

**From:** [NSW Government](#)  
**To:** [Flood Inquiry](#)  
**Subject:** Floods Inquiry  
**Date:** Friday, 13 May 2022 3:06:00 PM  
**Attachments:** [New life for the Lismore CBD via shoptop affordable housing\\_V2.pdf](#)

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## Your details

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<b>Title</b>	Dr
<b>First name</b>	Jonathan (Joe)
<b>Last name</b>	Harvey-Jones
<b>Email</b>	
<b>Postcode</b>	2480

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## Submission details

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<b>I am making this submission as</b>	An academic/researcher
<b>Submission type</b>	I am making a personal submission
<b>Consent to make submission public</b>	I give my consent for this submission to be made public

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## Share your experience or tell your story

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<b>Your story</b>	<p>Lismore is my town - and has been for all of the 35 years my family have been on our farm 20 kms away in Eureka.</p> <p>Whether it's Henry's for a pie, or many of the businesses which keep my machinery going, I have seen time and again the resilient,</p>
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determined and cheerful “lets get on with it” response to successive floods.

This one is different, with a knock out blow in late March followed by a low punch when already down on the canvas in early April.

The psychological impact can't be overestimated, but I believe a wholesale retreat from the CBD would not serve the community well.

I think that the resilient nature of our business people will respond once again if we can change the paradigm slightly to favour hope over the current despair.

The attached proposal would clearly be just one component of a co-ordinated response. Of course it will require inputs of waived fees, low interest loans and cash grants to succeed. That part I leave to the appropriate experts in the 3 tiers of Government, and to the expertise and wishes of the business community themselves...

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## **Terms of Reference (optional)**

The Inquiry welcomes submissions that address the particular matters identified in its [Terms of Reference](#)

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<b>1.5 Recovery from floods</b>	My submission includes suggestions to increase the future viability of the Lismore CBD, for business owners, building owners, tenants, and for the possible rehousing in affordable accomodation of displaced flood affected home owners/renters (and/or others in need of affordable housing options)
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<b>1.6 Any other matters</b>	Just a note that the uploaded file led to an error message about lack of metadata - not something I know how to fix... Please match my submission to the copy of the file I will send separately by email? Submission in the name of Jonathan Harvey-Jones
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Entitled: New life for the Lismore CBD via  
shoptop affordable housing\_V2.pdf

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## Supporting documents or images

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### Attach files

- [New life for the Lismore CBD via shoptop affordable housing\\_V2.pdf](#)
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# NEW LIFE FOR THE LISMORE CBD, VIA SHOP-TOP AFFORDABLE HOUSING

Facilitated by Lismore City Council and the planning department

## INTRODUCTION

The ongoing human trauma and property devastation following the 2022 flooding events cannot be overestimated and is widely accepted as an existential threat to the future of our Lismore community.

**A short but critical window in the recovery phase now exists as an opportunity to avoid a sub-optimal 'business as usual' solution to rebuilding our community.**

**Somehow, we have to ensure that both businesses and housing rise up in unison:**

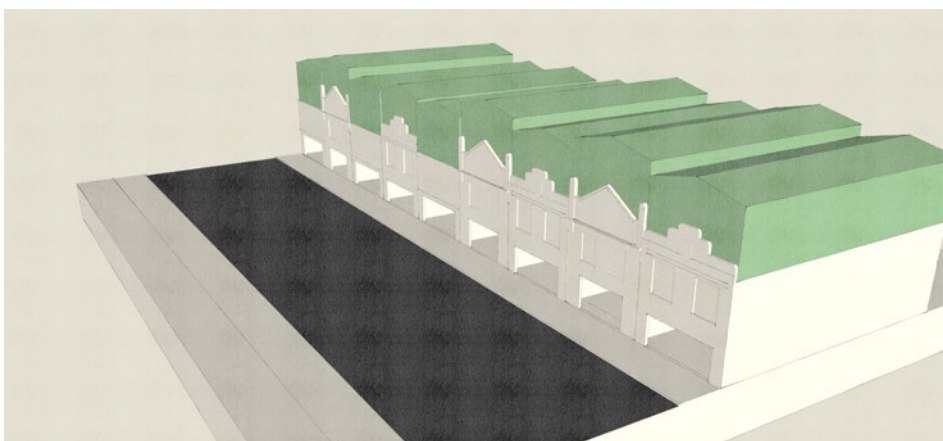
- Owners of CBD buildings, businesses which operate in them, and house owners in the floodplain, are already making decisions to begin re-investing - or will move elsewhere following this traumatic event.
- Without a functioning and vibrant CBD offering secure jobs, efforts to rebuild or relocate the houses lost will founder. The spirit of community - so evident in Lismore - will be gone, possibly forever.
- In the very near future, an economic tipping point will be reached where 'business as usual' becomes inevitable once sunk capital in flood zone reconstruction dictates the way forward.

**Business models for ideas like this are critical. Please contact the author for additional detail.**

## SUMMARY - LOOKING INTO A POSSIBLE FUTURE...

FIRST, IMAGINE A TYPICAL CASE OF A THREE-STORY SHOPFRONT IN SAY KEEN STREET, AS AT JANUARY 2023

- The building has been converted to **strata title** thanks to a resolution by Council to fast-track such approvals after the horrific floods last year. The conversion included a DA to add a third story to the existing two-story structure, intended for shop-top living.



- This has revolutionised the prospects for the owner's investment:

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- The third level ensures future shop tenants of a secure refuge for their stock:
  - There is a covenant on the title of the apartment, requiring the owner/occupier to move their furniture into the two bedrooms when a flood comes (locked away). They must be self-sufficient in alternative accommodation for the flood event duration. (They would have to evacuate anyway so no drama here).
  - The living areas are then available for the shop owner's stock.
  - The DA includes the installation of a type of gantry lift common in multi-level warehouses, and similar to systems you can see in Amsterdam where furniture is installed from the street front. In the case of Lismore, they would operate from the rear laneways.
- The owner now has the prospect of three incomes instead of two, or they can pocket the proceeds of sale of the unbuilt third floor. If they do:
  - They will need to fund steel re-enforcing to carry the weight of the new apartment at roof level, and recoup this from the sale.
  - Also funded from the sale, they will need to update the structural resilience of the bottom two floors by favouring rendered brick walls - designating the rejection of all flood-susceptible materials by tenants - such as plasterboard and woodchip furniture.
- The owner can offer a much-improved package to ground floor shop tenants, having made the building relatively 'flood resilient'.
- Second floor office/social service/medical tenants will also have some access to the third level space for storage during flood events.
- The third story DA included an ongoing covenant to maintain rent levels at the regulated affordable housing level. Very popular with Lismore Council.
- Flood affected renters could be given priority/rent assistance to be top of the list as potential Shop Top tenants.

The owner in other instances, might choose the freehold path to strata title, not wanting to take on the construction of a third story themselves:

- The sale of the upper floor title is pending, and may go to:
  - First option - to flood-victim homeowners (with cash reimbursement if they were qualified for a land swap)?
  - Private investors, or downsizers recognising the advantages of ageing in a location close to amenities, shops, cafes and medical care.
  - A young couple taking advantage of the new Labour government scheme to outlay 40% of the cost of a new build - from a government housing fund they have created.
  - North Coast Community Housing (NCCH).
  - A consortium of investors interested in taking on a whole street of shop-tops. A vision might include a rear walkway, leading to lifts shared by say 10 apartments? Ideal for people ageing in place.
  - Note once again that landlords be encouraged (given incentives) to house rental victims from the flood event

If no sale is forthcoming, the owner can of course develop the shop top apartment themselves.

**In summary – All of the positive factors above contribute to turning around the business model of the building owner, who can contemplate their retirement with a secure rental income, and a vastly enhanced capital value of what is now a safe and secure asset. Mostly thanks to a speedy response**

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by Lismore City Council, facilitating strata title with minimal fees and prioritising DAs for shop top apartments.

NOW LOOK AT THE SAME CASE - AS AT APRIL 2022 POST FLOOD - WHEN IT WAS A TWO-STORY SHOPFRONT

- Both tenants (the shop owner on the ground floor, and office tenants on the first floor) are voicing strongly that they are unlikely to renew their leases following the recent catastrophic impact on their livelihood from the floods.



- The prospects are slim to find replacements willing to pay even a minimal rent.
- The building owner is unwilling to even discuss what the valuation of their property might currently be.
- The building was to be their superannuation, and they are now fearful of what the future holds.

NOW LOOK FURTHER BACK IN TIME - PRE THE FLOOD EVENTS - AT THE SAME CASE OF A TWO-STORY SHOPFRONT, AS AT JANUARY 2022

- Owned by a local investor, with the shop leased to a reliable tenant, and the second floor tenanted as an office.
- The office tenant has agreed that their space is to be used as a refuge for shop stock whenever flood threatens.
- Rental income is undesirably low because of the flood issues, and;
- Valuation of the building suffers because of low potential income.
- Many shopfronts locally remain untenanted since the 2017 flood - eg. chain shops like Target withdrew - so renewing leases is a nightmare for the landlord who is not in a good negotiating position.

## HOW CAN THIS VISION OF SHOP-TOP LIVING BE ACHIEVED?

### Some possible necessary steps by Council:-

1. Facilitate the easy conversion of land titles in the CBD to Strata Title<sup>1</sup>. (LCC to waive/reduce fees as a gesture?)
2. Amend the LEP/DCP to allow an extra story where this is currently not allowed<sup>2</sup>

<sup>1</sup> Per LCC site: "Strata plans are for property divided into lots (private property) and common property. The common property is managed by a body corporate, comprising all lot owners. Plans may be designated as either freehold, allowing for the purchase of individual lots, or leasehold, allowing for individual lots to be rented.

<sup>2</sup> Per LEP and DCP 2012, heights vary 2-5 stories. Most of the commercial CBD appears to allow at least 8.5m, enough for 3 stories.

## IMPORTANT NOTE

None of the above is to be taken as a black and white alternative to other actions, which could/should take place simultaneously, such as:

- Dredging of the river bottom,
  - Earthworks in west Lismore to facilitate water escape, mindful of those downstream!
  - Temporary storage of flood water on private land upstream of the town,
  - Catchment wide remediation/tree planting,
  - Offering land swaps for homeowners and businesses – the recent discussion about the golf course sounds a good alternative (build a new one on the evacuated land near the river),
  - Expanding industrial areas on higher ground, eg Goonellabah.
  - Etc..
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