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Mr Ben Sieben Manager, Governance and Legislation PLUS Adelaide SA 5001

Ben.Sieben@sa.gov.au

Re: Planning, Development and Infrastructure (Vehicle Parking) Amendment Bill 2025

Dear Mr Sieben,

The Property Council of Australia is the leading advocate for Australia's largest industry - property.

We thank the South Australian Government for the opportunity to provide feedback on the proposed Planning, Development and Infrastructure (Vehicle Parking) Amendment Bill 2025.

Consulting with members across our South Australian Division, the Property Council wishes to express grave concerns on behalf of members with regards to the proposed legislation.

Our members have a direct interest in ensuring planning reform delivers outcomes that increase supply, are practical in their operation and strike the right balance between business viability and affordability.

We respectfully submit that neither the proposed Bill nor the policy intent behind it passes this test in an environment where housing affordability is paramount.

We thank you for your consideration of this submission.

Bruce Djite SA Executive Director, Property Council

Exacerbating the impacts of the Housing Crisis

South Australia's current housing crisis requires flexibility in design and planning regulations in order to pave the way for achieving its share of the National Housing Accord Target of 1.2 million new dwellings by 2029. This proposed bill imposes greater restrictions on developers that will negatively impact the rate of residential supply and the quantum of allotments that would otherwise be delivered under the current planning codes.

The proposed scheme will directly impact the following areas:

Inflating construction costs

The cost onus on developers for developments (greenfield/brownfield/urban infill) will result in increased development and construction costs, reducing the likelihood of viable feasibilities for development. This will hinder the introduction of new housing stock to market. Housing that successfully incorporates these proposed requirements will affect the end cost for consumers, further contributing to issues of housing affordability.

For standalone dwellings in established suburbs, oversized parking increases lot sizes. This will materially reduce infill feasibility and applies greater pressure on Northen and Southern greenfield zones with a heavier reliance on individual transport.

Additionally, in-lieu fees penalise developers for consumer vehicle preferences beyond their control.

Diverting resources

No exemptions are provided for alternative or public transport proximate developments forcing parking oversupply in areas with actual or low aspirational car ownership. This is a particular consideration for urban infill which should make greater use of established public transport networks and not demand bigger allotments.

Funds diverted to the Vehicle Parking Fund (Section 200A) lack transparency or alignment with housing growth corridors.

Equity

First-home buyers subsidise parking for oversized vehicles they cannot afford, while investors claim tax write-offs which appears to be at odds with the objective of developing affordable homes.

The proposed solutions don't address the real issues

The scheme's mechanisms fail to address the root causes:

Underutilised infrastructure

Garage setbacks and door widths are not likely to alter storage or street-parking habits in its current proposed form.

The bill does not delineate or identify opportunities for development to reduce the ratio of on-site parking in suburbs that have effective public transport solutions

A part of the solution to parking congestion in medium and high-density housing zones is to better invest in public infrastructure.

Inflexible design

Double vehicle parking spaces exceed average vehicle size needs, inflating costs without resolving parking habits. The bill does not consider, nor identify, opportunities to lodge variances to the minimum dimensions particularly in areas with established public transport.

Public attitude and behaviours

There appears to be no evidence-base, research or consideration as to whether changes to garaging directly impacts on-street parking. The bill fails to acknowledge current behaviours of South Australians with respect to the ratio of item storage vis a vis cars parked within garages. There is an attitude that residents have a right to store private property (their cars) on public amenity (our roads). A policy regulating garaging will not address this inherently cultural behaviour and the increasing of the minimum size dimensions appears unlikely to reduce the reliance of utilising garage space to store items in lieu of vehicles. Regulating parking will have a greater and tangible impact on changing parking habits and legitimately address existing and future parking issues.

Legislative Overreach and Fragmentation

Extracting parking rules from the Planning and Design Code and placing it into legislation creates systemic risks:

Reduced adaptability

- Performance-based solutions (e.g. reduced parking near transit) overridden by mandates.
- Ministerial exemptions lack codified criteria, eroding investor certainty.
- No clarity on medium and high-density infill zones and the objective of incentivising homeowners to utilise public transport.

Cost shifting

The increase in the mandated garage dimensions will be passed through to buyers in a housing crisis where South Australia has been subject to high market demand and an above average housing price increase. This also leads industry to question the government's commitment to intergenerational equality, as costs are shifted to future generations and aspirational homeowners.

Allotment numbers within new developments will reduce to accommodate these new provisions. Having consulted with members, our advice is that allotment numbers within new developments could reduce by 25 per cent. For example, one in four allotments would decrease to three allotments, with the final allotment being absorbed as a land cost increase through the remaining allotments, thus increasing the unit cost pricing to the buyer and reducing the overall stock entering the housing market.

Further Commentary on the Bill

The Property Council is an advocate for well-planned neighbourhoods and communities which offer residents a high level of amenity and liveability.

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While the Property Council recognises that there are areas in which on-street parking and congestion may have a negative impact on amenity, the proposed Bill threatens to undermine the planning system as being one which is based on policies, processes and practices that are designed to be simple and easily understood.

In simple terms it is the mechanism by which the policy is proposed to be implemented that is as much of a concern than the policy itself. The timing of this policy could not be more at odds with the state's and more broadly the nation's collective drive for housing affordability.

In order to be aware of the car parking requirements for a proposed development, an applicant will need to have regard to the Planning and Design Code, s127A of the Act, the Vehicle Parking Scheme and any notices published by the Minister on the planning portal. This is burdensome to say the least.

The Property Council rejects the sentiment of this Bill, and argues that any planning policy amendments, pertaining to garages or otherwise, be adopted into the Planning and Design Code rather than being enshrined through legislation. Indeed, the Act requires the Code to "set out a comprehensive set of policies, rules and classifications ... for the purposes of development assessment". The Code is the repository of planning policy, not the Act.

Further, the use of legislated conditions is problematic. A relevant authority cannot, by condition, require a proponent to modify a development. If developments are approved subject to conditions requiring the amendment of design, this creates a great deal of uncertainty and difficulty in interpreting that approval. How do plans get modified to meet the condition?

Specific

There is already significant variation in the terms used to describe on-site car parking within the Code.¹ Section 127A introduces the further terms "vehicle parks on the site" and "vehicle parks" without the benefit of any definition.

The Bill does not deal with the hierarchy of interpretation and application in the course of planning assessment as between proposed section 127A, and the relevant provisions of the Planning and Design Code (i.e. Table 1 and 2 of the Transport, Access and Parking General Development Policies). The proposed amendment appears to cut across the policies already established under the Code for purposes of car parking in designated areas. The proposal for exemptions from the requirements to be dealt with under separate instruments will create yet another layer of regulation for users of the planning system.

Section 127A(6) provides a power of referral which is akin to that found under s122 of the Act and Schedule 9 of the *Planning, Development and Infrastructure (General) Regulations 2017.* This is likely to lead to confusion about whether such a referral is governed by the provisions of s122 or s125 of the Act or regulation 53 or Schedule 9 clauses 1 and 2 of the Regulations. A key consequence for applicants is the impact of the referral on the assessment timeframes. There is nothing in section 127A or the Scheme that provides the circumstances in which the Minister may require "a particular application" to be referred to it.

¹ Terms used include "on-site vehicle parking", "car parking space on-site", "off-street carparking requirements", "car parking rate", "vehicle parking areas".

Proposed s 127A(8) is unclear in the way that the Scheme is intended to apply in different scenarios. It does not specify how any such application of the Scheme should be determined to apply in any given situation.

Proposed s 127A(9) does not provide the considerations or circumstances in which the Minister might exclude an area, dwelling or development from the operation of the section. It appears to be entirely at the discretion of the Minister which is likely to lead to inequities in the course of development in the Greater Adelaide area.

The definition of "designated development" does not deal with the greater nuances that are essential to the consideration of the range of development that occurs in the Greater Adelaide area, and the many different forms that dwellings can take. By way of example, policies may need to be different for affordable housing, designated areas, high frequency public transport locations, ancillary accommodation, tourist accommodation, apartment buildings, retirement villages, residential parks and adaptive re-use of heritage places.

Presumably this is to be dealt with in the Scheme even though such nuances are already dealt with in the Code (in clause 6.2). No classes of designated development have yet been provided in the Scheme, but it is noted that this is not necessarily limited to residential development.

Draft Vehicle Parking Scheme

The terminology within the scheme is also inconsistent with the Code and the Bill, introducing further terminology such as "carparking requirements" and "design conditions in the Code".

We note the following more specific errors/uncertainties within the Scheme:

- 1. There is an error in clause 5.1 which should refer to section 127A(3)(b) not 127A(4).
- 2. It is unclear which figures in 5.2.2 are length as opposed to width as it seems to be the opposite to what is in the table immediately preceding.
- 3. Clause 7.5 does not appear to be limited in application to "designated classes of development."
- 4. Clause 7.6.2 refers to "apartment buildings" which are not a defined type of development under the Act, Regulations or the Code.

There are also potentially significant ramifications by requiring payments to be made into the Fund prior to the grant of development approval as it will require significant up front capital expenditure potentially years before any additional car parking demand materialises. It would be more sensible for payments to be linked to the issue of a certificate of occupancy.

Conclusion and recommendations

The Bill and Scheme impose rigid, costly mandates that punish housing providers and buyers for systemic vehicle trends beyond their control. Moreover, this comes during an extreme housing crisis and will have significant ramifications for families and individuals seeking housing.

We urge the government to:

- Withdraw the Bill and retain parking policy in the Planning and Design Code.
- Focus on facilitating the delivery of more homes, by prioritising all development, including infill development and simultaneously implement the Housing Roadmap, including zoning, infrastructure funding and delivery.
- Undertake thorough research to understand the drivers for homeowners' reliance on multiple vehicle ownership and usage.
- Investigate the cost impost on construction of the increased garaging requirements.
- Consider initiatives and investment that would incentivise increased usage of public transport, reducing the requirement for vehicle ownership and carparking.
- If necessary, return to this debate at a more appropriate time with a more robust proposal for car parking reform that doesn't initially and only target new housing development.

To align with SA's housing and infrastructure goals, we propose:

Retain parking policy in the Planning and Design Code

- Replace Clauses 5.1–5.3 with performance criteria (e.g., adaptable layouts for storage/EV charging) allowing flexibility in garaging design.
- Exempt transit-proximate developments (such as strategic urban infill sites, etc.).

Amend financial mechanisms

• Tie in-lieu fees to local infrastructure demand.

Timing and extent

• Provide clear timing for the implementation of this Bill specifically with respect to whether the assessment will be applied retrospectively and if there is a proposed transitionary period, and how long any transitionary period would be.

Accelerate housing initiatives

- Fast-track infill rezoning which has been delayed by the carparking debate so that it doesn't become victim to the proposed bill.
- Exempt developments, which include defined affordable housing from aligning to this proposed bill.

If the government is serious about addressing issues of on-street parking, this is not the policy to do it.

It should instead consider focusing on parking regulation in high density and future growth areas, as well as consider meaningful investment in public transport and cycle networks. Enforcement of carparking regulation should be passed back on to councils to manage.

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