

MEDIA RELEASE

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Construction commences on \$20M affordable housing developments

Gladstone Affordable Housing (GAH) today celebrated the commencement of construction of two affordable housing developments, which represent an investment of approximately \$20M by Gladstone's three LNG proponents to assist the area's key workers who struggle to afford market rental prices.

Assistant Minister for Planning Reform, Rob Molhoek MP, and Gladstone Mayor Cr Gail Sellers were on hand to turn the first sod at the Glenlyon Street site, one of two locations currently under development. The second development is underway at Fisher Street.

The launch was also attended by community members, neighbours, representatives from Australia Pacific LNG, Santos GLNG and QGC who fully funded the \$20M initiative, Member for Gladstone, Liz Cunningham MP, Gladstone Regional Councillors and GAH representatives including Chairman, Professor John McAuliffe AM, and Chief Executive Officer David Cant.

Mr Cant said the not-for-profit organisation was excited to be realising its commitment to the construction of Gladstone's first dedicated, mixed tenure affordable housing developments to benefit the area's low to middle income earners.

"GAH is thrilled to be turning the first sod. These schemes have been designed with great care to achieve beautiful, well designed spaces people will be proud to call home," Mr Cant said.

He stressed that while the availability of "market" rentals had increased in recent times, there continued to be an undersupply of quality, affordable housing in the Gladstone area.

"While Gladstone rental prices have eased overall, they are still not affordable for GAH's target group," Mr Cant said.

"We want to ensure workers who earn low to middle incomes, such as teachers, nurses, emergency services personnel, hospitality, retail and childcare personnel, can find somewhere to live without spending the bulk of their household budget on rent.

"The affordable housing options GAH is developing with the financial support of Queensland's LNG proponents specifically cater for key workers who struggle to afford market rental prices," Mr Cant said.

Assistant Minister Molhoek commended GAH and the three LNG proponents for their innovative approach to addressing a long-term gap for Gladstone.

"Queensland's LNG proponents should be commended for working with the State Government and council to provide affordable housing in Gladstone," Mr Molhoek said.

"Together, GAH and its LNG funding partners have established a unique alliance, creating a local, sustainable, affordable housing company to provide a long-term service to the community.

"Providing affordable housing was mandated by the Queensland Coordinator-General in Social Impact Management Plans designed to mitigate impacts on the community.



"It's great to see Gladstone's industry flourishing on the back of this sector and the town's residents supported through more affordable housing," Mr Molhoek said.

Both the Glenlyon and Fisher Street properties, which are strategically located in and adjacent to the CBD, are being developed simultaneously by Badge Constructions.

Development of an initial 12 units at Glenlyon Street is expected to take nine months, with the first units likely to be available to tenants in early 2015, while the 32 Fisher Street units and villas should take approximately 12 months to complete.

Each complex will include studio, one, and two-bedroom units with three-bedroom villas also available at Fisher Street. These different configurations will satisfy the needs of a large cross-section of prospective tenants.

Further information is available online at www.gladstoneaffordablehousing.com.au.

ENDS

EDITOR'S NOTE: Photo opportunities will be available at the sod turning event which is being held today, 4 September from 10am at 40 Glenlyon Street (access from Central Lane). Artist's impressions of both developments are also available. **PLEASE NOTE: Covered shoes are obligatory.**

About Gladstone Affordable Housing

Gladstone Affordable Housing (GAH) is a not-for-profit organisation specifically structured to meet the needs of the Gladstone region. GAH has been carefully designed to bring together the expertise of Queensland's largest not-for-profit affordable housing provider, BHC (Brisbane Housing Company), local knowledge and experience of Gladstone's housing needs through Roseberry Community Services and targeted funding from the LNG proponents.

The three LNG proponents – Australia Pacific LNG, Santos GLNG and QGC – are contributing a total of \$19.8M, with Gladstone Affordable Housing hopeful that the innovative model will draw other industry investment in the future.

GAH's development model is based on the successful BHC model of mixed tenure developments and will include a mix of affordable housing rentals and market for sale housing. GAH retains ownership of some accommodation, renting it out at discounted rates and sells the remainder. These sales ensure there is a good mix of tenants and importantly, any profits generated go directly back into developing more affordable housing, specifically for Gladstone.

GAH's mixed tenure model is financially and socially sustainable and will provide a positive contribution to the Gladstone community's medium to long-term housing needs.

The affordable rental housing will be based on a discounted market rent model. The amount of the discount will be structured to ensure affordability for key target groups.

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