

Townsville City Council

Local Housing Action Plan 2024 – 2027

Townsville City Council acknowledges the Wulgurukaba of Gurambilbarra and Yunbenun, Bindal, Gugu Badhun and Nywaigi as the Traditional Owners of this land. We pay our respects to their cultures, their ancestors and their Elders – past and present – and all future generations.



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1. Foreword

The Townsville Local Housing Action Plan (TLHAP) was prepared by Townsville City Council, the information contained within has been validated and feedback incorporated by industry peak bodies through prior consultation and engagement including – Housing Institute of Australia (HIA), Property Council Australia (PCA) and Master Builders Australia (MBA).

The TLHAP will preface the broader strategic planning approach to housing via the Housing Strategy which informs the Townsville City Plan and Local Government Infrastructure Plan.

2. Introduction

Townsville is the largest city in northern Australia in terms of both population and economy. It is often the fastest-growing city in the region and named the unofficial capital of North Queensland, being the largest city in Australia outside of the greater capital city region.

It is expected that Townsville's economy and population will continue to grow, expanding the scale and diversity of employment, education and lifestyle opportunities available in the city and wider region, benefiting both existing and future residents. Townsville's growth is driven by the role it plays in:

- industrial development and diversification
- national defence
- healthcare
- education
- government administration
- professional services
- services and retail
- the resources sector
- the energy transition



Townsville's land availability, access to resources and its fundamental characteristics means it is ready for growth.

Townsville is one of the few cities outside a greater capital city region that is highly capable of supporting significant population and economic expansion. The city also has a key role to play in relieving growth pressures in greater capital city regions, and providing businesses, individuals, households and governments with a genuine and increasingly attractive choice as a place to live, work and invest.

Without sufficient and appropriate housing, including providing for housing choice and affordability, Townsville will not be able to achieve its growth potential. Without the right housing, Townsville will also not be able to continue to provide a high quality of life for its residents and optimise its contribution to the Queensland and Australian economies.

While Townsville remains relatively affordable, like most of Australia, it has seen a significant increase in housing demand. There has not, however, been a sufficient or sustainable increase in new housing delivery. The

cost of new housing delivery, along with the rest of the country, has also increased significantly. Those factors have combined to reduce both housing affordability and housing availability in Townsville. For the city to achieve its growth potential, there needs to be a significant increase in the rate of housing development.

Fortunately, there is sufficient land zoned for both urban growth and infill housing potential to support that development. The industry is capable and engaged to deliver additional housing, especially if the right policy settings and other supports are in place. Council and a range of other local stakeholders are keen to support the growth and development of Townsville.

This Local Housing Action Plan ('Plan') sets out key actions that should be taken by Local and State government to support the significant increase in new housing delivery necessary to support Townsville's population and economic growth.

Key actions set out in the Plan



1. Infrastructure and Amenity

Support planned urban growth and infill housing areas to achieve their potential.



2. Planning and Regulation

Support accelerated delivery of new housing, with a focus on infill housing within urban growth areas.



3. Advocacy

Working with partners to secure funding and establish tax, insurance and social housing policies that benefit Townsville.



4. Social, Affordable and Workforce Accommodation

Accommodation that meets housing demands that cannot be met without targeted housing delivery.

Council is seeking to partner with Queensland and Federal Governments, industry and other local stakeholders, to ensure the implementation of the actions set out in this Plan.

Key aims of the Plan are to:

- a. Increase the rate of new housing delivery per annum by around 500 dwellings, above the average level of the last 5 years achieving around 1,200 new dwellings per year;
- b. Increase the proportion of new housing being delivered as infill development from less than 5% to at least 10%; and
- c. Maintain Townsville's affordability advantage relative to capital city housing markets.



3. Development in Townsville

Population growth, along with \$413 million in building approvals in 2022-23, has led the Australian Bureau of Statistics to predict that Townsville will become one of Australia's fastest-growing cities.

During this period, more than 590 residential lots within the Townsville region were released to the market, despite RBA and inflation increases across the nation.

Current Housing

In 2021, there were 77,897 private dwellings in the Townsville LGA with 56,674 detached dwellings and the remainder comprising townhouses, apartments, and other types of dwellings. The average household size in Townsville is 2.5 persons¹. An estimated 60.45% of private dwellings are owner-occupied, while 36.6% are rented. In the 2021 census, 89.7% of dwellings were recorded as occupied, with 10.3% unoccupied. Additionally, there were 2,562 dwellings rented from a Queensland Government authority, including 409 social housing units. For the 12 months ending 31 March 2023, there were 6,356 residential dwelling sales at a median sale price of \$380,000. The median rent for a three-bedroom house was \$410 per week². Since the census, 35 town houses, apartments and dwelling others have been developed and over 800 detached dwelling have been constructed. Following COVID-19, Townsville saw the construction of 764 new dwelling houses, but there was a dip in the volume of final building certificates received in mid-2022. However, the number of dwelling finals received has progressively increased since then, with over 100 finals received in Q1 of the 2023/24 fiscal year. Since 2021, Townsville's housing typology has been dominated by detached houses, with multiple dwellings making up only 4.3% of housing finals between 2021 and 2024.

Forecast Growth

The Townsville region is anticipated to continue experiencing significant growth. The predicted industry growth, combined with the relocation of defence personnel to the region will continue to exacerbate housing market stress if solutions are not identified. In addition to the influx of key industry workers and defence personnel, Townsville's population is predicted to reach 264,899 by 2046³.

It is estimated that an additional 7,700 dwellings will be required by 2029 to support the population growth projections. Based on the 5-year average annual approval rate, there would be a shortfall of dwellings on the ground by 2029. An increase in the annual approval rate will need to be seen to meet the projected demand for housing.

This growth is a result of a project pipeline that is worth \$32.1 million in committed funding, across 58 projects.

From 2024 to 2029, there is expected to be the addition of 4,763 ongoing jobs across the Townsville region, with the estimated jobs to change as future projects secure funding.

¹ Australian Bureau of Statistics, Census of Population and Housing, 2021

² QLD Rental Tenancy Authority

³ Queensland Government Statistician's Office, population projections, 2023



4. Key Focus Areas

Areas of focus have been determined through a review of existing data and engagement with stakeholders. These focus areas will be considered when identifying and prioritising actions.



1. Infrastructure and Amenity

To achieve growth projections, the development of increased housing stock requires the delivery of trunk infrastructure. Townsville's dominant housing stock of detached dwellings on newly created lots in growth areas necessitates the delivery of trunk infrastructure, unlike infill gentle density development.

Councils collect contributions from developers to support investment in trunk infrastructure; these are known as infrastructure charges. However, the Queensland Government caps the level of infrastructure charges the Council can levy, and the capped charges are less than the actual cost to the Council of delivering infrastructure.

This discrepancy has become more pronounced in recent years due to significantly faster civil construction cost escalation compared to general inflation. The projected industrial and employment growth in Townsville will support the Queensland budget through increased payroll tax, royalty, land tax, and stamp duty income.

A commitment to accelerated delivery of trunk infrastructure will address development industry concerns related to the decision to increase infrastructure charges.

Accelerated investment in trunk infrastructure remains the most effective tool available to the government to support housing supply in Townsville.

When done correctly, the amenity can enhance the liveability of the city and make spaces more desirable for people. This is especially important within our key activity centres.

Creating comfortable and vibrant places for our community through well-considered urban design is crucial for making Townsville an attractive place to live, work, and visit.

This involves providing a cohesive and integrated built environment, public spaces where people can gather and interact, continuous and appealing streetscapes and landscapes, improved connectivity, and pedestrian-friendly, visually engaging frontages.



2. Planning and Regulation

To ensure housing development within Townsville satisfies the demand for housing, appropriate planning and regulatory settings need to be in place. Council's planning framework includes the Townsville City Plan and the Queensland Development Code which manages the growth and change of the city with an overarching vision for the city in mind. Council's aim to increase the rate of new and diverse housing delivery and increase the proportion of residential infill development will need to be reflected within the Townsville City Plan.

Planning Scheme

The Townsville City Plan was adopted in 2014 and was the first planning scheme for the amalgamated Townsville and Thuringowa local government areas. A key intention of the plan was to curtail urban sprawl by consolidating urban growth to the existing footprint of approved residential areas. In the 10 years since the adoption of the plan very little development has been approved outside of the urban footprint. However, due to a legacy of an oversupply of approved greenfield development, infill development has been underwhelming.

Council is progressing Package 1 Major Amendment to the City Plan. It includes amendments that seeks to support affordable, accessible and diverse housing choices in Townsville. A ministerial condition was

imposed on Package 1 Major Amendment during the State Interest Review which requires Council to prepare a Housing Strategy within a year of adopting the amendment.

The Housing Strategy will focus on identifying planning scheme amendments that assist in facilitating greater housing supply and diversity. An important consideration for the Housing Strategy will be to promote infill development that is well-located with jobs, services and infrastructure. The Housing Strategy's recommend amendments will ensure zoning and provisions facilitate infill development, such as gentle density and may include the implementation of a small lot code to be adopted into the Townsville City Plan.



Housing Diversity

Typically, there have been only two choices of housing in Townsville, single detached houses or high-density apartment living.

There are significant demographic factors driving the need for a more diverse range of housing in Townsville. Not all current and future households want single detached houses or multi-storey apartments.

Trends such as downsizing, smaller families, retirees, defence personnel, and students highlight the need for housing diversity, particularly smaller homes. The North Queensland Regional Plan suggests options like terraces and semi-detached dwellings in inner and middle suburbs to meet this need. These infill or gentle density developments can make better use of existing infrastructure and offer more affordable housing for smaller households.

North Queensland faces several barriers that hinder the development of gentle density housing. High insurance costs, labour shortages, and financing challenges have all contributed to the limited housing diversity seen in recent decades. Townsville, in particular, has an estimated 14,000 urban infill sites available for development. These sites hold the potential to rejuvenate the city and its surrounding communities. To overcome these barriers and promote housing diversity in Townsville, collaboration with industry, the private sector, and both the Federal and Queensland governments will be essential.

Natural Hazards

Building resilience across Townsville, especially in housing stock, will be critical in reducing recovery times and rebuild costs. Council is undertaking a suite of work to improve the resilience of the city's residential land and the community more broadly. As part of this effort, Council is undertaking background studies, risk assessments and planning scheme reviews for natural hazards including flood, coastal hazard, bushfire and landslide. This work will then inform amendments to the Townsville City Plan, aligning it with the State Planning Policy for natural hazards and improving the city's housing resilience.

Council is also progressing the Adapting to Coastal Change in Townsville (A2CCT) project, a coastal hazard adaptation strategy to firm up the city's approach to responding to a changing coastal zone. To support future planning and master plans, Council recommends that the Queensland Government consider the following:

1. Include in the Queensland Government's Regional Resilience Strategy the need for greater development controls in areas of high flood risk.
2. Reinvigorate the Resilient Homes Fund to enable key regional cities such as Townsville that are prone to areas of high flood risk to build resilience and prevention.





3. Advocacy

Ongoing collaboration between Local, State and Federal government is critical to addressing the multifaceted housing challenges the Townsville community faces. Many of the challenges that impact housing availability and appropriate residential development are beyond the capabilities of a local government such as tax and insurance. Appropriate policy settings will need to be in place at all levels of government to support the increased rate of new and diverse housing delivery and to increase the proportion of residential infill development while maintaining Townsville's housing affordability.

Insurance

It is imperative that the Cyclone Reinsurance Pool is fit-for-purpose and meets the challenges it set out to address, which is to provide more affordable and commercially viable insurance for North Queenslanders.

Insurance availability and affordability remains a critical concern across North Queensland. A significant number of households and businesses are underinsured or are without insurance, given the spiralling costs of insurance premiums.

The cost of insurance continues to be a challenge across Northern Australia with premiums for residents well above those experienced for the rest of the country.

Strata insurance plays a significant role in housing development, particularly in multi-unit residential buildings where ownership and responsibility are shared. It provides a safety net for property owners

within a shared building or complex, covering common property and individual units against damage and liability claims. This insurance is crucial for managing risks associated with shared property ownership.

With the rising costs of strata insurance, it's essential for owners and strata managers to find cost-effective solutions that offer adequate protection. This financial aspect can influence the overall affordability and value of housing in a strata-titled development. A significant concern in strata communities is underinsurance, where the property is insured for less than its actual value, leading to inadequate coverage in case of a claim.

Furthermore, opportunities should be explored to deliver infill housing solutions that eliminate the need for strata titling insurance schemes. This approach would reduce insurance costs and enhance the financial viability of these housing options.





Policy Initiatives

Policy initiatives have a critical role in attracting investors and developers to build in the Townsville LGA.

Council's City Activation and Housing Incentive Policy 2024-2025 assists with the attraction of investment and employment opportunities to the Townsville LGA by means of allowing approved applicants access to waivers or fees, subsidies, and grants. The Policy promotes economic growth and city activation by generating investment, increasing housing diversity, supporting community activities and creating employment opportunities.

The City Activation and Housing Incentive Policy 2024-2025 consists of three components as follows:

Component 1 Infill Housing

Provides waiver of Infrastructure Charges to support infill housing development including, new housing construction, conversion of existing non-residential floorspace to housing and creating new lots.

Component 2 Modernising Buildings

Offers cash grants up to \$30,000 to refresh, modernise or upgrade buildings, focused on building facades, in the Townsville City Core and City Fringe areas, improving the attractiveness, vibrancy and safety of the City Centre.

Component 3 Employment Generating Developing

Supports employment generating development through waiver of Infrastructure Charges.

Several funding programs have been announced by the Queensland and Federal Governments to support the development of housing, including the Homes for Queenslanders: Fund to fast-track well-located homes, with the fund covering the cost of infrastructure for residential infill development. Critical to this is the construction of trunk infrastructure to facilitate the rapid development of homes. Council's own grants and incentives program supports residential development through the waiving of charges and fees for a mix of development types. Council's ongoing commitment to review the grants and incentives program will have a focus on exploring further opportunities to promote infill/gentle density development.

Council will continue to monitor changes to both existing and new state and federal policies and standards to ensure Council's commitments align with them. This includes the National Construction Code's Liveable Housing Design Standards. As these standards change building requirements for dwelling development, Council will evaluate how these changes impact the community and give them consideration in council adopted and proposed policies and standards.



4. Social, Affordable and Workforce Accommodation

Townsville’s location and diverse economy make it an attractive destination for both new industries and the expansion of established ones. As the city’s industrial sector and population continue to grow, there will be an increasing demand for a wide range of housing options, including workforce accommodation, social housing, and affordable housing.

Project and Workforce Accommodation

The Townsville Local Government has a tight labour force with an unemployment rate of 3.1% as of the December 2023 quarter⁴. The unemployment rate of Queensland in that same quarter recorded 4%⁵.

It is expected that approximately \$4.1B will be invested in committed projects in the Townsville region, according to the Queensland Major Contractors Association Major Project Pipeline Report, over the next 5 years. Key growth industries include defence, health care, manufacturing and green energy⁶.

Significant and large projects expected to occur in the Townsville region include:

| Project | Number of Jobs | |
|---|-------------------------------------|-------------------------|
| Powerlink/CopperString | 800 for construction | Up to 100 for operation |
| Townsville Energy Chemicals Hub (Queensland Pacific Metals) | 1,400 for construction | 350 for operation |
| Project Green Poly (Quinbrook Infrastructure Partners) | 4,400 in construction and operation | |
| Green hydrogen production facility (Edify Energy Pty Limited) | Unknown | |
| Australian Defence Force | 500 defence personal | |

Figure 10: Key regional projects⁷

The expected investment in these major projects in the Townsville region will require significant labour forces, particularly during the construction phase. It can be expected that the existing construction, trade and skill occupations will service these projects. However, specialist skills and trades will be sourced from outside of the Townsville region. A better understanding is required to understand how an increase in labour workforces coming into the Townsville region will impact an already tight housing market.

To support these economic activities a minimum of 2,000 new dwellings will be required. The constrained housing market not only affects Townsville’s current population, but also impacts the seasonal workforce, primarily those working in tourism and agriculture⁸. Australian Defence Force has confirmed Townsville will add an additional 800 personnel to Townsville regiments. Further collaboration with Australian Defence Force and Defence Housing Australia will need to take place to ensure adequate measures are in place to housing essential defence personnel.

⁴ Jobs and Skills Australia, Small Area Labour Markets, December 2023

⁵ Jobs and Skills Australia, Small Area Labour Markets, December 2023

⁶ Queensland Major Projects Pipeline 2023

⁷ Townsville Enterprise: Key Regional Projects, 2024

⁸ Queensland Major Projects Pipeline 2023

Social Housing

In the Townsville LGA there were 3,278 tenancies in government managed social rental housing at 30 June 2023. The tenancy data suggests that 7,339 people were occupants in a government managed social rental.

As of 31 December 2023, there were 1,886 applications on the Social Housing Register for social housing with the applicant's first preferred location being in the Townsville LGA. These applications are to provide homes for 3,635 people. Applications for social housing on the register was to provide housing for 1.9 people on average. More than 540 applications have been on the Social Housing Register for more than three years.

The Social Housing Register at 31 December 2023 indicates that the majority of applications in the

Townsville LGA required a one-bedroom dwelling (1,010 of the 2,042 applications). More social housing developments will need to be constructed to adequately support the ongoing demand and this will require collaboration of all levels of government and private entities.

Further collaboration with the community will need to be undertaken, to address the 'not in my back yard' (NIMBY) sentiment and bring the community on the journey. Greater effort to undertake public consultation and delivering modern construction approach that aligns with community expectations will work towards creating a community that meets the needs and expectations of all residents and is critical to fostering community acceptance for needed social housing.

Case Study – Award winning Mundingburra Social Housing development

Located off Ross River Road is the award winning Mundingburra Social Housing development. Designed by local architects, the project provides 18 new 2 and 4 bedroom homes with built form appropriate for the Townsville climate. With easy access to nearby amenities such as public transport, and a design that creates a sense of community and promotes passive surveillance, the housing development enhances the existing streetscape. While seamlessly integrating with the surrounding context, the development exemplifies the ideal model for social housing in Townsville.



Affordable Housing

Over 4000 Townsville residents are in need of affordable housing, with 2,545 experiencing rental stress and 1570 experiencing homelessness or are marginally housed¹⁰. Continual housing market pressure will continue to exacerbate the demand for affordable housing in the

Townsville LGA. Greater resources are required to address the demand for affordable housing and will require a multi-disciplinary approach to adequately supply the demand for affordable housing.

⁹ Housing, Local Government, Planning and Public Works. (2023). Tenancies in Government managed social rental housing at 30 June 2023 - Data File
¹⁰ idcommuity, housing monitor, Affordable housing need

5. Action Plan

The Council with the support of the Queensland Government through the Housing and Homelessness Action Plan 2021-2025 is committed to engage in the delivery of its initial Local Housing Action Plan through this set of actions, developed to target immediate to longer term housing responses.

This is an iterative process, and these actions and target outcomes will seek to either create immediate benefit or to establish foundations that help respond to ongoing housing need through achieving the Key aims of the Plan.

| 1. Infrastructure and Amenity | | Timeline |
|-------------------------------|--|------------------------|
| 1.1 | <p>Prioritise trunk infrastructure delivery to support new housing development in both urban growth and existing urban (infill) areas, through:</p> <ul style="list-style-type: none"> • Identification and prioritisation of trunk infrastructure projects with the highest capacity to support housing delivery; • Advocacy (consistent with Advocacy Actions below) for significant and ongoing State and Federal Government financial support for infrastructure needed for housing delivery and community amenity; • Identification and targeting of grant funding programmes that can support infrastructure needed for housing delivery and community amenity; • Annual review of infrastructure charges to support Council's capacity to invest in infrastructure that facilitates housing delivery; and • Allocation of infrastructure charges revenue to a 'trunk infrastructure reserve account', so that funds are available for trunk infrastructure investment when needed (to be implemented by the 26/27 financial year). | Ongoing |
| 1.2 | <p>Invest in amenity in and around the City Centre and Major Centres to enhance their attractiveness as places to live and for housing investment, including through:</p> <ul style="list-style-type: none"> • Focused approaches to placemaking in these precincts; • Location of social and community infrastructure in these precincts; and • Develop and implement a City Centre Greening Strategy. | Ongoing |
| 2. Planning and Regulation | | Timeline |
| 2.1 | Implement planning strategies and policies that encourage gentle density / missing middle development (i.e. small lots, townhouse and transit orientated development) in both in infill and greenfield areas. | Immediate |
| 2.2 | Prepare the Townsville Housing Strategy to inform the City Plan Review and future amendments. | Underway |
| 2.3 | Introduce a Design Review Process for major new residential developments. | Short-term (1-2 years) |
| 2.4 | Review and implement infrastructure charges incentives policies targeted to support infill housing development. | Ongoing |
| 2.5 | Work with partners to identify barriers to and opportunities for infill housing development (such as through feasibility / case studies) and opportunities to improve viability. | Short-term (1-2 years) |
| 2.6 | Support alternative forms of housing delivery, such as land lease communities, in appropriate locations. | Ongoing |

| 3. Advocacy | | Timeline |
|-------------|---|----------|
| 3.1 | <p>Work with partners in relation to Federal and State policy settings and priorities regarding housing, including the following:</p> <ul style="list-style-type: none"> • Funding, especially for infrastructure; • Infrastructure charges; • Tax, finance and insurance, and • Social and affordable housing policy. <p><i>* Partners include local development and housing industry, Property Council of Australia (PCA), Urban Development Industry of Australia (UDIA), Housing Industry Association (HIA), Master Builders Queensland (MBQ), Townsville Enterprise Limited (TEL), Mount Isa to Townsville Economic Development Zone (MITEZ), North Queensland Regional Organisations of Councils (NQROC), Chamber of Commerce (CoC), State agencies, Local Government Association of Queensland (LGAQ), Regional Development Australia (RDA), and Community Housing Providers (CHPs).</i></p> | Ongoing |

| 4. Social, Affordable and Workforce Accommodation | | Timeline |
|---|---|----------|
| 4.1 | Work with Defence Housing Australia to support and encourage housing delivery to meet the needs of the expanding defence workforce in Townsville. | Underway |
| 4.2 | <p>Work with State Government and Community Housing Providers to support accelerated delivery of social housing appropriate to the Townsville context, especially in terms of:</p> <ul style="list-style-type: none"> • Location and distribution; • Scale and design; and • Management and support for tenants. | Ongoing |
| 4.3 | Support well-located and designed affordable housing delivery appropriate to the Townsville context. | Ongoing |
| 4.4 | Advocate for Queensland government to conduct an audit of available social housing, stock and land assets to support higher levels of utilisation and redevelopment where appropriate. | Ongoing |
| 4.5 | Consider supporting dedicated workforce accommodation for the construction phase of major infrastructure and industrial investment projects, where it can be demonstrated that it is needed to support the investment and/or to avoid significant impact on the local housing market. | Ongoing |
| 4.6 | Support investment in student housing to facilitate the growth of the educational sector and education opportunities in Townsville. | Ongoing |

6. Monitoring and Evaluation

The establishment of a Local Housing Action Plan Working Group by Council represents a significant step forward in our collective effort to address the housing challenge.

This group, comprising key representatives from the Council, relevant State agencies, stakeholders, and community organisations, will play a pivotal role in overseeing the implementation of actions, reviewing findings, and reporting biannually on the progress made.

The commitment to an open partnership model ensures transparency and inclusivity in the development of the Local Housing Action Plan (LHAP), fostering a collaborative environment where diverse perspectives contribute to more effective solutions.

The introduction of key focus areas provides a clear framework for measuring progress, while annual reviews ensure that Council are not only on track but also adapt to our city's evolving needs. These reviews will serve as critical checkpoints to reflect on our achievements and identify areas for improvement.

Moreover, the willingness to adjust strategies based on feedback and changing economic conditions demonstrates a dynamic and responsive approach to planning. This flexibility is essential in a landscape where economic factors can shift rapidly, impacting housing markets and the needs of our residents.

As we move forward, it is imperative that we maintain a steadfast focus on our goals, continuously engage with our community, and remain adaptable to change. Through these concerted efforts, we can strive towards a future where every member of our community has access to affordable, quality housing – a cornerstone of a thriving, sustainable City of Townsville.





Appendix

Background

The Queensland Housing Strategy 2017-2027 represents the Queensland Government's comprehensive ten-year plan to tackle housing challenges within the state, with a primary aim of enhancing housing affordability and accessibility for all Queenslanders.

The Queensland Housing Strategy is supported by various action plans, including the Housing and Homelessness Action Plan 2021-2025 (the Action Plan). The Action Plan provides a focused framework for a four-year period to achieve the goals of the Queensland Housing Strategy.

Action 5 of the Action Plan commits the Queensland Government to work with regional councils to increase and diversify the supply of housing, including opportunities for alternative government and non-government investment incentives.

The development of the Local Housing Action Plan by Townsville City Council, in partnership with the LGAQ, is Action 5 in practice. The Queensland Government has allocated funding to the LGAQ to support regional councils in addressing key issues and facilitating needed housing development within the local government area.

Approach and Methodology

The plan provides an overview of key community and housing characteristics, emerging issues related to housing in the community. From these findings a targeted priority actions to respond to housing need were identified.

Townsville Context

Townsville is located about halfway between the tip of Cape York and Brisbane. The Ross River flows from the foothills of the Hervey and Mount Stuart ranges to its outlet in Cleveland Bay, where the CBD's skyline is dominated by the distinctive Castle Hill and Magnetic Island lies just eight kilometres offshore.

National parks and other reserves include Magnetic Island, Paluma Range, Wet Tropics of Queensland World Heritage Area, Bowling Green Bay National Parks, and the Cape Pallarenda and Townsville Town Common Conservation Parks. Our region is partly within and adjoins the Great Barrier Reef World Heritage Area, the Great Barrier Reef Marine Park and the Queensland State Marine Park.

Townsville is the largest city in northern Australia and is commonly referred to as the capital of North Queensland. The city acts as the key administrative, education, research and service centre for the region, offering diverse employment opportunities, affordable housing, a tropical climate, and a wide range of outdoor recreational and cultural opportunities¹¹.

Townsville is a thriving region with access to a variety of world class education facilities, leading edge health care, future-based industry, spectacular events and entertainment, dining precincts and a wide range of outdoor recreation options. With over 300 days of sunshine each year, Townsville's lifestyle is second to none.

Outside the southeast corner, Townsville is North Australia's largest city with a population of an estimated 201,433 people in 2023 and is currently experiencing rapid residential expansion through the Northern Beaches growth corridor.

The Townsville Local Government Area is situated on the traditional lands of the Wulgurukaba, Bindal, Gugu Badhun and Nywaigi peoples and covers 3,736 square kilometres (0.2% of the total area of the State of Queensland). Regionally, Townsville lies within the Burdekin Dry Tropics Region, which covers approximately 95,000 square kilometres and includes Bowen, Ayr and Charters Towers.

¹¹ North Queensland Regional Plan, 2020

Townsville has a diverse economy with significant industries including retail trade, health and education services, government administration and defence, construction, mining, manufacturing, and property and business services. Rail and the Port of Townsville provide a transport hub for the region's mining and agricultural industries, as well as for locally-based Xstrata Copper Refinery, Sun Metals Zinc Refinery and the Queensland Sugar Corporation Distribution Centre.

A pipeline of significant committed projects such as Copperstring, NQSpark, Lavarack and RAAF Base upgrades, Townsville Port expansions and Queensland Resources Common Users Facilities secures Townsville's economic prosperity into the future but also reinforces the importance of planning to accommodate the growing city. In addition, to these committed projects, numerous industrial projects with the Lansdown Eco-Industrial Precinct (LEIP) and the Cleveland Bay Industrial Park (CBIP) are projected to contribute significantly to Townsville's growth.

Townsville is a major service centre, and the main centre for government administration outside Brisbane. Tertiary-level health services are provided by the Townsville University Hospital and Health Service. There are a number of research institutions such as James Cook University, the Australian Institute of Marine Science, the Great Barrier Reef Marine Park Authority, the Department of Agriculture, Fisheries and the CSIRO.

Townsville is Australia's largest garrison city with a significant army presence and air force base. This presence will grow in the next 5 years, with the recent Defence Strategic Review outlining an increase in army personnel numbers by 500. These extra personnel plus family members will increase housing demand in the coming years. In response to this, Defence Housing Australia has announced the 'New Builds Volume Leasing Program' to build 500 new dwellings within Townsville.

Queensland Statistical Areas, Level 3 (SA3), 2021 - Townsville (ASGS Code 31802)

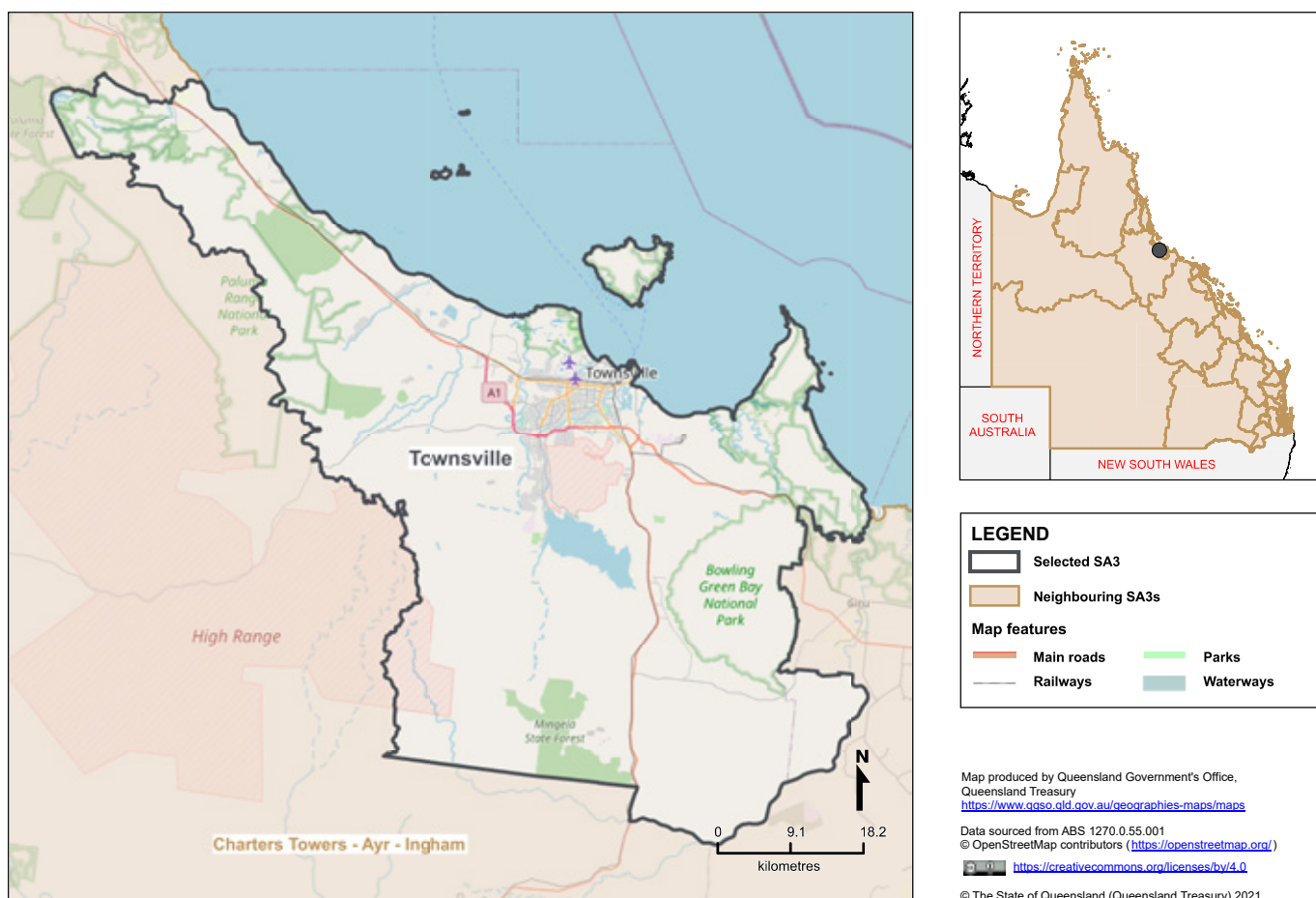


Figure 1: Townsville Local Government Area¹²

¹² Queensland Government Statistician Office, Regional Profile – Townsville, 2022

Local Government Area Characteristics

The Townsville population reached an estimated 201,443 in June 2023 and is projected to reach 264,899 by 2046. The Townsville Gross Regional Product is \$15,106b with 117,028 residential workers.



Townsville Population
2023
201,443¹³



Projected Population
264,899
by 2046¹⁴



GRP
\$15.106B¹⁵



Residents Working
117,028¹⁶



Number of local businesses
12,672¹⁷



Overnight visitors
1.075 million¹⁸



Jobs generated by
Health Care etc
18,621¹⁹



Building approvals
\$1.2 B
in building approvals²⁰



Unemployment rate
3.1%
lower than the Queensland
average of 4%²¹

Demographics

Age

Townsville's population has a higher number of residents aged 20-29 (15.6%) than any other age group as of 2022 with a clear pattern of reduced numbers in population as the ages exceeds 45²². Generally, men make a larger portion of the population up until the age of 30 where women make up a marginally greater portion of the population.

Age Characteristics

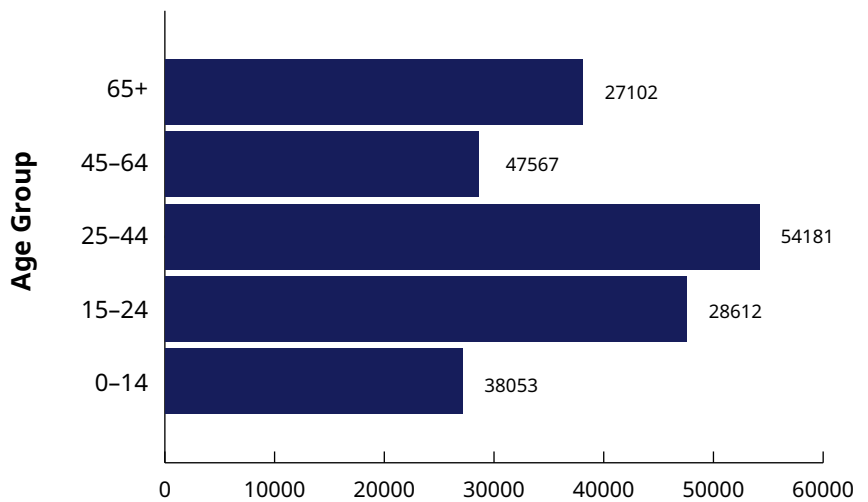


Figure 2: Townsville population by age group²³

13 Australian Bureau of Statistics, Regional Population, 2023
 14 Queensland Government Statistician's Office, Medium Series Population Projections, 2023
 15 National Institute of Economic and Industry Research, 2023
 16 Jobs and Skills Australia, Small Area Labour Markets, December 2023
 17 Australian Bureau of Statistics, Counts of Australian Businesses, including Entries and Exits, 2023
 18 Tourism and Events QLD, September 2023
 19 National Institute of Economic and Industry Research, 2023
 20 Queensland Government Statistician's Office, Building Approvals, 2023
 21 Jobs and Skills Australia, Small Area Labour Markets, December 2023
 22 Australian Bureau of Statistics, Regional summary: Townsville
 23 Australian Bureau of Statistics, Regional Population, 2023

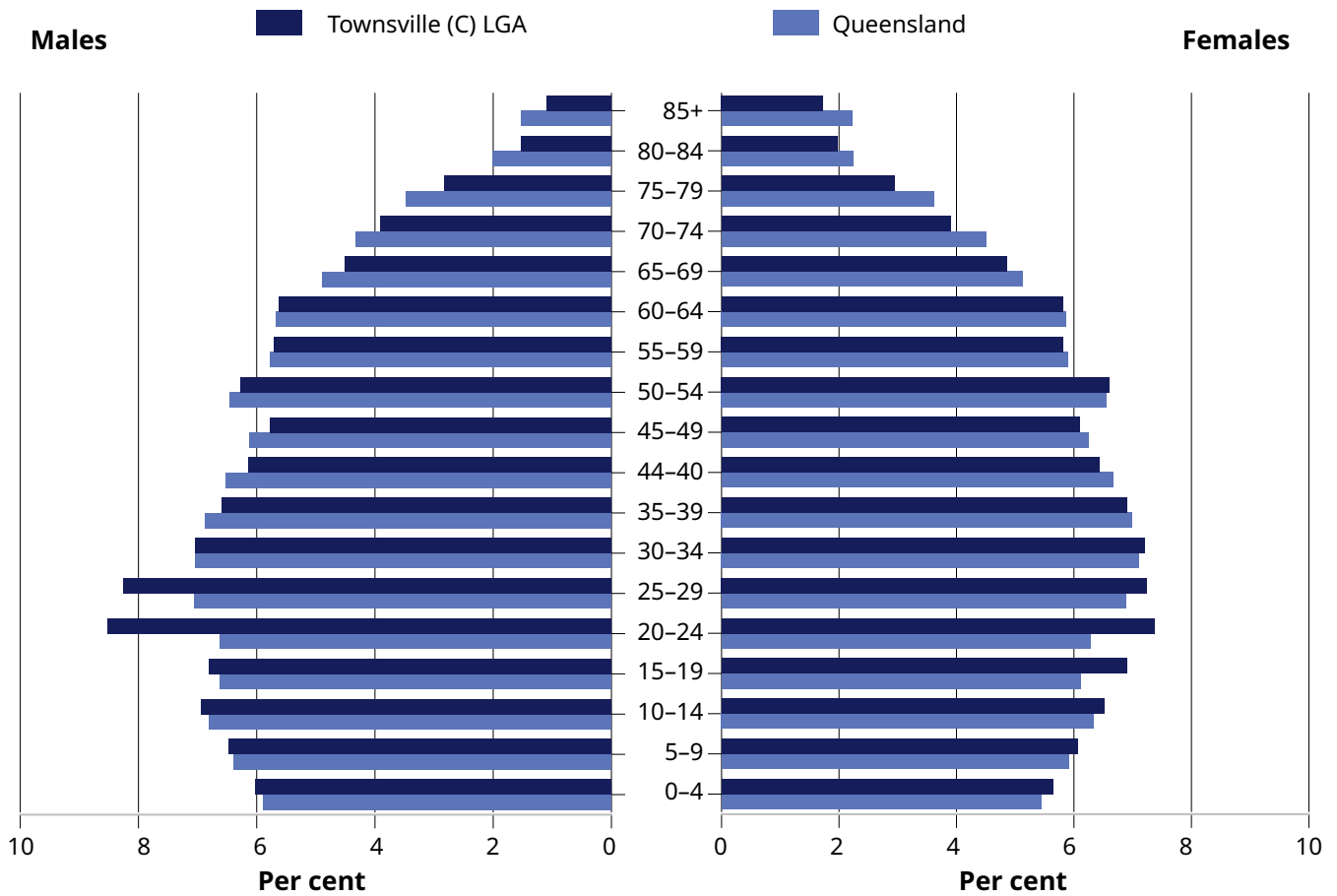


Figure 3: Townsville resident population by age and sex²⁴

Household Composition

Townsville's household composition is primarily made up of couples with children (26%) followed by couples without children (25.4%) and lone person households (24.2%) in 2021. Lone person household composition has increased by over 2,500 households since 2016, being the household composition with the greatest growth in Townsville²⁵.

| Household Composition | 2016 | | 2021 | | 2021 QLD | Change 2016 to 2021 |
|----------------------------------|---------------|------|---------------|------|------------|------------------------|
| | no. | % | no. | % | % | |
| Couples with children | 19,776 | 27.7 | 19,600 | 26 | 25.2 | -176 |
| Couples without children | 17,805 | 25 | 19,119 | 25.4 | 27.3 | +1,314 |
| One parent families | 8,272 | 11.6 | 8,963 | 11.9 | 10.8 | +691 |
| Other families | 808 | 1.1 | 888 | 1.2 | 1.0 | +80 |
| Group household | 3,245 | 4.6 | 3,087 | 4.1 | 3.6 | -158 |
| Lone person | 15,689 | 22 | 18,245 | 24.2 | 23.4 | +2,556 |
| Other not classifiable household | 3,943 | 5.5 | 3,583 | 4.8 | 4.8 | -360 |
| Total Households | 71,273 | | 75,241 | | 100 | +2,617 |

Figure 4: Townsville housing composition

²⁴ Australian Bureau of Statistics, Townsville population by age and sex, 2022
²⁵ Australian Bureau of Statistics, Region summary: Townsville

First Nations

The Townsville region has a higher proportion of Aboriginal and Torres Strait Island Peoples when compared to the proportion of the population across the state. An estimated almost 1 in 10 (9.7% or 19,125) Townsvillians, identifies as Australian Aboriginal and/or Torres Strait Islander in 2021. The diverse traditional owners in the region are the Wulgurukaba, Bindal, Gugu Badhun Nywaigi and the Manbarra, who have recently submitted claimant applications to be recognised as Traditional Owners of land within the Townsville local government area.

| Estimated resident Aboriginal and Torres Strait Islander population | Townsville | Queensland | Australia |
|---|------------|------------|-----------|
| no. | 19 125 | 273 119 | 983 709 |
| % | 9.7 | 5.1 | 3.7 |

Figure 5: Estimated resident Aboriginal and Torres Strait Islander population²⁶

The Aboriginal and Torres Strait Islander Census population of the City of Townsville in 2021 was 16,268, living in 6,387 dwellings. This population is comprised of 11,920 people identifying as Aboriginal, 2,045 identifying as Torres Strait Islander and 2,306 identifying as Both Aboriginal and Torres Strait Islander in the 2021 Census. In Townsville, there was an increase of 3,224 people identifying as Aboriginal and/or Torres Strait Islander between 2016 and 2021, equating to a ~25% increase to the Indigenous population. Changes in the number of people who identified as Aboriginal and/or Torres Strait Islander in the Census can be understood by looking at demographic factors and non-demographic factors. The ABS found that the change in the number of people identifying as Aboriginal and/or Torres Strait Islander in Australia was a significant increase by changes in people's cultural identification between Census and throughout life. Townsville Indigenous population is expected to continue to increase over time²⁷.

The Aboriginal and Torres Strait Islander population in the Townsville LGA has a much younger demographic compared to the non-indigenous population. Over 34% of the Aboriginal and Torres Strait Islander population is aged between 0-14 years and the proportion of the population over 65 years is 4.4%, which is low when compared with 14.3% of the total Townsville population in that age bracket.

Household Income

The graphic below shows household income statistics for the Townsville region. Most notably median mortgage repayment in Townsville is lower than Queensland as a whole, while the median total family income, median total household income and median total personal income is greater in Townsville than Queensland.

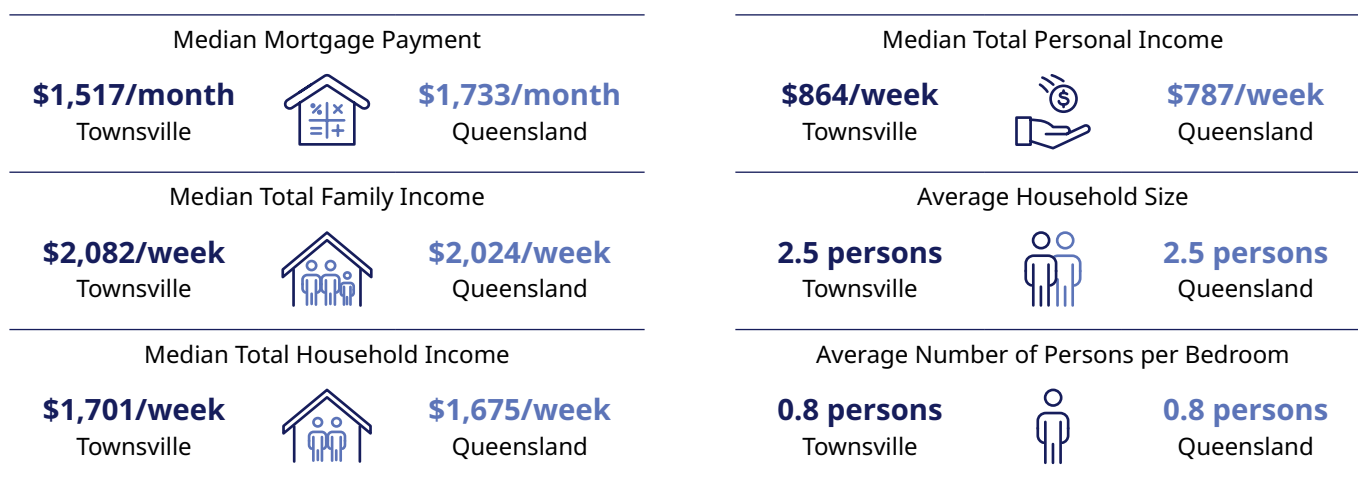


Figure 6: Townsville household income distribution²⁸

²⁶ Australian Bureau of Statistics

²⁷ Australian Bureau of Statistics, Understanding change in counts of Aboriginal and Torres Strait Islander Australians: Census, 2021

²⁸ Australian Bureau of Statistics, Census of Population and Housing, 2021

Housing Characteristics

Dwelling by Structure

Townsville is dominated by single detached dwellings, making up 81% of all dwelling types in the Local Government Area. Semi-detached dwellings make up the second most common dwelling typology (11%). Townsville’s SA2, Hermit Park-Rosslea has the greatest diversity of housing diversity with 43.7% of dwelling types being single detached dwellings and SA2 Townsville City - North Ward is seen as the only SA2 in Townsville’s local government area as being predominantly comprised of semi detached dwellings and apartments.

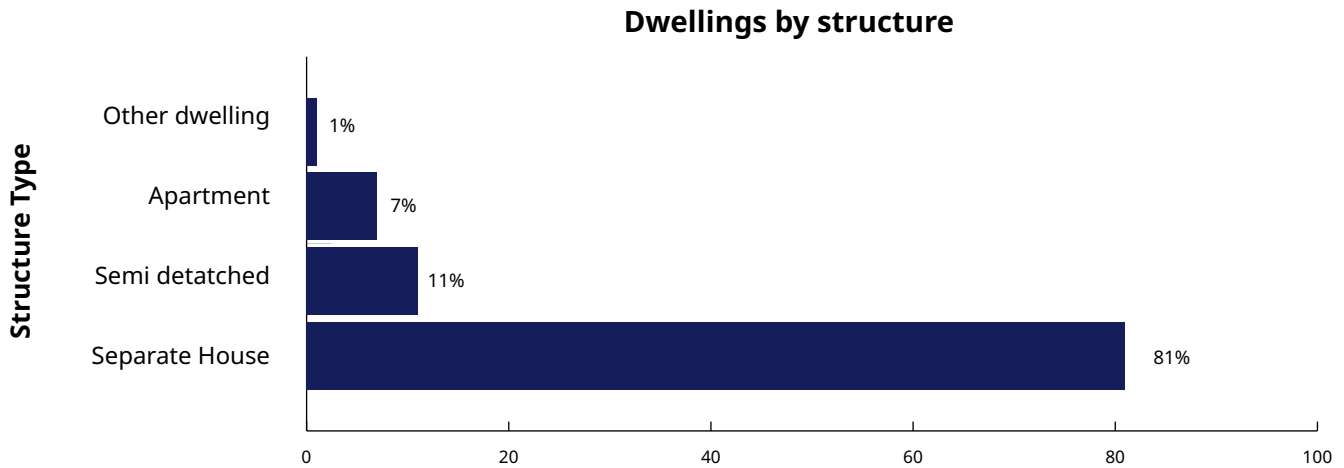


Figure 7: Townsville number of dwellings by structure types

Housing Ownership

| Housing tenure type | | Fully owned | Owned with Mortgage | Rented | Other |
|---------------------|--------|-------------|---------------------|--------|-------|
| Townsville | Number | 17,274 | 24,981 | 25,586 | 2,046 |
| | % | 24.71% | 35.74% | 36.6% | 2.92% |
| Queensland | % | 29.1% | 34.4% | 33.1% | 3.5% |

Figure 8: Townsville tenure composition³⁰

Figure 8 shows that Townsville has a slightly lower rate of Home Ownership than the Queensland average with just over 60% of Townsville’s residents owning their homes outright or with a mortgage. However, home ownership in the Aboriginal and Torres Strait Islander population is significantly lower than the Townsville average with only 35.5% of First Nations’ residents either owning outright or with a mortgage, while 61.2% of the Aboriginal and Torres Strait Islander population is renting.

Over 6,500 Townsville residents are experiencing housing stress, with 22.1% of residents in rental stress and 5.84% in mortgage stress (spending more than 30% of their household income on their rent or mortgage)³¹.

³⁰ Australian Bureau of Statistics, Census of Population and Housing 2021, General Community Profile
³¹ Australian Bureau of Statistics, Census of Population and Housing, 2021

Renting in Townsville

A tight rental market is characterised by a vacancy rate below 2.5%. The rental vacancy rate for the Townsville LGA has been 1% or lower since September 2020³².

The tight rental market is increasing costs to rent with the median rental price in 2023 being \$430 per week, up from \$305 in 2021³³.

With significantly lower affordability throughout the city there is a substantial risk of increasing numbers of persons seeking social housing support over the coming period.

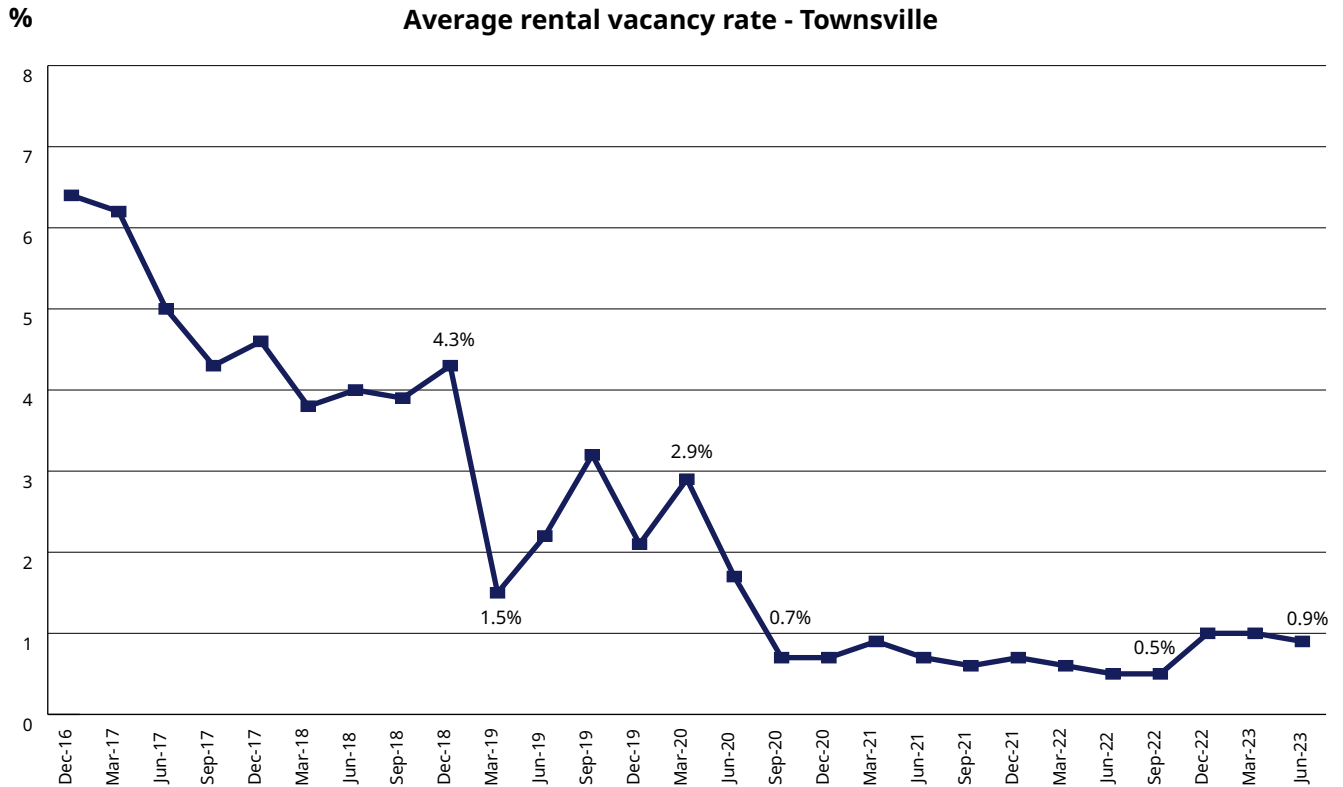


Figure 9: Townsville historical rental vacancy rate³⁴ PCA

Townsville’s median weekly rent is significantly lower than the Queensland average. However, those under rental stress (paying more than 30% of their household income towards housing) is significantly higher at 45.5% than the Queensland average of 32.3%.

³² PCA, Real Estate Institute of Queensland, 2023

³³ idcommunity, housing monitor, 2023

³⁴ PCA, Real Estate Institute of Queensland, 2023





townsville.qld.gov.au