

The Housing Affordability Contradiction: Why Community Opposition to Development Perpetuates the Crisis

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Australia faces a well-documented housing affordability crisis. Political leaders at all levels of government are routinely called upon to 'do something' about housing supply and affordability. Yet there exists a profound contradiction at the heart of this discourse: the same communities demanding government intervention consistently oppose the very development projects required to deliver new housing supply.

The Greenfield-Brownfield Paradox

As a professional who regularly works on greenfield development projects, I witness firsthand the challenges associated with removing vegetation and developing on the urban fringe. Environmental objections to greenfield subdivisions are commonplace and often centre on vegetation removal, habitat loss, and urban sprawl. A recurring theme in these objections is the assertion that developers should instead utilise brownfield sites in established urban areas to increase density.

This argument appears sensible on its face. Urban consolidation is sound planning policy. It maximises existing infrastructure, reduces car dependence, preserves agricultural and conservation land, and aligns with sustainability objectives. The recently exhibited development at 47 Darby Street, Cooks Hill represents precisely this approach, a brownfield redevelopment that increases housing density in a highly accessible inner-city location.

Yet opposition to such developments is equally fierce. Projects like this face objections based on building height, density, traffic impacts, heritage concerns, overshadowing, privacy, and visual amenity. The same voices calling for brownfield development over greenfield expansion simultaneously object to the brownfield projects when they are proposed in their neighbourhoods.

This creates an impossible position: if the public objects to greenfield subdivisions on environmental grounds, and simultaneously objects to higher-density urban development on brownfield sites, then there exists no realistic pathway to improve housing supply or affordability. Both greenfield and brownfield development opportunities become effectively sterilised or underutilised, making any meaningful progress on housing supply impossible.

The Economics of Development Feasibility

When community objections characterise a proposal as 'over-development,' they fail to engage with the fundamental economics of development feasibility. Development projects must be financially viable to proceed. This requires sufficient revenue to offset land acquisition costs, construction costs, consultant fees, development contributions, and financing costs, while providing an acceptable return to justify the substantial capital risk involved.

The price of new housing is directly tied to development costs and land values. If a site's development potential is constrained below its optimal density through planning controls or community opposition, the economics of the project must adjust accordingly. Either the land price decreases to reflect reduced development capacity, or the per-dwelling sale price increases to maintain project feasibility. Neither outcome advances housing affordability.

More critically, constraining development density makes it economically impossible to deliver affordable housing outcomes or community facilities that benefit not just residents but the broader public. These additional community benefits require projects to capitalise on a site's development potential—its highest and best use. A site restricted to, say, four storeys when it could viably support 13 storeys cannot deliver the same quantum of affordable housing contributions, open space, or retail activation that the higher-density scheme could provide.

Developers operating in a market economy will not proceed with projects that do not meet minimum return thresholds. This is not corporate greed; it is the basic arithmetic of capital allocation. If development is made unviable through excessive restrictions, the site remains underutilised, no new housing is created, and the supply crisis worsens.

The Hypocrisy of Demanding Government Action While Opposing Development

It is profoundly hypocritical to demand that all levels of government 'solve' the housing affordability crisis while simultaneously objecting to any new form of development that could contribute to supply. Governments cannot conjure housing supply from thin air. New housing requires land, capital, regulatory approval, and construction. Each of these inputs faces opposition from sections of the community.

The reality is that addressing housing affordability requires accepting change. It requires accepting that urban environments will evolve, that new buildings will be constructed, that some existing view corridors may be altered, and that neighbourhoods will accommodate growth. Without this acceptance, no amount of government policy intervention can overcome the structural constraints created by community opposition to development itself.

This is not to suggest that all development proposals are appropriate or that legitimate planning concerns should be dismissed. Planning controls exist for sound reasons, and assessment processes rightly scrutinise impacts. However, there is a fundamental

difference between requesting reasonable modifications to address genuine amenity concerns and mounting blanket opposition to any form of development based on subjective aesthetic preferences or resistance to change.

A Path Forward

If communities are genuinely committed to improving housing affordability and not merely using it as rhetorical cover while opposing any development that might affect them, they must accept several realities:

First, new housing supply requires development, whether on greenfield or brownfield sites. Objecting to both is a vote for the status quo and worsening affordability.

Second, well-located urban sites must be developed to their appropriate density to make efficient use of infrastructure and deliver community benefits. Constraining development below viable thresholds perpetuates underutilisation and makes affordable housing contributions impossible.

Third, the planning system exists to assess and manage impacts through appropriate conditions. Trust in this process and in the professional assessment undertaken by planning authorities is essential. The alternative is paralysis.

Fourth, urban environments evolve. Cities that remain static become unaffordable museums for the wealthy. Growth, change, and densification are necessary features of functional, affordable cities.

The housing affordability crisis will not be solved by government intervention alone. It requires a societal commitment to accepting the development necessary to deliver supply. That means supporting appropriate projects in appropriate locations, even when they require some compromise or adjustment to existing amenity.

Projects like the Darby Street development represent exactly the kind of brownfield urban consolidation that planning best practice recommends. If we cannot support well-located, transit-accessible, brownfield redevelopment in our inner cities, then we have no credible basis to complain about housing affordability or to demand government action.

The choice is stark: accept development and the change it brings, or accept unaffordable housing. We cannot have both opposition to development and affordable housing. The contradiction must be resolved, and the resolution requires communities to make peace with growth.