

## AP290 BRISBANE HOUSING SUPPLY INCENTIVE POLICY

### OVERVIEW

Brisbane City Council has identified an urgent need to increase housing supply, diversity, affordability and choice as part of *Brisbane's Sustainable Growth Strategy* and *Brisbane's Housing Supply Action Plan*. A new initiative has been introduced that enables the delivery of housing supply to meet the challenges of population growth and changing housing needs of our diverse community through:

- a) studio, one-bedroom and two-bedroom apartments; and
- b) purpose-built social and affordable housing which is to be owned and managed on a long-term basis by community housing providers.

The financial impact associated with recovering upfront construction costs when developing new residential housing in Brisbane can be significant and act as a deterrent in delivering new housing to the market. This policy outlines Council's policy to reduce infrastructure charges that are payable to support the construction of eligible dwellings in appropriately zoned locations in Brisbane.

### APPLICATION

An eligible entity for a development approval that meets all requirements under this policy may make a written request to Council for an infrastructure charges reduction incentive in accordance with this policy.

This policy does not apply to:

- a) infrastructure charges levied by the distributor-retailer (Urban Utilities);
- b) a development approval where infrastructure charges levied by Council have been paid, or otherwise satisfied, or become payable under the Act; or
- c) development under a designation under the Act carried out by an entity other than a community housing provider.

### DEFINITIONS

In this policy a term that is not defined below has the meaning given in the *Brisbane City Plan 2014*:

**Act** means the *Planning Act 2016*.

**Affordable housing** means an affordable housing component under the Act, excluding any dwelling:

- a) being sold; or
- b) being leased for market rent.

*Note – See section 65A of the Act for the definition of 'affordable housing component'.*

*Note – 'being sold' does not include the sale of a dwelling to a community housing provider where the dwelling is to be owned and managed by that entity in a manner that would otherwise satisfy the definition of affordable housing.*

**Bedroom** has the meaning given in the charges resolution.

**Charges resolution** means the *Brisbane Infrastructure Charges Resolution (No. 12) 2023*, a previous or subsequent charges resolution made by Council under the Act as the context requires.

**Commencement date** means 24 October 2023.

**Community housing provider** means a national provider or a state provider within the meaning of the *Housing Act 2003*.

**Development approval** means the following:

- a) a development approval for material change of use under the Act; or
- b) a designation that identifies premises for the development of infrastructure for social or affordable housing under the Act.

**Development demand** has the meaning given in the charges resolution.

**Eligible dwelling** means a:

- a) social or affordable dwelling; or
- b) potential market dwelling.

**Eligible entity** means:

- a) an entity who will have the obligation to pay the levied charge for the development containing eligible dwellings and that is authorised to enter into an infrastructure agreement under the Act; and
- b) for social or affordable dwellings, a community housing provider who will own and manage the social or affordable dwelling.

**Potential market dwelling** means a dwelling that:

- a) contains two or fewer bedrooms;
- b) is part of a material change of use for multiple dwelling; and
- c) is not a social or affordable dwelling.

**Social housing service** means a social housing service regulated under the *Housing Act 2003*.

**Social or affordable dwelling** means a dwelling that is:

- a) owned and managed by a community housing provider;
- b) only for providing a social housing service or affordable housing; and
- c) is part of either:
  - i. a material change of use for multiple dwelling; or
  - ii. a designation that identifies premises for the development of infrastructure for social or affordable housing.

## INFRASTRUCTURE CHARGES REDUCTION INCENTIVE

Where the requirements of this policy are met, Council will reduce the amount of the infrastructure charges applicable to development demand for eligible dwellings forming part of an eligible development in accordance with Table 1 (Incentive Reduction):

**Table 1 – Incentive Reduction**

Decision notice for development approval that includes eligible dwellings first given	Eligible entity	Eligible dwelling type	Incentive reduction percentage for eligible dwellings
On or after 1 January 2022	Community housing provider	Social or affordable dwelling	100%
Between 1 January 2022 and 31 August 2023 inclusive of those dates	All eligible entities	Potential market dwelling	75%
Between 1 September 2023 and 30 June 2025 inclusive of those dates			50%

Eligibility for an incentive reduction under Table 1 is to be determined by reference to the date a decision notice for the development approval for a development application or designation is first given. This date will not change as a consequence of a subsequent decision made in respect of the development approval under the Act including but not limited to a decision in respect of change representations, a change application, an extension application or an appeal.

## ELIGIBILITY CRITERIA

Development must satisfy all of the following criteria:

- The development includes eligible dwellings and is subject to a development approval under the Act that:
  - is for a material change of use or designation; and
  - has not lapsed or been cancelled under the Act;
  - was first given:
    - on or after 1 January 2022; and
    - if the eligible dwelling is a potential market dwelling, on or before 30 June 2025.
- The eligible dwellings are on premises in one or more of the following zones under [Brisbane City Plan 2014](#):
  - High density residential zone;
  - Mixed use zone, where in the Inner city zone precinct;
  - Principal centre zone;
  - Major centre zone;
  - if the eligible entity is a community housing provider, another zone which Council determines at its absolute discretion to be suitable for the purpose of this policy.
- Council is satisfied, by reference to [Brisbane City Plan 2014](#), that the development under the development approval:
  - achieves quality subtropical design, with liveable balconies and appropriate landscaping requirements;
  - has made suitable provision for onsite carparking, is located for convenient access to public and active transport infrastructure, and minimises any adverse on-street parking impacts;
  - provides dwellings at a density, built form and building height that is appropriate.
- That the eligible dwellings cannot be lawfully used for short-term accommodation purposes.

5. For an eligible entity that is not a community housing provider, the construction of the development has not commenced at the time of the request.

*Note: in this policy, construction will be considered to have commenced if actions or activities have occurred specifically to carry out the approved development. Examples include earthworks to dig a basement in accordance with an approval, establishment of footings and foundations, materials, equipment and structures on site for the purpose of the development.*

*Site preparation activities such as clearing and demolition works associated with ceasing the existing use of the premises (i.e. works that could typically be carried out without reliance on development approval or change application) may occur without making the development ineligible, subject to any other required approvals.*

6. The levied charge for the development has not yet been paid (or otherwise satisfied) or become payable under the Act at the time of the request.
7. There are no development offences being committed in relation to the development.
8. Council is satisfied that the eligible entity is a suitable entity having regard to the eligible entity's previous record under this policy, including for example whether the eligible entity has previously failed to comply with its responsibilities under an infrastructure agreement entered into for the purposes of this policy.

## **REQUEST FOR INCENTIVE**

Council will only accept a request under this policy if:

1. the written request is received by Council:
  - a. after the commencement date; and
  - b. if the request is made by an eligible entity for a potential market dwelling, before 1 April 2026.
2. all of the applicable eligibility criteria have been satisfied;
3. the development has not (and will not) receive a benefit under another development incentive of Council; and
4. the request is made by the eligible entity or an entity who is not the eligible entity if that entity has the written consent of the eligible entity.

An entity must make a request to Council under this policy in a form approved by Council (if applicable) that demonstrates it complies with the requirements in this policy. The approved form may require:

1. evidence that the eligibility criteria have been satisfied; and
2. evidence that the person requesting the reduction is the eligible entity or has obtained the written consent of the eligible entity to make the request; and
3. any other material relevant to requesting an infrastructure agreement with Council.

Council will not provide pre-approval under this policy and will assess requests under this policy at the time when compliance with the eligibility criteria can be demonstrated.

Council will consider and determine all eligible requests made after the commencement date.

For an eligible request made by an eligible entity that is for a potential market dwelling:

1. the eligible request must be made before 1 April 2026;
2. Council will endeavour to determine these requests by 30 June 2026.

## INFRASTRUCTURE AGREEMENT FOR ELIGIBLE DEVELOPMENT

If Council is satisfied that the development meets the requirements of this policy, Council will offer to enter an infrastructure agreement with the eligible entity under the Act. An infrastructure agreement will be subject to terms and conditions to Council's satisfaction including, but not be limited to, provisions that:

1. Subject to the other provisions of the infrastructure agreement, provide for the reduction of the amount of the infrastructure charges applicable to development demand for eligible dwellings forming part of an eligible development in accordance with Table 1 (Incentive Reduction). The reduction will be applied at the time of payment of the infrastructure charges for the development under the Act and prior to the application of any demand credits, discounts or infrastructure offsets.
2. Require the payment of infrastructure charges for ineligible dwellings and ineligible uses in accordance the relevant infrastructure charges notice, charges resolution and the Act.
3. For social and affordable dwellings, may include the ability to require the payment of the full and unreduced infrastructure charges where dwellings cease to be a social or affordable dwelling, including after the use of dwellings commences. Any such requirement may continue to apply after a reduced charge is paid or taken to have been paid to ensure the benefit of the reduction is for dwellings owned and managed on a long-term basis by community housing providers.
4. If the development approval is subject to a necessary infrastructure condition under the Act, address the application of a set off or refund for the cost of the infrastructure after any reduction is applied under the agreement.
5. That subject to paragraph 4, the application of the infrastructure charge reduction will not, in any circumstance, require Council to make a payment to an eligible entity or repay levied charges already paid.
6. The levied charge, including any reduced levied charge, will be subject to automatic increase in accordance with the provisions of the Act, the relevant charges resolution, the relevant infrastructure charges notice and any other relevant policy of Council.
7. That the reduction will only be applied at the time of payment of the infrastructure charges for the development under the Act if there is no development approval for the premises that permits, and no development application or change application that seeks to permit, eligible dwellings to be used for short-term accommodation.
8. Development must reach completion as follows:
  - (a) for a development approval in effect before the commencement date—4 years from:
    - (i) the date an appeal about the development approval ends if:
      - (A) the appeal is started after this policy commences; or
      - (B) the appeal has been started but has not ended before the policy commences;
    - (ii) otherwise, the commencement date.
  - (b) for a development approval that takes effect on or after the commencement date—4 years from:
    - (i) if an appeal about the development approval is started, the date the appeals ends;
    - (ii) if no appeal about the development approval is started, the date the development approval starts to have effect under section 9 or 71 of the Act.
  - (c) Despite sub-paragraphs (a) and (b) above, if an appeal about a development approval is started and a tribunal or court hearing the appeal allows all or part of the development to start, the 4-year period commences from the date all or part of the development is allowed to start.
9. A date under paragraph 8 is not extended by a subsequent decision made in respect of the development approval under the Act including but not limited to a decision in respect of change representations, a change application or an extension application.
10. Completion, as it relates to this policy, is the date when the development commences use.

11. A date under paragraph 8 may be extended once by a period of no longer than 12 months at the written request of an eligible entity if Council is satisfied that a combination of extenuating circumstances outside the eligible entity's control have affected the development commencing use within the 4-year period.

**AUTHORITY**

Council (Resolution): 24 October 2023; 20 June 2024; 26 June 2025

**POLICY OWNER**

Divisional Manager, City Planning and Sustainability

**FURTHER ASSISTANCE**

For further assistance, please contact the Team Manager, Infrastructure Coordination, City Planning and Design, City Planning and Sustainability.

**RELATED INFORMATION**

Brisbane Infrastructure Charges Resolution

**REVIEW DATE**

This document will be reviewed annually in conjunction with the development of Council's budget.