

***A Local Government Approach to
Achieving Affordable Housing
in the Inner City***

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Abstract

The current study is set in the Melbourne suburb of St Kilda in the City of Port Phillip. St Kilda is an iconic Australian place name and has about it an individuality; it is bohemian, culturally and ethnically diverse and very mixed socio-economically. Nowadays however, that socio-economic mix at the low income end is under threat from gentrification and a real estate boom that has driven affordability to record lows, making home ownership and many rentals in the area only available to the upper middle class and above.

As part of an ongoing affordable housing strategy, in 1996 the local council commenced its most ambitious project, the development of a surplus council depot site. This was to be a demonstration project of cutting edge ecologically sustainable design built into a housing development with a salt and pepper mix of affordable social housing and private dwellings with a range of price points.

As the project evolved it became apparent it was going to be unprecedented at the local government level. The council master planned the site then entered a form of joint venture with a private developer. The developer took possession of the site but payment to council was largely in the form of housing units, purpose built to council requirements.

This research was an evaluation of that project from first conception to post-occupancy. Using a social constructionist perspective to critique and give insight into the project, the people and the political milieu, the aim was to determine whether council's approach represented a successful model for the delivery of affordable housing in the inner city, and if so, was the model transferable to other councils and other site specific situations. Once the planning commenced it was soon discovered that a hoped for mix of affordable entry points was not financially viable. As such, the study was an evaluation of the generation of community and some public housing.

For the evaluation to be complete, the study has necessarily been wide ranging in its exploration, including: political complexities; conceptualisation and master planning; risk; finance; and post-occupancy analysis.

The findings of the study suggest the model was robust and financially successful for council. The basic elements were considered transferable, but many lessons were learnt that would most likely alter how this or any other council might approach a similar project in the future.

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Finally, I acknowledge the unconditional support given to me by my wife Margaret who has had to tolerate a lot throughout this process.

Student Declaration

I declare that this thesis:

- contains no material which has been accepted for the award to the candidate of any other degree or diploma, except where due reference is made in the text of the thesis;
- to the best of my knowledge contains no material previously published or written by another person except where due reference is made in the text of the thesis;
- where the work is based on joint research or publications, discloses the relative contributions of the respective workers or authors;
- David Hudson of Swinburne Institute for Social Research proof read the thesis and suggested various grammatical or punctuation changes.

____/____/_____

Ron Aspin

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