

WESTERN DOWNS REGIONAL COUNCIL

REGISTER - BENEFICIAL ENTERPRISE

Western Downs Housing Fund Pty Ltd & Western Downs Housing Trust

AMOUNT OF MONEY, THAT WDRC HAS COMMITTED TO THE ENTERPRISE

Amount invested \$12.00 - \$10.00 "settler" fee and \$2.00 for 2 shares in the Western Downs Housing Trust.

PURPOSE

Background

As a result of the emerging energy resources sector, the Western Downs Regional Council has identified the potential impacts that such projects will have on housing affordability, community infrastructure and liveability across the region.

In early 2011, Council identified that affordable housing as opposed to social housing should be addressed as a top priority for the Western Downs, with young families and seniors identified as priority groups. The aim of this preventative approach was to reduce the need for social housing, by providing housing at prices that low income earners can realistically afford.

In compliance with the Coordinator General's conditions, each major project proponent will be required to comply with an Integrated Housing Strategy, and the Office of the Coordinator General is seeking to implement aspects of the Western Downs Housing Strategy to ensure conditions are met.

In May 2011, Queensland Gas Company (QGC) offered the Western Downs Regional Council \$200,000 (ex.GST) to fund the development of a Western Downs Affordable Housing Strategy (Strategy) in order to assess and address the issues surrounding housing and liveability in the region as a result of various projects and their cumulative impacts.

In August 2011, a meeting was held with the Coordinator-General's office, Western Downs Regional Council and representatives from Queensland Gas Company (QGC), Arrow Energy, Origin Energy and OESR. At that meeting it was agreed to support the development and implementation of a Western Downs Housing Strategy.

On 1 August 2011, Council engaged KPMG in Brisbane to undertake the development of a Western Downs Housing Strategy.

The Strategy was presented to Council at its Ordinary Meeting on 14 December 2011, wherein Council adopted the Strategy.

The Strategy was released publicly on Wednesday 1 February 2012.

The Strategy

The Strategy rests on four key principles and five key focus areas:

Key Principles:

1. **Liveability** – ensuring that the response to forecast population growth and growth in the resource sector, as well as supporting infrastructure, maintains the liveability, amenity and 'sense of community' within the Western Downs region.
2. **Affordability** – ensuring affordability of housing is promoted through
 - a. Targeted supply side actions that deliver timely supply of residential land;
 - b. A diverse range of housing types into the market; and

- c. Actions that address accelerated demand growth.
3. **Flexibility and responsiveness** – delivering a suite of actions that can be taken in the short, medium and longer term to promote affordability of housing and which are responsive to changes in the drivers that impact the housing market in key Western Downs towns (e.g. population growth and demographic changes, land supply, resource, infrastructure and agriculture sector employment etc.)
4. **Accountability and capability** – ensuring that accountability for actions is assigned to the parties that:
 - a. Are responsible for service delivery and/or managing their impacts on the local community, and
 - b. Are most capable and have capacity to deliver the strategic action.

Key Focus Areas

1. Optimising the timely supply of residential land and housing
2. Aligning planning frameworks to support market based responses to increased population growth
3. Alleviating impacts of increased housing demand
4. Establishing effective monitoring and governance arrangements
5. Ensuring adequate funding to support housing strategy outcomes.

Housing Delivery Model

In January 2012 a housing delivery model was developed to implement the strategy based on the following objectives:

1. Optimise the outcomes of key focus areas
2. Allow Western Downs community input and collaboration
3. Address the requirements of the Office of the Coordinator-General as the regulatory body
4. Facilitate the development of strong strategic alliances, partnerships and cooperation between all levels of government, energy proponents and businesses
5. Attract appropriate levels of funding and other resources
6. Allow Council, chartered with the good governance of the Western Downs region, participation and facilitation at the highest strategic and implementation level.

Role of the Company/Trust

The housing delivery model encompasses the incorporation of the Western Downs Housing Fund Pty Ltd (WDHF), ACN 157 686 952, a company limited by shares, and the Western Downs Housing Trust (WDHT). The WDHF will act as the "Trustee" of the WDHT.

The WDHT provides a vehicle to develop new housing dwellings for affordable rental and purchase outcomes for lower incomes, key workers and/or other regional specific requirements (including liveability) and will:

- acquire surplus WDRC and State government land and existing WDRC housing stock;
- enter into funding agreements with resource entities to acquire land and develop affordable housing outcomes;
- acquire and develop land for the predominant purpose of providing affordable rental outcomes;
- provide rental housing at a percent of market incomes and to key service workers, with eligibility criteria to be determined; and

- target government assistance schemes and leverage private sector capital to increase the availability of affordable housing outcomes in the region.

The Western Downs Affordable Housing Trust Fund will operate in connection with the Company and will allow eligibility for not-for-profit status and registration as a public benevolent institution. The Trust will be used for public charitable purposes for the purposes of providing affordable housing benefits and outcomes for the Western Downs region.

All assets will be owned by the Trust on behalf of the WDHF. In the event of a winding up of the company/trust all moneys, properties and benefits held by the Trustee as Trustee of the Trust must be transferred to an Approved Institution with Deductible Gift Recipient status.

Financing of the Trust may occur through equity and debt capital, the sale of housing and from rental returns, donations, particularly relating to resource sector proponents either conditioned or unconditioned by the Coordinator General, access to a range of State and federal government schemes and tax exemptions related to not-for-profit status as public benevolent institutions.