

Submission form: Victoria’s draft 30-year infrastructure strategy

Your details

Name:	Karl Fitzgerald
Organisation (if applicable):	Grounded Community Land Trust Advocacy
Position (if applicable):	Managing Director
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About you

Please tell us which best describes you:

Victorian resident

Victorian business owner/operator

Industry professional

Community organisation representative

Local government representative

State government representative

Researcher

Other (please specify): Click or tap here to enter text.

Your focus areas

Select the topics or regions you are providing feedback on (select all that apply):

Topics	Regions
<input type="checkbox"/> Across sectors	<input type="checkbox"/> Regional Victoria
<input checked="" type="checkbox"/> Circular economy	<input type="checkbox"/> Urban growth areas
<input type="checkbox"/> Cities	<input type="checkbox"/> Melbourne
<input type="checkbox"/> Climate change	
<input type="checkbox"/> Community infrastructure	
<input type="checkbox"/> Education	
<input type="checkbox"/> Energy	
<input type="checkbox"/> Freight	
<input type="checkbox"/> Health	
<input checked="" type="checkbox"/> Housing	
<input type="checkbox"/> Infrastructure for Victoria's First Peoples	
<input type="checkbox"/> Transport	
<input type="checkbox"/> Water	

Your feedback

Add as many sections as you need to provide all your feedback in this submission.

Topic/area:	Build more social housing
Recommendation name:	Click or tap here to enter text.
Recommendation number:	Click or tap here to enter text.
1. Do you support this topic or recommendation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part
2. Tell us why	<p>The for profit development model has even failed middle class Australians. Demanding a deposit of \$175K is a sign of market failure. We agree a 10 year pipeline of investment is required, but additionally, there MUST be an affordability lock included in such policies so that public subsidy lasts longer than just one home owner. When this is conducted under a Community Land Trust model, affordable housing can become self-funding whilst remaining perpetually affordable. It is a logical progression of the Ground Lease model.</p>
3. Share any supporting evidence or examples	<p>Please read our recently released Grounded in Affordability report: The Economic Case for CLTs. This provides significant detail on the economic potentials if we were to use the best in land and housing taxation at a micro, site by site, level.</p>
4. Include proposed changes and improvements	<p>These include:</p> <ul style="list-style-type: none"> • a land lease of 1.5% based on annual land valuations • a 50% capital gains tax (rebadged as a Stewardship fee) • a resale formula that limits resale to 30% of AMI. <p>Together these work as an affordability lock that channels economic rents away from the seller and back towards the community, as represented by the independent Community Land Trust board.</p> <p>Improvements can be furthered by bringing the best practices in infrastructure financing into the CLT model, as you can read in the 4th recommendation.</p>
Topic/area:	Rezone locations near existing infrastructure for more home choices

Recommendation name:	Rezoning with no losers for new land title creation.
Recommendation number:	7
5. Do you support this topic or recommendation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part
6. Tell us why	We support this recommendation because it encourages best use of location, infrastructure and population density.
7. Share any supporting evidence or examples	Click or tap here to enter text.
8. Include proposed changes and improvements	<p>When Danial Andrews was in opposition, the ALP released a policy called Transport 10,000. It included innovative thinking such as embedding land value capture within any new land title created. The SRL is perfectly situated to benefit from such revenue potentials, with the number of land titles surrounding stations set to be significant. Residents would benefit in that they could buy the apartment without having to borrow so much for the land, as the LVC payments would be deducted from the land price. Therefore a lower overall bid would result.</p> <p>This could fit in with Recommend 7 Future option to use these revenues to replace stamp duties, alongside mandating (enabling) more affordable housing near existing infrastructure.</p> <p>A CLT may be a more decentralised version of a land value capture tax, reducing political risk, whilst encouraging community agency.</p>

Topic/area:	Indigenous housing
Recommendation name:	Invest in secure homes for Aboriginal Victorians
Recommendation number:	22
9. Do you support this topic or recommendation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part
10. Tell us why	Aboriginal Victorians have long suffered under-investment. Rigid public housing models have not taken into account indigenous housing preferences. It is time we allowed more flexibility in the building code to allow for sacred fire pits, outdoor shelter and men's and women's business.
11. Share any supporting evidence or examples	Read Design - Building on Country. CLTs & Indigenous Communities
12. Include proposed changes and improvements	Advocate for the utilisation of Community Land Trust models on the few forms of freehold title held in Victoria. Corranderk & Framlingham are two examples of aboriginal land ownership where housing cannot be sold due to the inability of Torrens Title to separate land from the improvements. Additionally, the Aboriginal Lands Act (1970) imposes restrictions on the sale of land. However, a land lease under a CLT could enable this much needed form of sovereignty.

Topic/area:	Infrastructure funding
Recommendation name:	Reform infrastructure contributions
Recommendation number:	36
13. Do you support this topic or recommendation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> In part
14. Tell us why	<p>Improved infrastructure funding is essential to affordable housing. Today's system is perfectly designed for banking profits. Why push infrastructure charges of \$59,000 onto a mortgage at a premium interest rate when the MMBW ran a beautiful system via infrastructure bonds for decades? Such a system delivered significant interest savings via the 10 yr T-Bill. Importantly, successive property owners repaid the infrastructure bond using site value rating.</p> <p>One purchaser shouldn't be lumped with the full infrastructure cost and then pass it on to the next buyer. A fairer way has been proven and must be brought back into play.</p> <p>An innovative way to proceed may be to launch a pilot Affordable Infrastructure bond via Vic Treasury. The savings enabled at various</p>

	affordable housing project sites would be quantified, such as the CLT projects we are looking to inspire, and used to justify its expansion at least cost.
15. Share any supporting evidence or examples	The Community Enabling Infrastructure Stream , as part of the Federal Government's Housing Support Program is a grants program to support infrastructure required in affordable housing projects.
16. Include proposed changes and improvements	The CEI grant could be expanded into an infrastructure bond. The bond would be established to mature over 20 years, utilising the government's AAA rating to attract a low cost structure. These are then repaid by property owners via the Site Value Rating component of municipal rates. An exemption could be provided in year 1 to exclude any growth pressures this may have on capped municipal rates.

More feedback (optional)

Tell us about infrastructure challenges, gaps or opportunities not covered by the draft strategy. This can include things you think we should add to an existing recommendation, or suggestions for a new recommendation.

Please provide evidence for your suggestions. This can include data, specific examples, cost benefit analyses, surveys, or program evaluations. Also, explain how your suggestions align with the objectives of our draft strategy (see page 11 of the draft strategy).

Suggestions for new recommendations should point towards infrastructure opportunities that can deliver long-term benefits for Victorians. They should also be areas where the Victorian Government has a leading role.

Click or tap here to enter text.



