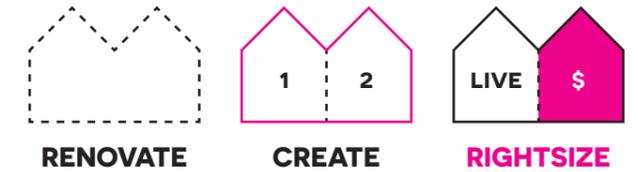


# THE RIGHTSIZE SERVICE

CITY OF SYDNEY ALTERNATIVE HOUSING IDEAS CHALLENGE:  
THE SEARCH FOR INTEGRATED SOCIAL EQUITY



In the context of shortages of available housing within the City of Sydney, garages, balconies and other uninhabitable spaces are being converted into dwellings. The practice in and of itself has great potential - it enables the quick, resourceful and inexpensive creation of extra dwellings close to the amenity of the inner city with far less resources than building new 'affordable' dwellings on fringe greenfield sites. The problem is that some DIY development of small infill dwellings has become an exploitative practice with informal, poor quality dwellings being leased to vulnerable members of the community because of a lack of regulation and alternatives. The Rightsize Service is a proposition that aims to directly address the increasing problem of substandard development and reclaim both multiple occupancy dwellings and DIY activity as key to lifting the affordability, quality and diversity of the City of Sydney's private rental housing stock.

## WHY DIY CONSTRUCTION?

With around \$13 billion spent on home renovation activity in NSW every year (data source: HIA New Housing Outlook, February 2019), the Do-It-Yourself (DIY) renovation of existing properties via alterations and additions equates to more than a third of all money invested in housing. By 'DIY', we mean the types of Council-approved small-scale domestic construction work undertaken by homeowners either as owner/builders or with small-scale domestic builders in the absence of a commercial developer.

In addition to being culturally acceptable, DIY development is closely linked to the affordability, diversity and long term resilience of housing as:

- it enables households to easily adjust a dwelling to suit their shifting needs;
- small scale adjustments can be done with little disruption to neighbours;
- households can save up and undertake work incrementally with cash;
- work can be managed and undertaken by the homeowner or domestic-scaled workforce, with small-scale equipment - a cheaper process than that for more complex housing;
- it provides homeowners with a sense of pride, belonging and security.

## WHY ADDITIONAL DWELLINGS ON EXISTING PLOTS?

Adding dwellings on existing residential plots is similar to Accessory Dwelling Unit (ADU) development, which has become a popular and permitted form of infill in NSW since the introduction of SEPP 2009. The approach is beneficial as:

- the sharing of land, infrastructure connections, services and access to transport (for dwellings within walking distance of public transport) can reduce ongoing housing related costs as well as reduce everyday commute times;
- minor alterations typically have minimal impact on the streetscape and are more acceptable to neighbours who may otherwise oppose development;
- it enables properties with heritage related restrictions to be leverage and appropriately integrated into a housing growth strategy.

## INTRODUCING THE RIGHTSIZE SERVICE

The Rightsize Service is designed to address the inability of the private housing market to provide good quality, diverse and affordable housing stock within the City of Sydney without government subsidy or complicated regulation. To do so, the initiative leverages the profitability of domestic space, the latent capacity of domestic fabric to accommodate existing dwellings, the DIY ambition of homeowners and the regulatory and administrative potential of community providers to create high quality affordable housing.

## RIGHTSIZING APPROACH TO AFFORDABILITY

Instead of focusing purely ADUs and the one-directional idea of downsizing to achieve affordability, which are both centred on creating more small, one-size-fits-all dwellings, the RightSize proposal focuses on the idea of rightsizing. Rightsizing is focused on creating dwellings that are appropriate or optimal for given configurations. Deploying the notion of rightsizing for housing uses dwellings that can expand and contract when needed, enabling existing residents to stay living where they love to live, while opening up new housing opportunities for those wishing to join them.

## HOW IT WORKS

Borrowing from precedents such as the Small Homes Services of Sydney in the 1920s and Melbourne in the 1940s, and the Backyard Homes initiatives currently emerging in California, the RightSize Service combines alternative financing, management and design models, as follows:

### FINANCING

The RightSize Service proposes a finance structure to support a DIY approach to creating dwellings. This leverages the value of an existing inner-city property and the potential revenue stream to finance the construction in lieu of available cash. In exchange for access to the unique finance model, property owners commit to making additional units available at a fixed affordable rate to eligible tenants for a minimum 5-year period. Tenants then pay a reduced rate for the property, capped at 30% of their income.

### MANAGEMENT

Management is split into two parts. Homeowners self-manage the design and construction of additional dwellings with assistance from resources that guide them through the planning and implementation process. Once completed, to ensure the upfront and ongoing quality of the dwelling, and that it remains available as an affordable property for the minimum period, a not-for-profit housing provider manages the property as a head leaser for the full 5 years. This entity rents the additional property from the owner at market rates but identifies and then sub-lets it to eligible affordable housing tenants, all the while acting as the property manager. This ensures guaranteed rent for the owner and security of tenure for the tenant.

### DESIGN

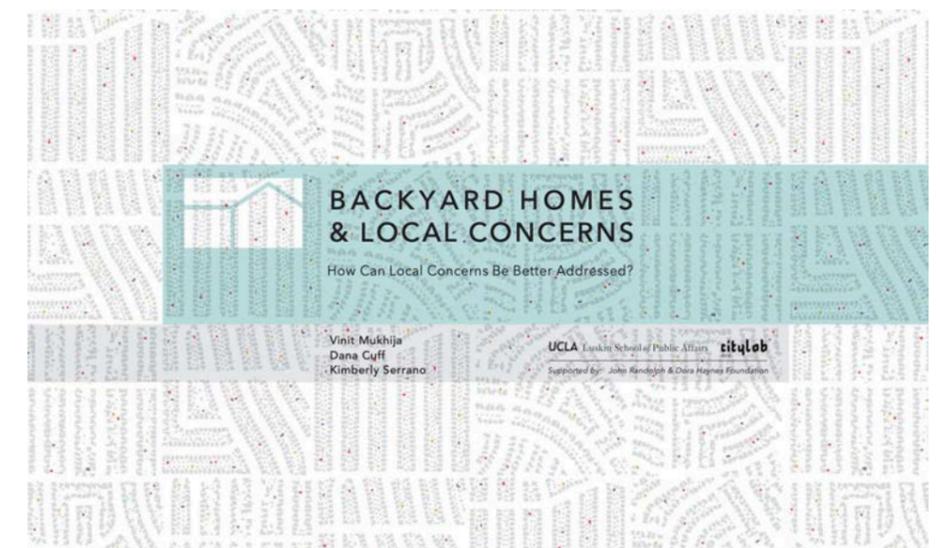
Home owners may commission the design of the dwelling or DIY it using the proposed City of Sydney *RightSize Guide*. The guide directs homeowners through the eligibility criteria, planning application process, building requirements and construction, and aims to simplify the approval process by making relevant regulation and codes legible and navigable.

The RightSize Service is developed for the private housing market but could be applied to public housing stock to maximise capacity with no upfront cash input from government. The strategy is primarily proposed for refurbishment of existing stock but opportunities for DIY conversion could be integrated into the design of new housing.

Further details on how the proposal works can be found on page two and an example is provided on page three.

## PROPOSED STAGE 2 DELIVERABLES

- Detailed proposition for the RightSize Service program, including the identification of potential service providers, lending partners and other parties.
- A RightSize Service report intended as an guide for the City of Sydney as to how to best assist the uptake of rightsize development within the municipality (Precedent: report produced by UCLA's cityLAB for the City of Los Angeles).



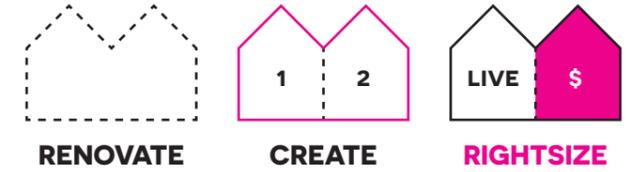
- A concept for a City of Sydney *Rightsize Guide* that would provide homeowners with information on eligibility and how they can add an ADU to their home, design examples, permit requirements and typical construction process steps. (Precedents: UCLA cityLAB's *Building an ADU* Guide for Los Angeles; Centre for Urban Pedagogy's *Vendor Power!* New York City Street Vending guide)



An analysis of existing spatial capacity and specific regulatory, financial and spatial barriers to quality and compliant ADU development will be undertaken in the process of producing the outputs.

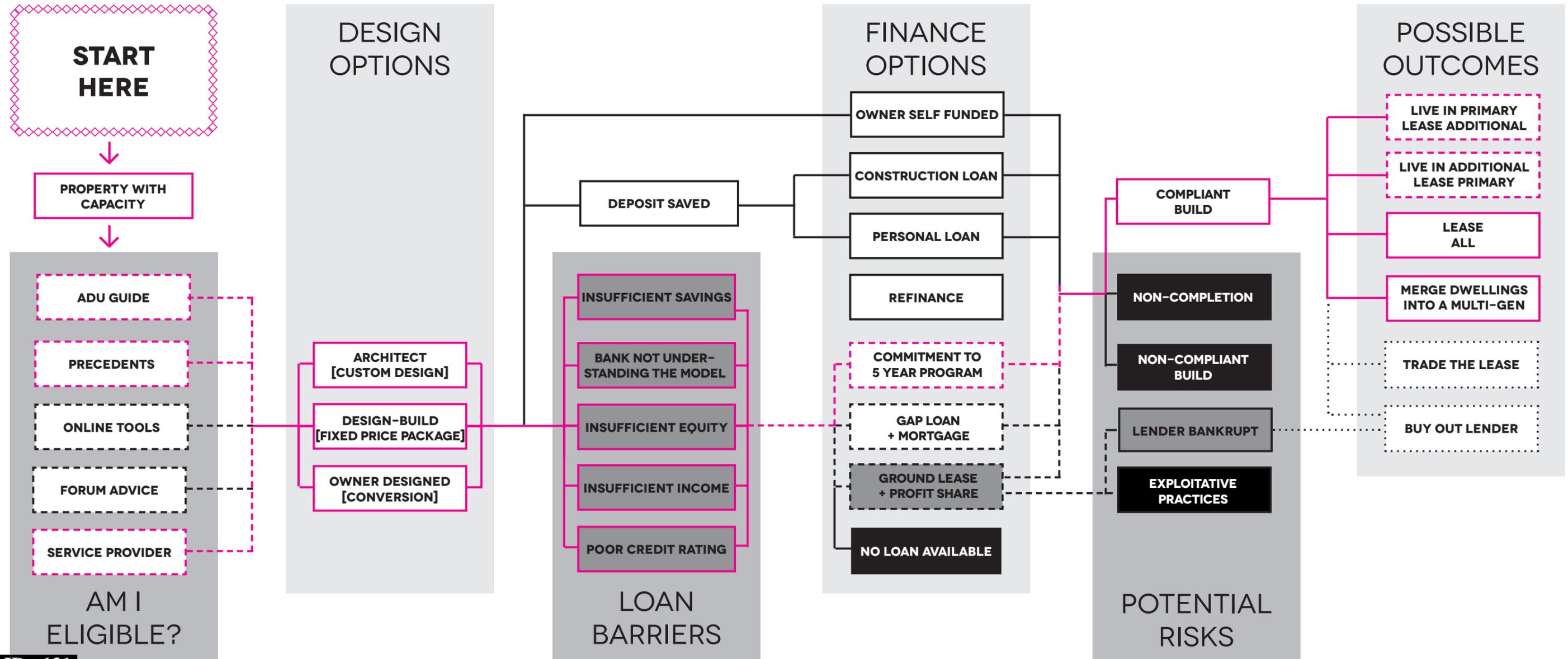
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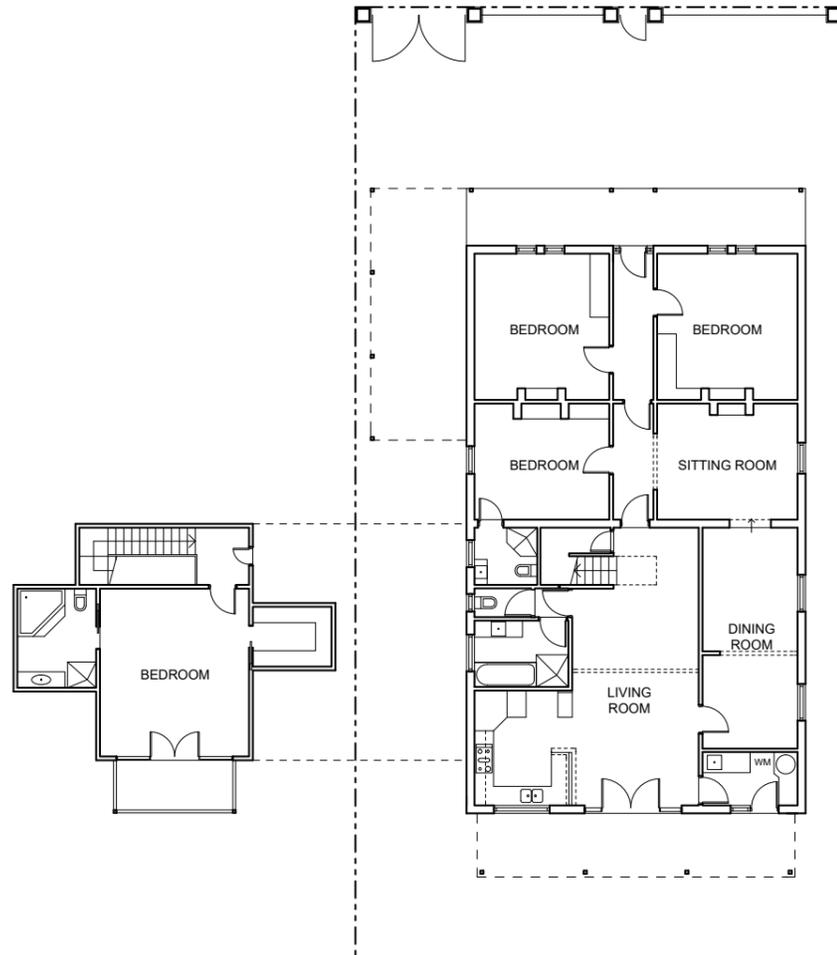
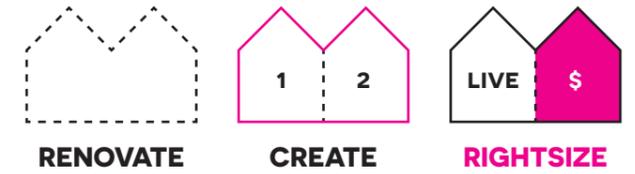
## POSSIBLE VS RIGHTSIZE SERVICE MODEL PROCESS FOR ADDITIONAL INFILL DWELLING DEVELOPMENT

- EXISTING
- - - - EMERGING
- ..... POTENTIAL
- - - - RIGHTSIZE



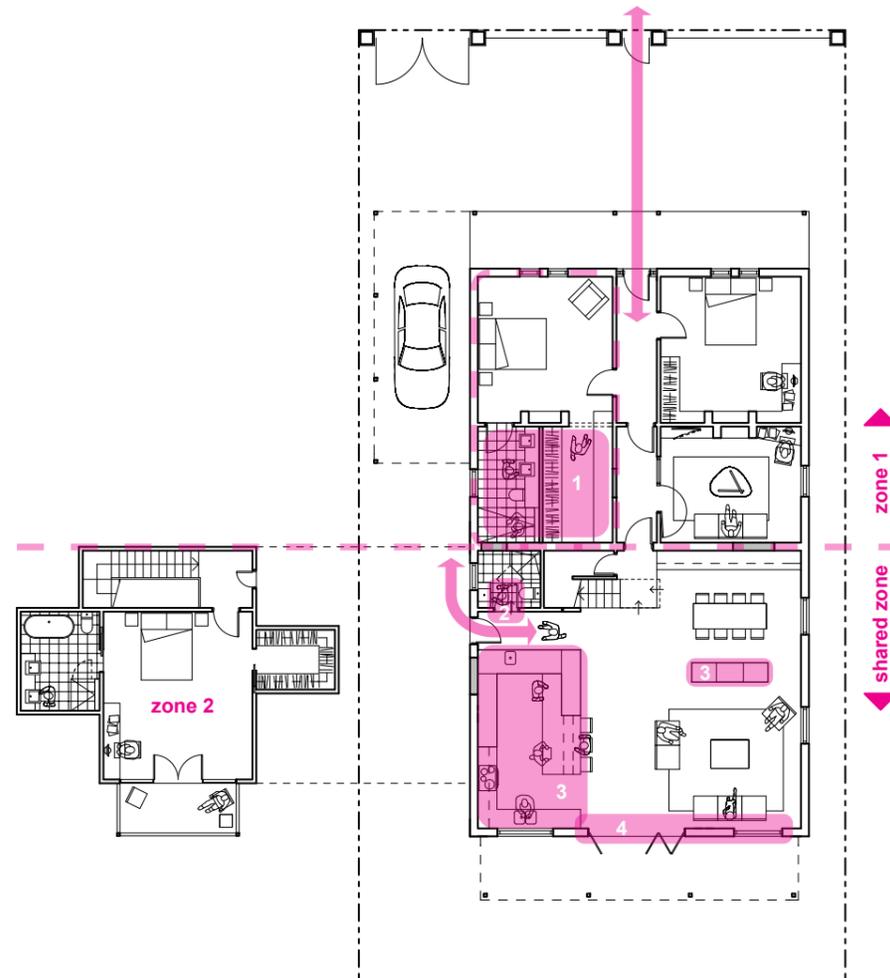
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## SCENARIO 1: RIPE FOR RENOVATION

Imagine a cottage or bungalow, the likes of which we see in suburbs such as Erskineville or Rosebery. The original house has previously been extended and altered, perhaps more than once. It requires renovating, but not wholesale demolition. Having received a two storey rear extension around twenty years ago, it would benefit from a refit of the wet areas and kitchen, and a greater connection to the garden. Like many others in the area, the homeowners will undertake their own building work to the house. We can imagine two types of owner: a family unit wishing to modernise and improve the house, or a long-term owner wishing to update and resize it and age in place. Now imagine that circumstances change: that the household expands from one or two occupants to a family; that personal or financial circumstance then requires a smaller dwelling; that a release of equity held within the property would provide a benefit - perhaps allowing the home to be updated to something more age-friendly; or that being able to live onsite with another resident would simply be desirable and will help avoid social isolation.



## SCENARIO 2: RIGHTSIZING FOR AGEING IN PLACE AND SHARING

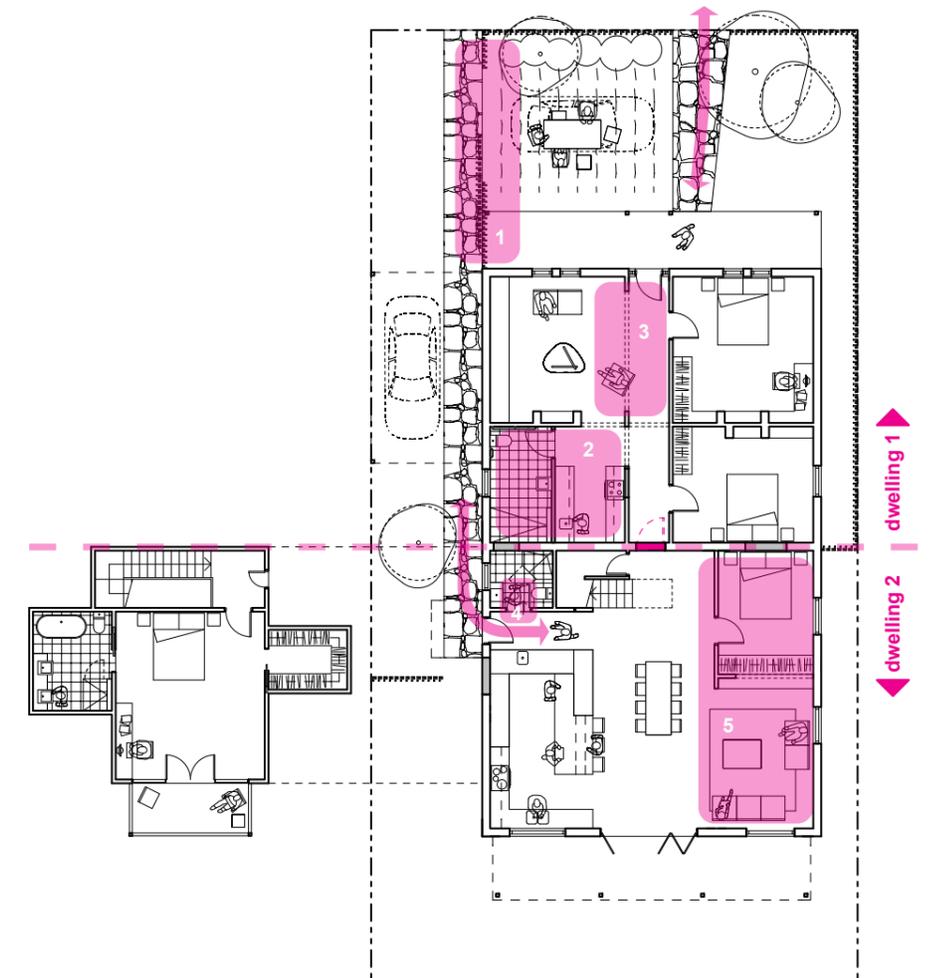
Not wishing to move, but not requiring a full house, the owner uses the Rightsize Service to renovate their home into zones that enable sharing with a tenant.

spatial tactics

- create a ground level zone for sleeping, dressing + ablutions
- free the plan at the rear of the house to facilitate access
- provide a second entrance to the back half of the house
- give over the upstairs zone to tenant accommodation

physical modifiers

1. convert bedroom to bathroom + robe, accessed off front room
  2. re-fit existing bathroom and re-direct entry to serve the house
  3. separate spaces with joinery, removable for future flexibility
  4. brace wall with braceboard to suit removal of internal walls
- block openings no longer needed
  - form new openings where required



## SCENARIO 3: RIGHTSIZING FOR SUBDIVIDING

With circumstances changing, the owners decide to use the Rightsize Service to create two self-contained dwellings, one of which is designed for accessibility.

spatial tactics

- segregate the front half of the dwelling from the rear
- create separate pedestrian accesses to each dwelling
- share vehicular access (if required)

physical modifiers

1. screen garden for privacy with plantings and slatted fence
  2. convert bedroom to bathroom and kitchen for Dwelling 1
  3. open front bedroom to hallway to form Dwelling 1 living space
  4. re-direct bathroom entry to serve Dwelling 2
  5. convert dining room and laundry to create bedroom and open living space for Dwelling 2, or two bedrooms
- block the hallway opening either permanently, or with a fire door to enable future expansion back to a single dwelling, or privacy for multi-generational dwelling flexibility