



Baynton Development Investment Decision

Fact Sheet

What is the proposal?

The City of Karratha is planning to **buy a ready-built housing development** in Baynton from a private builder (Acero Construction) to help **fix the local housing shortage**.

- **Location:** Lot 481 Bajamalu Drive, Baynton
 - **What's included?** 17 townhouses + 20 apartments = 37 new homes
 - **Total cost:** \$26.24 million (includes land, buildings, GST, and a 5% buffer)
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Why is the City doing this?

Karratha urgently needs more homes for:

- Essential workers (nurses, teachers, child care, retail staff)
- Public sector staff
- Businesses struggling to attract workers due to housing shortages

If we don't act now:

- Rent will stay sky-high (currently among the most expensive in Australia)
 - Businesses may shut or downsize
 - Community services could be impacted
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How will this be paid for?

The City will use its **Infrastructure Reserve**, which comes from:

- Profits from the airport, The Quarter, and 7 Mile Waste Facility
- FIFO camp rates

Most importantly:

- ✓ No residential rates are used
 - ✓ No new taxes or rate rises are required
 - ✓ Investments in community services, or planned community assets, are not impacted
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Who will live in the houses?

Homes will be prioritised for:

- **Essential workers** (health, education, hospitality, public services)
 - **Government workers** (if the State Government leases some)
 - **Private tenants** (for remaining units, managed by a professional agency)
 - **Staff housing** for the City of Karratha
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What are the benefits?

- ✓ More homes in a tight rental market
 - ✓ Keeps key workers in town
 - ✓ Helps local businesses stay open
 - ✓ Quality housing design, cyclone-ready
 - ✓ Potential to earn rental income for future projects
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What are the risks?

⚠ **Builder quality:** An inspection of similar product in Port Hedland found some issues, but these can be managed with oversight during construction.

⚠ **No State funding yet:** If the WA Government doesn't chip in, the City covers the

full cost.

⚠ **Perception of City "doing too much"** – public feedback supports action on housing, but some ratepayers are uncomfortable with the City's involvement in housing development.

What happens next?

- ✓ City reviewed 15 public submissions.
 - ✓ Due diligence on builder and costs is complete.
 - ✓ If approved by Council, construction starts **mid-2025** and finishes **by mid-2026**.
 - ✓ If State government contribution is received, more subsidised rentals will be made available for the supported accommodation program and other affordable housing schemes.
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This project is part of the City's goal to make Karratha Australia's most liveable regional city.