

#### State Facilitated Development FAQs

This fact sheet provides answers to Frequently Asked Questions on the new State Facilitated Development (SFD) process under the Housing Availability and Affordability (Planning and Other Legislation Amendment) Bill 2023.

#### State Facilitated Development

State Facilitated Development (SFD) is one of the State's responses to deliver more homes, faster under Pillar 1 of Homes for Queenslanders. With a focus on applications that incorporate at least 15% affordable and/or social housing, the SFD team will expedite the assessment of proposals that can be substantially commenced within 2 years of being approved. The SFD pathway will support innovative housing solutions by rethinking traditional planning controls, and design and construction methods to drive equitable access to well-located homes in Queensland. Development proposals that optimise land use near existing services and maximise government investment are encouraged.

#### How does SFD align with Homes for Queenslanders?

The Homes for Queenslanders plan targets one million new homes by 2046 to address housing affordability, supply, and the state's growing population. To support this, the SFD pathway and a dedicated SFD Team have been established to accelerate planning and development. The SFD pathway streamlines approval processes for projects that boost housing supply and affordability, directly supporting the plan's goal of building more homes, faster.

### How does SFD align with the National Planning Reform Blueprint?

The SFD pathway aligns with the National Planning Reform Blueprint by streamlining approval processes and accelerating the development of diverse and affordable housing in well-located areas. This approach supports Queensland's efforts to access its share of the Commonwealth's \$3 billion New Home Bonus, which rewards states and territories that exceed their share of the 1.2 million well-located homes target set by the National Cabinet. By adopting the SFD pathway, Queensland aims to boost housing supply and affordability, thereby contributing to the national goal and benefiting from performance-based funding.

# What is the Incentivising Infill Development Fund and how will it respond to SFD?

The <u>Incentivising Infill Development Fund</u> is a substantial \$350 million fund by the Queensland Government aimed at encouraging housing development and addressing housing demand.

The fund provides targeted support for infill development, particularly in areas where there is high housing demand, where projects might otherwise struggle to get off the ground. One critical aspect of this support is infrastructure charges relief. Infrastructure charges are fees imposed on developers to cover the cost of public infrastructure (such as roads, utilities, and community facilities). By offering relief from these charges, the fund aims to enhance the feasibility of infill projects and accelerate their progress.

Developers interested in the SFD pathway may apply for SFD in conjunction with the Incentivising Infill Development Fund. Combining these approaches allows for streamlined development processes, financial incentives, and a strategic approach to housing supply.

## How do I know if I am eligible to be considered under the SFD pathway?

To be eligible to be considered under the SFD pathway, the application must be:

- a development application, or a proposed development application, for a material change of use of premises or reconfiguring a lot; or
- a change application, or a proposed change application, in relation to a development approval for a material change of use of premises or reconfiguring a lot.

This means that an application for SFD can be made for either an existing development application (which has been lodged with or already decided by the original decision-maker) or a proposed development application (i.e., not lodged prior to applying for SFD).

The application must also:

- assist in delivering development that is for an urban purpose and that is an identified priority
  of the State;
- comply with the criteria in the draft Planning Regulation 2017; and
- the Minister must consider this application to be appropriate for the Chief Executive of the Planning Act 2016 to assess.

The criteria required for development to qualify as SFD are specified in the draft Planning Regulation 2017 (as amended by the Draft Planning and Other Legislation Regulation Amendment 2024). A development proposal must comply with all the following requirements:

- The proposal must be for predominantly residential development and include an affordable housing component (at least 15% of all dwellings resulting from the development);
- The affordable housing component must provide a diverse mix of dwelling types or diversity in the number of bedrooms contained in the dwellings;
- The proposal is completely within a zone supporting residential development;
- The proposal is not within an environmental zone;
- The premises are or can be readily serviced by infrastructure for the development.

These criteria may be subject to change following public consultation on the proposed amendments to the Planning Regulation 2017.

In addition, proponents must be prepared to have substantially commenced the development within 2 years of receiving development approval.

#### What is an affordable housing component?

An affordable housing component is a component of development that includes:

- housing provided by a registered provider to an individual for residential use; or
- housing provided as part of a program, funded by any of the following entities, to support the provision of affordable housing—
  - (i) a public sector entity under the Public Sector Act 2022, section 8;
  - (ii) a local government;
  - (iii) the State;
  - (iv) the Commonwealth; or
- housing sold or rented below the typical market value on the basis of its type, composition, method of construction, size or level of finish.

This description may be subject to change following public consultation on the proposed amendments to the Planning Regulation 2017.

#### How do I get started with an SFD application?

To initiate an SFD application, proponents must agree to an intensive pre-lodgement process. During this phase, key considerations will be discussed and worked through with the project team.

The pre-lodgement process is crucial for understanding project requirements, assessing feasibility, and aligning the proposal with state priorities.

### What are the advantages of progressing a development application down the SFD pathway?

The SFD pathway is not bound by the State Development Assessment Provisions (SDAP) or local planning schemes. However, these may be considered during the assessment process for an SFD. This flexibility allows for tailored assessments that consider the unique characteristics of each project. While adhering to relevant policies and guidelines, the SFD process can adapt to specific circumstances, including outdated planning schemes, while promoting innovation and creative solutions.

The SFD pathway does not currently require application fees. Developers can submit their proposals without the financial burden of application costs. This cost-saving aspect encourages more applicants to consider the SFD pathway, especially for projects aligned with state priorities.

Lastly, by limiting appeal rights, there is greater certainty of timeframes for delivering projects.

### Can I change an existing approval granted by council through the SFD pathway?

When an application is declared as an SFD, several key aspects related to the application are affected.

Any decision previously made by the local government assessment manager regarding the application ceases to have effect.

If the application had received a deemed approval (meaning it was automatically approved due to the passage of time), that approval also stops having effect.

If there were any unresolved appeals against a decision made by the local government decision-maker, those appeals are discontinued upon the SFD declaration.

By discontinuing previous approvals and appeals, the SFD pathway introduces a fresh assessment framework, considering the changed circumstances.

#### How will consultation activities for SFD proposals be determined?

As part of the SFD application process, the Chief Executive may impose requirements for notifying and consulting with the public about the SFD application. Notification and consultation requirements may vary from project to project and will depend on the scale and nature of the proposal.

In most instances, public notification will be required where the development is substantially different from the planning intent described in the local planning instrument for the site, and therefore has the potential to result in impacts on an existing area or community. Public notification will also likely be required if the application would trigger Impact Assessment if it was to progress under the local government's planning scheme. The process for undertaking public notification for an SFD application is outlined in Schedule 3 of the draft Development Assessment Rules (DA Rules).

# Are there any third-party appeal rights under the SFD pathway?

The SFD pathway is designed to expedite housing projects in Queensland by streamlining the assessment process and providing greater certainty for developers and stakeholders.

Currently, appeal rights are available for Impact Assessable applications that are publicly advertised for comment. Under traditional development assessment processes, applicants or eligible submitters such as neighbouring residents, community groups, or other stakeholders can appeal a council's decision within specified periods if they believe it adversely affects their interests.

The SFD pathway limits third-party appeal rights for state priority developments, such as affordable and infill housing. This approach enhances efficiency and provides greater certainty of timeframes for delivering projects. It accelerates project delivery while ensuring a balance between state priorities and community interests.

Community input will still be assessed as part of the SFD pathway through public notification for projects that are significantly different from the planning intent outlined in the local planning instrument, or those triggering an Impact Assessment under the local planning instrument. This input will be considered during the assessment process to ensure relevant community concerns are addressed, even though the appeal rights are limited.

# Can I request an SFD application if I have an application before the Planning and Environment Court?

When an application has already been subject to a decision by the Planning and Environment Court (P&E Court), it means that the matter has undergone a formal legal process and received a ruling.

If you wish to request an SFD application for a project that is being considered or has previously been considered by the P&E Court, there is a critical requirement that the new application must be substantially different from the one decided by the P&E Court.

In other words, the proposed development under the SFD pathway should not merely replicate the previous application. It must introduce significant changes or modifications.

This condition ensures that the SFD process does not override or undermine the decision made by the P&E Court. It respects the legal outcome of the court proceedings.

### How is the SFD pathway different from a Ministerial Infrastructure Designation?

The SFD pathway caters to proposals that do not meet the criteria for a Ministerial Infrastructure Designation (MID), but still offer innovative and affordable housing solutions.

The types of affordable housing that can be considered under the MID process are listed in Schedule 5 of the Planning Regulation 2017. This includes housing provided through state-funded social or affordable housing programs or by registered providers under the Housing Act 2003.

The SFD pathway aims to deliver a diverse range of housing, including affordable options, with ancillary non-residential uses. SFD proposals do not have to be state-funded or provided by registered providers. Key principles guiding the SFD pathway include emphasis on good design, sustainability, and alignment with state growth management instruments and policies (such as ShapingSEQ 2023).

An approved MID doesn't directly authorise development; rather, it designates specified work as 'accepted development' under the *Planning Act 2016*. This means that development under a MID

doesn't require a separate development approval. However, once the use is no longer as approved under the MID, a separate development approval will be required.

In summary, while both pathways facilitate housing development, the SFD pathway focuses on diverse housing solutions, while the MID pathway primarily addresses fully affordable housing funded by the state or provided by registered providers. Each has distinct eligibility criteria and serves specific roles within the broader development context.

#### Who do I need to speak to in the State Government to find out more information?

You can send an email to <u>SFD@dsdilgp.qld.gov.au</u> and the team will be able to provide you with detailed information, answer any specific queries you may have, and guide you through the SFD process.

For more information on Inclusionary Planning in Queensland, please visit Inclusionary Planning Pilot.