

**ORDINARY MEETING****22 MAY 2024****14****GRANT APPLICATION: AUSTRALIAN GOVERNMENTS HOUSING SUPPORT PROGRAM – STREAM 1, 'CAIRNS CITY PRECINCTS URBAN REGENERATION PROJECT'**

93/4/2-01 | #7407264

**RECOMMENDATION:****That Council approves:**

- A. The retrospective funding application for \$655,441 under the Australian Governments *Housing Support Program – Stream 1* funding application for the proposed '*Cairns City Precincts Urban Regeneration Project*'; and**
- B. Delegates authority to the Chief Executive Officer in accordance with the Local Government Act 2009 to negotiate and finalise any and all matters.**

**INTERESTED PARTIES:**

Funding Body;

- Australian Government, Department of Infrastructure, Transport, Regional Development, Communications, and the Arts

*Note: The identification of interested parties is provided on a best endeavours basis by Council Officers and may not be exhaustive.*

**EXECUTIVE SUMMARY:**

This report provides an overview of Council's grant application and seeks retrospective Council approval to seek \$655,441 from the Australian Government's Department of Infrastructure, Transport, Regional Development, Communications, and the Arts under the *Housing Support Program – Stream 1* funding. The application is for funding 100% requiring no cash co-contribution from Council. Council will instead provide an in-kind contribution.

The proposed project is for the *Cairns City Precincts Urban Regeneration Project* and sets out to produce a roadmap to plan for increased infill housing within the Cairns CBD and two neighbouring precincts (Health, Universities, Film, Arts, & Sport). The project has strong alignment with work underway across Council including Major Events Precinct master planning, Towards 2050 and City Centre masterplan initiatives.

The proposed roadmap and precinct plans seek to address;

- Amenity and infrastructure requirements to support urban consolidation, with well-located and diverse housing supply

- Opportunities for heat reduction, improved urban canopy and access to green space.
- City resilience and hazard mitigation plans
- Connectivity, accessibility, inclusion and safety elements to improve walkability and liveability
- Future community infrastructure needs
- Opportunities to reflect the community's diverse identities and connection to Country

The project roadmap and precinct plans will enable Cairns Regional Council to;

1. Focus investment and infrastructure upgrades on recommended project priorities,
2. Implement project planning recommendations with amendments to the Local Plan, as the regulatory tool to improve efficiency and capacity to make decisions.
3. Communicate with community and industry on the direction for growth to align with directions from the Towards 2050 Growth Strategy.

## **BACKGROUND:**

### Grant Application Details:

The Australian Government's *Housing Support Program* is funding to help achieve the target of building 1.2 million new, well-located homes over 5 years from 1 July 2024. This Stream (HSP 1) aims to provide funding to State, Territory and Local Governments for projects which will improve planning capability.

- HSP 1 Grant opened: 27 March, 2024
- HSP 1 Grant application due, and submitted: Monday, 29 April 2024
- HSP 1 Grant funding award: 4-6 weeks from application close
- HSP 1 Project completion: 30 May 2025

### Project Proposal

Quality public realm is seen as a critical support mechanism in encouraging higher density, diversity, affordable, connected, and supported communities.

The projects aim is to responds to the early insights derived from the Toward 2050 Growth Management Plan in that it will;

1. Identify potential catalyst centres and precincts, invest in precinct improvement/placemaking strategies to stimulate development and support lifestyle and amenity outcomes in the target infill areas and develop an implementation strategy including clear communication with community and the development industry to generate confidence and interest for investment.
2. Support efficient use of finite land and infrastructure supporting a shift from greenfield development to medium to high-density residential.
3. Understand and plan for infrastructure to support densification including open space, local services, and public transport to support the inner-city lifestyle.

The project locations address findings of the Limitations to Medium Density Residential (MDR) Development Report which identifies the proposed precinct areas as having significant potential for MDR given the proximity to the CBD, hospitals, and airport.<sup>1</sup>

The Cairns City population is projected to increase by 32% from 2021 to 2046<sup>2</sup>. With a heightened growth within established inner suburbs of Cairns and Cairns City with an expectation of greater infill and higher density within these areas. The project seeks to provide urban infrastructure in well-located areas to support growth, higher density and diverse housing types to match Cairns' future resident household profiles.

### Retrospective Approval

This report seeks retrospective Council approval for the submitted funding application, as tight application timeframes and Council elections/onboarding processes meant the grant application was not presented for formal Council endorsement prior to lodgement. Councillors were notified of the intention to apply for this grant application via email on Wednesday, April 24, 2024, no objections were received at this time.

If support is not obtained by Council, the grant application will be rescinded.

### **OPTIONS:**

#### Option 1 (Recommended)

That Council approves:

- A. The retrospective funding application for \$655,441 under the Australian Governments *Housing Support Program – Stream 1* funding application for the proposed '*Cairns City Precincts Urban Regeneration Project*'; and
- B. Delegates authority to the Chief Executive Officer in accordance with the Local Government Act 2009 to negotiate and finalise any and all matters.

#### Option 2

Council does not retrospectively endorse funding application for \$655,441 under the Australian Government *Housing Support Program – Stream 1*. The application will be withdrawn.

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<sup>1</sup> Limitations to Medium Density Residential Development Report, Place Design Group, 2019

<sup>2</sup> Queensland Governments Statisticians Office (QGSO), 2023

## **CONSIDERATIONS:**

### **Risk Management:**

1. Risk: Workforce Planning, Consultant capacity, in a high-demand market environment.  
Mitigation: The risk will be addressed with a competitive tender process to identify project partners with availability and capacity.
2. Risk: Workforce Planning, short project funding deadline,  
Mitigation: The proposed project includes budget for a new a contract staff member to meet project timelines. The project team will have support and oversight from experienced Council staff to ensure project timeline commitments are reached.
3. Risk: Financial Management, Cost overruns, with unforeseen consultant and internal costs  
Mitigation: a contingency sum has been included within the proposed total project budget to account to unforeseeable cost escalation and project variations.

### **Council Finance and the Local Economy:**

The funding is 100% funded by the Australian Government Department of Infrastructure, Transport, Regional Development, Communications, and the Arts up to the value of \$5M and requires no cash co-contribution from the applicant (Council). The funding request totals \$655,441.33 ex GST. Council will provide an in-kind estimated contribution of \$464,730.00 and covers the management and review of the project by Council officers. The in-kind Council contribution is within the existing operating budget of the Growth & Sustainability branch.

The proposed project will address the following local economic considerations;

1. Signal investment and commitment to development in City Centre to match growth in Cairns' growing precincts. Supporting emergent growth corridors, ensuring precincts have amenity and infrastructure to support emergent jobs, economy and infill housing.
2. Signal to industry and investors that Council is committed to resilience and investment within the Cairns CBD and precinct areas.
3. Facilitate urban amenity to support increased social and affordable housing located close to essential facilities surrounding the city centre.
4. Provide a roadmap to increase and diversify the supply of housing, including opportunities for alternative government and non-government investment and incentives.
5. Providing a roadmap to support internal capital investment priorities and a framework to support Council in applying for future funding to support identified projects.

### **Community and Cultural Heritage:**

The proposed project aims to assist in revitalising the Cairns CBD and surrounding precincts through planning for well-located and diverse housing supply which will have the many benefits including;

- increased housing opportunities,
- safer streets,
- greener and cooler streets,
- walkable precincts,
- a city that is resilient to climate risk,
- public spaces that cater for and reflect our diverse community.

Additionally, the project focuses on identifying and then promoting living precincts co-located with servicing precincts (such as health) to promote well serviced and connected housing options. The project will assist in addressing locational disadvantage, which can increase the impacts of other indicators of socio-economic disadvantage and can increase vulnerability to increased rent, mortgage, and fuel costs.

Traditional Owners are identified as key stakeholders of the proposed project and the project will offer an Indigenous-led co-design process to ensure outcomes are culturally responsive and inclusive.

#### Natural Environment:

The proposed project recognises the link between precinct planning and hazard adaptation in planning for resilience and carbon reduction in our urban environments. The project is proposed as an integrated strategy that aligns with targets set out in CRC's Cairns Climate Change Strategy 2030 (CCS) and Coastal Hazards Adaptation Strategy (CHAS).

#### Statutory & Policy:

The project outcomes aim to include recommendations for policy amendments. This will enable Council to implement planning recommendations with amendments to the Local Plan, as the regulatory tool to support informed growth in the Cairns CBD in line with organisational priorities.

The proposed project has strong alignment with the following State Planning Policies,

<u>Policy</u>	<u>Policy Detail/Reference</u>	<u>Project Alignment</u>
<i>Queensland Housing Strategy 2017-2027:</i>	More affordable and accessible housing, stronger partnerships to grow supply, new and renewed neighbourhoods (p5):	the project aims to revitalise the Cairns CBD and surrounds through planning for well-located and diverse housing supply which will have the dual benefits of increased housing opportunities and safer streets.

<i>Queensland Housing Strategy 2017-2027:</i>	Partner with local government, local communities and industry to plan, design and deliver urban revitalisation in key economic zones (p7):	The project proposes a place-based pilot for urban revitalisation, with the longer-term aim being to replicate the approach in strategic inner-city suburbs of Cairns.
<i>Queensland Housing Strategy 2017-2027</i> core focus area:	Transformational development and opportunities (p5):	The project aims to foster growth, more affordable and accessible housing, stronger partnerships to build supply, new and renewed neighbourhoods.
<i>The Queensland Housing Strategy 2017-2027</i>	Affordable and innovative housing solutions (p17)	The project aims to plan for well-located and diverse housing supply
<i>Queensland Housing and Homelessness Action Plan</i>	Priority 5, Supporting regional housing (p12), Work with regional councils to increase and diversify the supply of housing, including opportunities for alternative government and non-government investment and incentives.	State, local government and private sector stakeholders aim to work collaboratively to identify, leverage, and manage development opportunities across the state to create greater housing choice and diversity, respond to local needs and improve neighbourhood liveability.

There are no identified statutory or policy barriers in undertaking the project.

### **CONSULTATION:**

The proposed project is based on previous consultation and engagement and recommendations from the following studies;

1. Towards 2050 Growth Strategy (in development) and draft technical studies
2. Limitations to Medium Density Residential Development Report, 2019
3. Understanding Urban Change Readiness, 2023
4. Cairns LGA Social and Affordable Housing and Homelessness Plan, 2023

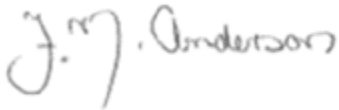
In addition, the project proposes a two-phase engagement process with community (with diverse of representation including age, ability, gender, and cultural background), industry, key precinct stakeholders and Traditional Owner groups (as outlined in the *Community and Cultural Heritage* section of this report).

The project proposed to engage and communicate with community and industry on the direction for growth to align with directions from the Towards 2050 Growth Strategy.

Engagement activities aim to support community and industry in developing urban change readiness for future growth within the Cairns CBD and surrounding precincts by assuring that amenity will be improved, not lost in the step change to urban density. This will align with priorities set out in the *Understanding Urban Change Readiness* work CRC has undertaken with Studio THI.

**ATTACHMENTS:**

Nil

A handwritten signature in black ink that reads "F. Anderson". The signature is written in a cursive, slightly slanted style.

Fleur Anderson  
*Executive Manager – Growth and Sustainability*

A handwritten signature in black ink that reads "Ed Johnson". The signature is written in a cursive, slightly slanted style.

Ed Johnson  
*Director – Planning, Growth and Sustainability*