 4.6 The new Urban Tree Canopy Overlay has introduced policy that requires consideration of tree size, retention of existing trees, mandatory new tree provision relative to site or allotment size, and root zone protection requirements as part of the assessment of dwelling applications. The minimum provision is one small tree if the allotment is less than 450sqm, and increases in size and number with lot size.
- 4.7 The State Planning Commission has determined that some soil types and Planning and Design Code zones would result in undue expense to applicants to provide the required number of trees and comply with the house footing design requirements. This is as a result of smaller allotment sizes and setback allowances which reduce the available separation of tree and footings and is likely to have increased impact on soil movement.
- 4.8 In these situations the proposed Urban Tree Canopy Off-Set Scheme has been created to enable contributions to be paid into the scheme by the applicants. The Scheme is still to be initiated by the Minister.

Urban Tree Canopy Off-Set Scheme

- 4.9 The Scheme is Attachment 1.
- 4.10 The parameters of the Urban Tree Canopy Off-Set Scheme are:
- 4.10.1 It will be State administered.
- 4.10.2 It will apply across the metropolitan areas in three Zones and in three Designated Soil type areas.
- 4.10.3 It will only apply to the:
- Housing Diversity Neighbourhood Zone (*Mawson Lakes*).
 - Urban Renewal Neighbourhood Zone (*nil in Salisbury*).
 - City Living Zone (*nil in Salisbury*).
 - Three Designated Soil Type areas - H1 D, H2 D, and E-D:
 - These three types are highly reactive clay soils that experience ground movement from 40mm to over 75mm.
 - Currently, each dwelling application requires soil testing to determine soil type in order to establish footing design requirements.
 - These soils are considered to require extensive footing designs to overcome tree root growth and moisture variation in the soil which further increase construction costs.
- 4.10.4 The Scheme amounts are proposed to be:
- \$300 for a small tree (4m mature height).
 - \$600 for a medium tree (6m mature height).
 - \$1200 for a large tree (12m mature height).
 - A combination of contributions and replacement trees is possible.
- 4.10.5 Applicants will pay directly to the SA planning portal when lodging applications.

- 4.10.6 Money will be redistributed back to Councils on an annual basis, to the value of contributions made over the previous financial year. Council can apply to the Minister to receive the money prior to financial year end.
 - 4.10.7 The Scheme will be used for planting, establishment and maintenance of planting within reserves or public land, or purchase of land to ensure tree retention, or establish trees in an area with a low urban tree canopy level.
 - 4.10.8 Scheme money must not be used to purchase land at higher than market value, or towards the legal and purchase costs, or compensation arising from compulsory acquisition of land.
- 4.11 In the City of Salisbury the Scheme will only apply to the Mawson Lakes area, and to new dwellings that are found to be on sites that have the Designated Soil categories. The amount of development affected by the Designated Soil category is unknown.
- 4.12 The financial return to Salisbury is likely to be limited as Mawson Lakes is essentially complete and unlikely to trigger many payments into the Scheme. As this has been established by the Commission and is available to applicants, it is recommended that Council monitor the scheme.
- 4.13 The use of the Regulated and Significant Trees Overlay for the remaining residential areas of Salisbury will trigger the potential for Council to impose conditions requiring payment into a Council Fund for development applications seeking the removal of a significant or regulated tree. For this reason, further investigations occurred into the establishment of such a Council Tree Fund in conjunction with the State Urban Tree Canopy Off Set Scheme.

Council Urban Tree Fund

- 4.14 The *Council Urban Tree Fund* is separate to the *Urban Tree Canopy Off-set Scheme*.
- 4.15 If established, the Council Urban Tree Fund purpose is to receive monies as a result of a condition of a development authorisation under the new PDI Act for the removal of a Regulated or Significant Tree when the applicant elects to make a payment in lieu of planting replacement trees. The amount prescribed by regulations for each replacement tree that is not planted is \$150. (The Act provides that a relevant authority must impose a condition requiring the replacement of a Significant Tree with three trees and Regulated Trees with two trees, and this payment is made instead of replacing the trees). This Fund is to be used by Council to provide replacement planting in the Council area.
- 4.16 Legal advice on this matter is that:
- 4.16.1 Councils that didn't establish an Urban Tree Fund under the previous legislation (Development Act 1993) can still establish such a fund under the *Planning, Development and Infrastructure Act* (PDI Act) with the approval of the Minister.
 - 4.16.2 The PDI Act specifies that where there is an overlap of the Council Fund and the Ministers Offset Scheme, payments for the Offset Scheme must not be directed into the Council Fund. The Fund and the Offset Scheme must be kept separate and distinct.

- 4.16.3 The Ministers Offset Scheme only applies to the designated zones and soil types.
- 4.16.4 It is possible for the Minister to expand the areas under the Offset Scheme at a later date.
- 4.16.5 It is considered unlikely that the Minister would change the payment restrictions around both the Fund and the Scheme as it would become confusing and difficult to administer.
- 4.17 The report for the State Government on the Urban Tree Canopy policy options found that the estimated average costs across Councils of planting and maintaining a replacement tree were \$603 on private land \$1,165 on public land. The Council costs included ongoing maintenance for a period of time. The regulated contribution fee is significantly below these cost estimates.
- 4.18 The likely financial return to Council through an Urban Tree Fund is considered to be minimal. Using the previous two years data, the 138 applications would have returned a theoretical maximum of \$20,000 if all applicants elected to pay into the Fund. However it should be noted that only two applicants chose to make payment. All others chose to replace the trees rather than make a payment. Therefore on this basis there will be negligible contributions into the Fund.
- 4.19 The Council Urban Tree Fund would not receive contributions from applications in the Mawson Lakes area or from those development applications in areas of the designated soil types because of the overlap with the Ministerial Urban Tree Canopy Off Set Scheme, nor from those applicants who would be willing to plant replacement trees at the required number.
- 4.20 Should Council establish an Urban Tree Fund, any funds that are collected would be redirected into the ongoing tree planting operations of Council.

Issues with Funds

- 4.21 The objective of the planning and environmental policy is to ensure tree planting is maintained or increased in conjunction with new developments. The concerns with the use of the various Funds is that it may discourage replacement planting by some developers or residents as it may be perceived as cheaper or easier to pay the fee rather than plant the required trees.
- 4.22 Funds shift the responsibility onto the public realm to cater for the replacement trees. There is a finite ability to locate additional trees in public space.
- 4.23 Costs associated with a fund will be the legal setup, ongoing administration and financial reporting.
- 4.24 The Ministerial Urban Tree Canopy Off Set Scheme is likely to be limited in its return for Salisbury as it is restricted in its defined areas.
- 4.25 The Council Urban Tree Fund, if established, would be also likely to be limited in its return for Salisbury. Only one applicant has elected to pay a contribution to the current Fund over the last two years, the balance of applicants preferring to plant replacement trees instead.

City Plan

- 4.26 The City Plan 2035 recognises Tree Canopy coverage, enhancing biodiversity, improving visual appearance and amenity of public space, and identifies a commitment to manage increased heat through tree canopy strategies.
- 4.27 The intention of the Planning and Design Code landscape policy is to retain and increase planting across metropolitan Adelaide and, as such, links into the Salisbury directions to improve tree planting in the Council area.

5. CONCLUSION / PROPOSAL

- 5.1 The objective of Council should, in the first instance, be to retain existing trees, or seek to ensure the planting of replacement trees. Funds have a potential to dilute that objective.
- 5.2 The Minister has seen fit to identify an Urban Tree Canopy Off Set Scheme across the metropolitan area, but which is limited in its collection of potential funds for Salisbury because it only applies to the proposed Housing Diversity Neighbourhood Zone (Mawson Lakes), with some potential application through the nominated soil types which aren't known until soil testing is done for new dwelling applications.
- 5.3 The Ministerial Urban Tree Canopy Off Set Scheme will begin to collect monies when it is initiated, and returned annually to the Councils.
- 5.4 The option to set up an Urban Tree Fund additional to the Minister's Urban Tree Canopy Off Set Scheme is considered to have limited benefits for Council. It only applies to the removal of Regulated or Significant Trees. The applicants may wish to replace with other trees, and doesn't contribute the full amount it costs to replace and maintain trees. To establish a fund will require the approval of the Minister.
- 5.5 The potential additional planting able to be funded as a result of any collected fees is, based on experience to date, likely to be minimal compared to the overall tree planting and maintenance that Council currently undertakes. The net contributions available to fund planting will also be impacted by the internal costs to administer the Fund. In addition, a third Fund is likely to be confusing for the public.
- 5.6 If a Council Urban Tree Fund is established, the funds collected along with the Minister's funds may provide a small contribution to funding the tree planting operations of Council. However the net contributions available to fund planting will also be impacted by the internal costs to administer the Fund. In addition, a third Fund is likely to be confusing for the public.
- 5.7 On balance, it is not recommended that Council pursue the implementation of an Urban Tree Fund at this time. This position can be revisited by Council at any time and trends in Significant and Regulated Tree removal and replacement will be monitored.

CO-ORDINATION

Officer: GMCID
Date: 10/06/2021

Urban Tree Canopy Off-set Scheme

This scheme is established by the Minister for Planning and Local Government under section 197 of the *Planning, Development and Infrastructure Act 2016*.

Introduction

Section 197 of the *Planning, Development and Infrastructure Act 2016* (the **Act**) allows the Minister for Planning and Local Government (the **Minister**) to establish a scheme that is designed to support or facilitate:

- a) development that may be in the public interest or otherwise considered by the designated entity as being appropriate in particular circumstances (including by the provision of facilities at a different site); or
- b) planning or development initiatives that will further the objects of the Act or support the principles that relate to the planning system established by the Act; or
- c) any other initiative or policy—
 - i. designated by the Planning and Design Code; or
 - ii. prescribed by regulations made under the Act.

This scheme is being established by the Minister as a scheme for contributions to be made to a fund to be called the Urban Tree Canopy Off-set Fund (the **fund**).

As provided for under s197(3)(b) of the Act, the scheme includes the ability for provisions specified in the Urban Tree Canopy Overlay within the Planning and Design Code (the **Code**) to be varied as set out in this scheme. Specifically, the scheme provides that where an applicant seeks development approval for a dwelling in a location covered by the Code Urban Tree Canopy Overlay, the applicant may in specified circumstances elect to make a contribution to the fund instead of planting a tree or trees as required under the Deemed-to-Satisfy Criteria or Designated Performance Feature set out in the overlay (depending on the classification of the development).

Urban Tree Canopy Off-set Scheme

1. Citation

This scheme may be cited as the *Urban Tree Canopy Off-set Scheme*.

2. Commencement of operation

This scheme will commence operation on the date published on the SA Planning Portal.

3. Object of scheme

This scheme is designed to support the planning initiative reflected in the desired outcome for the Urban Tree Canopy Overlay in the Code so as to promote development that preserves and enhances the urban tree canopy through the planting of new trees and the retention of existing trees by providing that an applicant for development approval may, in appropriate cases, elect to make a contribution to a fund instead of planting the trees required by the overlay, and thus further the objects of the Act in the manner contemplated by section 197(2)(b) of the Act.

4. Interpretation

- (1) In this scheme, unless the contrary intention appears:

Act means the *Planning, Development and Infrastructure Act 2016*;

council means a council constituted under the *Local Government Act 1999*;

designated local government area means the whole of a local government area within which the overlay applies (even if the overlay only applies to a portion of that local government area);

designated soil type means the following soil types in accordance with Australian Standard AS2870:

- a) H1-D: Highly reactive clay sites, which may experience high ground movement (41-60 mm) from deep-seated moisture changes; or
- b) H2-D: Highly reactive clay sites, which may experience very high ground movement (61-75 mm) from deep-seated moisture changes; or
- c) E-D: Extremely reactive sites, which may experience extreme ground movement (>75 mm) from deep-seated moisture changes;

DTS/DPF policy means the deemed-to-satisfy criteria and the designated performance feature 1.1, as provided for in the overlay;

fund means the Urban Tree Canopy Off-set Fund established under this scheme;

overlay means the Urban Tree Canopy Overlay in the Code;

scheme means this Urban Tree Canopy Off-set Scheme;

tree size means tree sizes as described in Table 1 of the DTS/DPF policy.

- (2) This scheme is to be read and applied in conjunction with:

- a) the requirements of the Act; and
- b) the Code.

- (3) A term used in this scheme that is defined in the Act has the same meaning in this scheme as it has in the Act (unless the contrary intention appears).

5. Establishment of fund

- (1) For the purposes of section 197(3)(a) of the Act, this scheme establishes a fund that consists of:
 - a) all amounts paid to the credit of the fund under clause 6(1); and
 - b) any income paid into the fund under clause 6(3).
- (2) The fund is intended to provide for the planting, establishment and maintenance of trees in the relevant area where it is not practicable or appropriate, in a particular case, to plant the trees that would otherwise be required in order to comply with the DTS/DPF policy.

6. Payments into fund

- (1) Where:
 - a) an applicant seeks planning consent for a dwelling in a location where the overlay applies; and
 - b) the site of the proposed development is located within either:
 - (i) a Housing Diversity Neighbourhood Zone, Urban Renewal Neighbourhood Zone or City Living Zone in the Code; or
 - (ii) an area with a designated soil type; and
 - c) the applicant elects to make a contribution to the fund in lieu of planting a tree (or trees) as provided for by the DTS/DPF policy in the overlay,

then payment must be made to the fund at the following rates:

Tree Size	Rate (\$ per tree)
Small	\$300
Medium	\$600
Large	\$1,200

- (2) For the avoidance of doubt, where multiple trees are provided for in the DTS/DPF policy, an applicant may elect to make a contribution to the fund and also plant a tree (or trees), provided that the amount paid to the fund is equivalent to the shortfall in the number of trees provided for in the DTS/DPF policy.

- (3) Any money in the fund that is not for the time being required for the purpose of the fund may be invested by the Minister and any resultant income must be paid into the fund.
- (4) Where an applicant has elected to make a contribution to the fund under this scheme:
 - a) the relevant authority will impose a condition on the relevant development authorisation for planning consent requiring that payment of the amount specified in clause 6(1) must be made into the fund before the issue of development approval for the subject development application; and
 - b) payment must be made through the SA planning portal.

7. Variation of code

For the purposes of section 197(3)(b) of the Act, the overlay will apply as if it provided that a contribution to the fund in accordance with clause 6 of this scheme will be taken to form part of, and to satisfy, the DTS/DPF policy.

8. Payments from fund

Subject to any directions or approvals of the Treasurer made or given after consultation with the Minister under section 197(4)(b) of the Act:

- (1) money standing to the credit of the fund may be distributed by the Minister to a council within a designated local government area; and
- (2) the amount distributed to a council will be the total sum of moneys paid into the fund within the designated local government area for the relevant council in the previous financial year, which payment will be made following:
 - a) the end of the relevant financial year; or
 - b) following an application being made to the Minister by the relevant council, prior to the end of that financial year, at the Minister's discretion.

9. Use of money from fund

- (1) Money distributed from the fund may be used for any of the following purposes (and for no other purpose):
 - a) to provide for the planting, establishment and maintenance of trees within reserves or public land anywhere within a designated local government area; or
 - b) the purchase of land within a designated local government area to ensure:
 - (i) the preservation of trees; or

- (ii) that trees can be established in an area with a low urban tree canopy level or a demonstrated urban tree canopy loss.
- (2) Unless otherwise approved by the Minister, in relation to 9(1)(b), money from the fund must not be used:
 - (i) to purchase land at a value which exceeds the market value of the land (determined by the most recent valuation published by the Valuer-General of South Australia as at the date of purchase); or
 - (ii) towards legal costs, transfer fees, stamp duty or compensation arising from the compulsory acquisition of land.

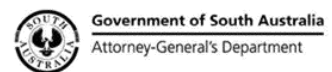
10. Auditing

The fund must be audited by an auditor determined by the Minister at the end of each financial year and the audited accounts of the fund must be included as part of the annual report for the Act required under the *Public Sector Act 2009*.



Figure 1. Indicative location of the Urban Tree Canopy Overlay and Zones where the Scheme applies

plan.sa.gov.au



ITEM	1.2.1 POLICY AND PLANNING COMMITTEE
DATE	21 June 2021
HEADING	Federal Budget and National Housing Finance and Investment Corporation opportunities for investment in community housing
AUTHORS	Terry Sutcliffe, General Manager City Development, City Development Julie Douglas, Senior Social Planner, Community & Org. Development
CITY PLAN LINKS	1.2 The health and wellbeing of our community is a priority 4.4 We plan effectively to address community needs and identify new opportunities 4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This report provides an overview and assessment of finance options offered through the National Housing Finance and Investment Corporation (NHFIC) that may encourage investment in, and provision of, community and affordable housing in the Salisbury Council area.

RECOMMENDATION

1. The information is received and noted.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Affordable and Community Housing Policy - Development of Surplus Council Owned Land

1. BACKGROUND

- 1.1 At its October 2020 meeting Council resolved that:

A report be prepared advising Council about how we can work with the Federal and State Government, and community housing providers to encourage investment in community housing via the National Housing Finance and Investment Corporation.

Resolution Number 0729/2020

- 1.2 This report responds to the resolution by outlining the relevant finance options availed through the National Housing Finance and Investment Corporation (NHFIC), and consideration of how these may potentially be utilised to encourage greater investment in, and provision of, community and affordable housing within the City of Salisbury.

2. CITY PLAN CRITICAL ACTION

- 2.1 Provide at least 15% affordable housing through Council's development projects.

3. REPORT

- 3.1 The stated purpose of the NHFIC is to improve housing outcomes by supporting efforts that increase the supply of housing. This is achieved primarily through the following mechanisms:
- 3.1.1 Administering the First Home Loan Deposit Scheme (FHLDS) and the recently announced Family Home Guarantee (FHG) to support eligible first home buyers to purchase their first homes;
 - 3.1.2 Financing registered Community Housing Providers (CHPs) through the Affordable Housing Bond Aggregator (AHBA), which provides low cost, long-term loans to CHPs to support the provision of more community and affordable housing;
 - 3.1.3 Financing new housing infrastructure projects through the National Housing Infrastructure Facility (NHIF), which offers concessional loans, grants and equity finance to help support critical housing-enabling infrastructure; and
 - 3.1.4 Undertaking, and providing access to, housing research that monitors housing demand, supply and affordability in Australia.
- 3.2 Recent research released by the NHFIC in May 2021 highlights a growing need for affordable rental accommodation in Australia, which is likely to increase as a result of the economic and social impacts of the COVID-19 pandemic. The research recognises that growth in the stock of subsidised rental housing (public/social and community housing) has not kept pace with growth in the overall number of households in Australia over time. It is recognised that historically state governments have built, owned and managed public/social housing, but this responsibility has been gradually transitioned to CHPs in more recent times.
- 3.3 Increasing the supply of community housing through CHPs, however, is significantly constrained by traditionally low rental returns. Financial modelling undertaken by the NHFIC suggests that addressing the challenge of low rental returns for community housing projects may be assisted by utilising a combination of the following measures:
- Contributions of government-owned land;
 - Mixed-tenure developments;
 - Lower-cost NHFIC finance; and
 - Additional private sector finance.
- 3.4 To deliver upon its *Affordable and Community Housing Policy – Development of Surplus Council Owned Land* (attachment 1), Council staff are investigating the interest of CHPs and potential delivery options for further exploration, inclusive of the policy's objectives of:

- Delivering affordable rental options which may include partnering with, or selling to, an affordable rental provider such as a Community Housing Provider or Defence Housing;
 - Exploring new delivery models through partnership which achieve commercial return as part of any future expressions of interest process, and further investigate suitable mechanisms to facilitate balanced outcomes that consider financial and non-financial benefits arising from the projects (including exploration and investigation of opportunities for inclusion of a Community Housing component for the projects); and/or
 - Exploring innovative approaches to affordable housing by reducing the cost to the purchasers (e.g. grant funding attraction, occupation before completion, deferred settlement/payment or shared equity products).
- 3.5 Council investigations may explore options for partnering with a range of CHPs, potentially utilising Council owned land deemed surplus to community needs through the Strategic Land Review, and maximising the funding available to CHPs through the NHFIC's Affordable Housing Bond Aggregator mechanism to develop affordable rental accommodation as a component of selected future Council strategic property development projects.
- 3.6 Opportunities for federal, state and local governments to access low-cost, long-term finance to enable the provision of affordable and community housing are available through the NHFICs National Housing Infrastructure Facility (NHIF). This financing mechanism enables infrastructure projects to be undertaken to unlock new housing supply, which can include new or upgraded infrastructure for services such as:
- Stormwater;
 - Sewerage;
 - Water;
 - Gas;
 - Electricity;
 - Telecommunications; and
 - Transportation (including roads).
- In addition, the NHIF can also be used for:
- Site remediation works including the removal of hazardous waste or contamination;
 - Onsite and linking infrastructure; and
 - Both 'greenfield' and 'brownfield' sites.
- 3.7 To be eligible for NHIF finance, an applicant must demonstrate that without the financing, the project would be unlikely to proceed - or would proceed at a much later date, or with less affordable or community housing. Given that the current pipeline of Council property developments has been factored into Council's Long Term Financial Plan, this would considerably limit Councils eligibility for NHIF financing unless it could be demonstrated that financing was required to unlock development opportunities that would otherwise not be funded (eg bringing the timeline for a project(s) that is not funded under the LTFP significantly forward).

It should be noted that NHIF eligible infrastructure projects do not include housing itself or community infrastructure such as parks, childcare centres or libraries.

- 3.8 Council could potentially partner with or advocate to federal or state governments, and/or utility providers, to seek finance through the NHIF to undertake infrastructure projects that unlock new housing supply. However, it is noted that Council currently has access to very low-cost loans through the Local Government Finance Authority, and as such funding through the NHIF would provide very marginal benefit to Council even when coupled with other grant opportunities.

4. CONCLUSION / PROPOSAL

- 4.1 This report has provided an overview of the finance options available through the NHFIC, and how this may potentially be utilised to facilitate a range of partnership options with other levels of government and Community Housing Providers (CHPs) to encourage greater investment in, and provision of, community housing within the Salisbury council area.
- 4.2 The financing options of most relevance to Council projects are the National Housing Infrastructure Facility (NHIF) - which enables infrastructure projects to be undertaken to unlock new housing supply; and, the Affordable Housing Bond Aggregator (AHBA) - which provides low cost, long-term loans to registered community housing providers to support the provision of more social and affordable housing.
- 4.3 Council has limited eligibility for the NHIF financing as there needs to be a clear demonstration that without the NHIF financing, the project would be unlikely to proceed, or would proceed at a much later date or with less affordable or community housing. As Council's future property developments have been factored into its Long Term Financial Plan, this limits Council's eligibility for the NHIF financing unless it could be demonstrated that financing was required to unlock development opportunities that would otherwise not be funded (eg bringing the timeline for a project(s) that is not funded under the LTFP significantly forward).
- 4.4 Additionally, the NHIF financing options are considered to provide very marginal benefit because Council already has access to very low-cost loans through the Local Government Finance Authority, which can be also utilised for this purpose.
- 4.5 The AHBA financing provides low cost, long-term loans to registered CHPs to support the provision of more social and affordable housing. Although Council is not eligible for this funding directly, staff are currently investigating interest and options with CHPs to work with Council for the provision of community housing within future Council strategic property development projects.

CO-ORDINATION

Officer:	GMCiD	GMCOD	CEO
Date:	09/06/2021	17/06/2021	17/06/2021



Affordable and Community Housing Policy – Development of Surplus Council Owned Land

Policy Type:	Policy		
Approved By:	Council	Decision No:	2466/2018, 0535/2020
Approval Date:	26/06/2012	Last Reapproval Date:	25 May 2020
Review Date:		Internal Reference No.:	
Department:	City Development	Division:	Strategic Development Projects
Function:	3 - Development Control	Responsible Officer:	Manager, Strategic Development Projects

A - PREAMBLE

Secure and affordable housing provides a fundamental basis for wellbeing and prosperity for our community. The issue of affordable housing is of concern to the City of Salisbury (“the City”) as escalating house prices pose a threat to its established reputation as an affordable and liveable city, and the social impacts on particular groups in the community are becoming increasingly apparent.

It is estimated that 48% (23,900) of households across the City with a weekly income of less than \$1,250 cannot afford a typical 3 bedroom house with single frontage within a new land division project¹. 15.6% (8,034) of households in the City are experiencing housing stress (defined as households in the lowest 40% of incomes who are paying more than 30% of their income on housing costs), which is higher than Greater Adelaide (12.6%)². Housing stress is disproportionately experienced by those members of the community who are renting. 34.3% (4,974) of renting households in the City are experiencing rental stress compared to 31.9% in Greater Adelaide³.

The State Government has adopted a target of 15% affordable housing to be provided in all new significant developments (defined as developments of 20 allotments or more) within designated affordable housing Overlays, as well as Zones and Policy Areas that include affordable housing in Council Development Plans. 15% affordable housing is also included on sale of government land, and must be addressed in major

¹ Holmes Dyer 2018, Low Cost Affordable Housing Research Paper prepared for City of Salisbury

² ABS Census 2016 via atlas.id, <https://atlas.id.com.au/salisbury>

developments through the Environmental Impact Study (EIS) process. In the future there will be an Affordable Housing Overlay in the Planning and Design Code.

One additional way in which Council can directly contribute to the affordable housing target is through the provision of affordable housing where Council seeks to develop surplus Council owned land for residential purposes.

B - SCOPE

1. This policy applies where Council develops surplus Council owned land for residential purposes.

C – POLICY PURPOSE/OBJECTIVES

1. The City Plan 2030 states that Council will provide a range of housing options appropriate for our diverse community.
2. Council's Affordable Housing Implementation Plan outlines the goals of the Implementation Plan to:
 - a. Achieve better housing outcomes for individuals and families;
 - b. Facilitate delivery of inclusive communities where people of all ages, backgrounds and incomes have a place to call home; and,
 - c. Advocate for increased low cost and affordable housing outcomes that are responsive to current and future needs of our community.

D - DEFINITIONS

1. For the purposes of this policy the term 'Affordable Housing' adopts the definition and criteria as specified by gazette notice pursuant to Regulation 4 of the *South Australian Housing Trust Regulations 2010 – Determination of criteria for the purposes of the concept of affordable housing*. The current gazettal³ contains three criteria that must be met for land or a dwelling in a development to meet the affordable housing determination:
 1. The land or a dwelling must be offered for sale to an eligible buyer ;
 2. If being sold for home ownership, the land or the dwelling must be offered for sale at or below the Gazetted price; and
 3. The development must be subject to a legally binding Land Management Agreement to ensure these requirements are met.

The associated price point is determined with reference to the General Affordability Indicator (mortgage or rental payments should be less than 30% of moderate household gross income). In 2018/19 the price for affordable housing is \$365,000 or less for dwelling (inclusive of GST), and \$164,250 or less for land only (inclusive of GST) for Greater Adelaide. Prices are reviewed and gazetted annually and should be considered at the time of each development.

In light of household income level of the City's community, the affordable housing will be offered for sale at or below the City of Salisbury specific price points, set at 10% below the State Government's affordable housing price points. Prices will be reviewed annually at the same time as the Greater Adelaide's Affordable Housing Price Points.

³ Notice Dated 29 November 2019, The South Australian Government Gazette No.13, 13 February 2020, pp.328-329

For the purpose of this policy, “Community Housing” is defined to be housing provided by community housing organisations that are eligible for the mandatory rates rebate under the provisions of the *Community Housing Providers (National Law) (South Australia) Act, 2013*.

For the purposes of this policy, a legally binding agreement is only necessary where Council seeks to on-sell a vacant allotment, to ensure subsequent development meets the affordable housing criteria.

For the purposes of this policy an Eligible Buyer is:

1. A person who is assessed as being eligible by the SA Housing Authority (eligibility is limited to low and moderate income South Australian households, and is adjusted for household size. An asset assessment is required to determine eligibility);
2. A registered housing cooperative under the *Community Housing Providers (National Laws) (South Australia) Act 2013*;
3. A person (natural or corporate) approved to provide affordable rental under the National Rental Affordability Scheme;
4. Defence Housing.

E - POLICY STATEMENT

1. Council commits to providing a minimum of 15% affordable housing when developing surplus Council owned land for residential purposes, where the site is considered appropriate. Appropriate sites are those considered to have good access to public transport, activity centres and community services.
2. Where a site is not considered appropriate for provision of affordable housing, any shortfall in provision may be provided in subsequent developments.
3. Council commits to offering affordable homes for sale at or below the appropriate price for the City of Salisbury to cater for the demographic of the local community where the site is located.
4. Examples of how affordable housing may be delivered include:
 - Lot size and dwelling design – design and construction of simple, high quality homes, resulting in a market value within the affordable price limit (e.g. smaller homes on smaller lots).
 - Delivering affordable rental options which may include partnering with, or selling to, an affordable rental provider such as Community Housing Provider or Defence Housing.
 - Exploring new delivery models through partnership which achieve commercial return as part of any future expressions of interest process and further investigate suitable mechanisms to facilitate balanced outcomes that consider financial and non-financial benefits arising from the projects (including exploration and investigation of opportunities for inclusion of a Community Housing component for the projects).
 - Financing that increases eligible buyer’s purchasing power – the sale of a residence in conjunction with specialised financing products that increase the buyer’s purchasing power up to 15% above the maximum sale price as an approved variation (such as subsidised financing options, which may make the sale price within reach of low and moderate income buyers).

- Exploring innovative approach to affordable housing by reducing the cost to the purchasers (e.g. grant funding attraction, occupation before completion, deferred payment or shared equity products).
5. Where Council is the developer of affordable housing, or enters into a partnership, (as opposed to selling a vacant allotment for future provision of affordable housing), the following measures will be considered during the design stage of the dwelling:
 - Environmental sustainability features that reduce on-going living expenses (such as measures to reduce utilities bills etc.);
 - The delivery of improved design outcomes;
 - Housing innovation and diversity by considering a range of product types.

F - LEGISLATION

1. South Australian Housing Trust Act 1995
2. South Australian Housing Trust Regulations 2010
3. Development Act 1993
4. Planning, Development and Infrastructure Act 2016
5. Community Housing Providers (National Law) (South Australia) Act 2013

G - REFERENCES

1. Housing SA Affordable Housing Design Guidelines

H - ASSOCIATED PROCEDURES

1. N/A

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