MARIBYRNONG'S DRAFT HOUSING STRATEGY (AMENDMENT C152)

Director: Nigel Higgins

Director Planning Services

Author: Adrian Havryluk

Manager City Strategy

PURPOSE

To seek endorsement of the draft Maribyrnong Housing Strategy for public consultation and update the Maribyrnong Planning Scheme (Amendment C152).

ISSUES SUMMARY

- Our City is experiencing steady population and housing growth, and is anticipated to reach 133,950 residents by 2031, significantly higher than the previous estimate of 104,420 persons.
- The Maribyrnong Housing Strategy (2011) has been reviewed in response to the 2014 Ministerial Residential Zones Standard Advisory Committee findings around managing housing growth and population change and a wide range of other policy changes.
- The current planning framework will allow the city to manage the anticipated population and housing growth to 2031 (approximately 1,500 dwellings per year on 2016 census data).
- Growth will continue to be directed to key substantial change areas with quality access to services, jobs and public transport to 2031, based on existing zones and strategic rezoning opportunities.
- Incremental infill develop will continue to be supported in established residential areas, however growth will be limited in locations with heritage, neighbourhood character and environmental sensitivity.
- It is proposed to introduce the draft Housing Strategy into the Maribyrnong Planning Scheme through Amendment C152, with extensive community consultation.
- A minimum six week community consultation program including brochures; fact sheets; letters to key residents groups, housing providers, industry groups and Ministers; website promotion; notices and advertisements in local newspaper; government gazette; social media; community voice panel and drop in sessions (as appropriate).
- The Council Plan (Priority Action Plan) 2017/18 includes two specific action to prepare an updated Maribyrnong Housing Strategy and implement the key strategic directions and actions through the preparation of a Planning Scheme Amendment.

ATTACHMENTS

1. Maribyrnong Housing Strategy 2018 J

- 2. Maribyrnong Housing Strategy Technical Report 2018 J.
- 3. Proposed Housing Framework Plan and Classification Table J.
- 4. C152 Planning Scheme Amendment documentation J.

OFFICER RECOMMENDATION

That the City Development Special Committee:

- 1. Endorses the draft Maribyrnong Housing Strategy (Attachment 1 and 2) for the purpose of public consultation and to form the basis of Amendment C152 (Attachment 4).
- 2. Requests the Minister for Planning to authorise Maribyrnong City Council to prepare and exhibit Amendment C152 to the Maribyrnong Planning Scheme, generally as detailed in attachments to this report.
- 3. Delegate to the Chief Executive Officer the power to make any necessary changes to the draft Housing Strategy (Attachment 1 and 2) and relevant Amendment documentation (Attachment 4), in preparation to request the Minister for Planning to authorise the Maribyrnong City Council to prepare and exhibit Amendment C152 to the Maribyrnong Planning Scheme.
- 4. Subject to authorisation being granted by the Minister for Planning, resolves to place Amendment C152 to the Maribyrnong Planning Scheme on exhibition, as prescribed under Section 19 of the *Planning and Environment Act* 1987.
- 5. Notes the delegation of the Chief Executive Officer to consider any submissions received in relation to Amendment C152, in accordance with Section 22 of the *Planning and Environment Act* 1987, and in accordance with Section 23 of the *Planning and Environment Act* 1987, refer any submissions received that cannot be resolved, along with other submissions, to an independent panel appointed by the Minister for Planning.

BACKGROUND

Council adopted the Maribyrnong Housing Strategy in 2011 to manage the City's population and housing growth to 2031. The Strategy identifies locations for housing change.

The 2011 Strategy needed updating, with the population growth and development in the City exceeding initial forecasts. Also the 2011 Strategy predates a number of strategic policies, *Plan Melbourne* 2017, *Highpoint Planning and Urban Design Framework* (2015), *Maidstone Hampstead Road East Framework Plan* (2015), *Footscray Structure Plan* (2014), *Maribyrnong Open Space Strategy* (2014) and the *Maribyrnong Economic and Industrial Development Strategy* (2011).

A detailed background analysis, using 2016 census data, was undertaken on housing development, demographic trends, key issues for new housing, capacity analysis identifying how many and what type of dwellings are required to meet projected demand. The key findings are summarised below.

Housing Development and Demographic Trends

The City's population is anticipated to increase to 133,950 persons by 2031, significantly higher than the previous estimate of 104,420 persons (Figure 1). Historical trends indicate that population growth will be driven by natural increase (i.e. births minus deaths), migration - particularly from the cities of Melbourne, Port Philip, Yarra and Stonnington, and from overseas (namely Vietnam, India and China).

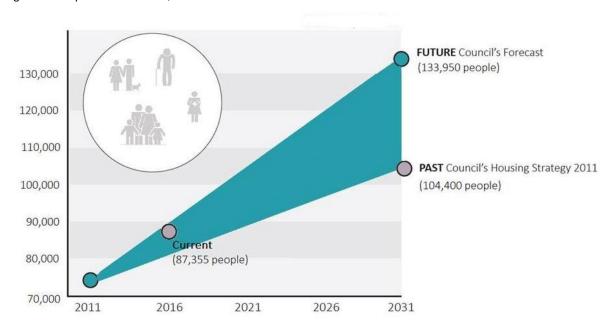
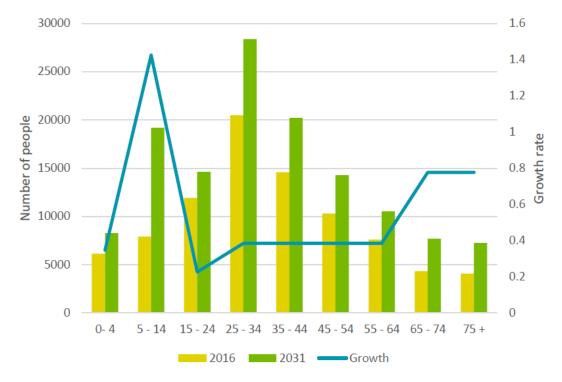


Figure 1: Population Forecast, 2011 - 2031

Source: id Consulting (2016)

By 2031 the City will experience a significant increase in all age groups, with the most pronounced growth amongst children aged 5-14 and persons aged 65 and over (Figure 2).

Figure 2: Forecast Age Structure 2016 - 2031

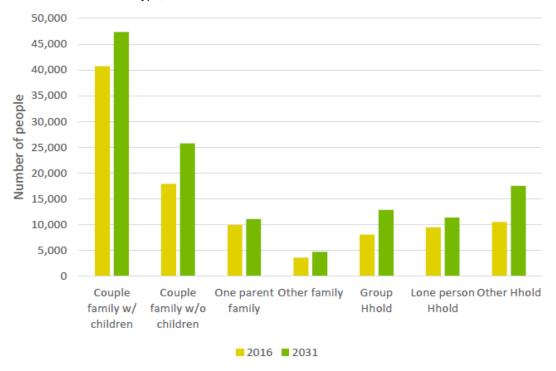


Source: Census data, SGS Economics and Planning, 2016

Couple families with children are forecast to remain the dominant household type, with major demand for three bedroom households, as well as four plus bedrooms across the City.

However there is significant growth expected in number of couple families with no children, group households and other households. Demand for new dwellings in 2031 will be greater for lone person households and 'other group' households, adding emphasis on the need for diverse dwelling stock (Figure 3).

Figure 3: Forecast Household Type, 2016-2031



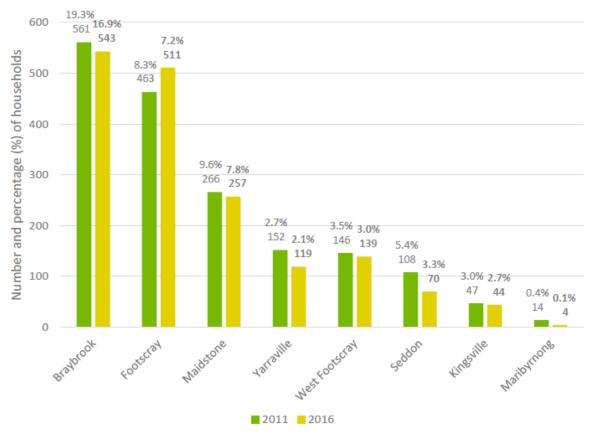
Source: Census data, SGS Economics and Planning, 2016

The 2016 Social Housing Data shows that the City has a substantially higher proportion of social housing when compared with Greater Melbourne and Victoria. Nearly three quarters of this was located in the suburbs of Braybrook, Footscray and Maidstone.

- City of Maribyrnong 1,758 households (5.4 per cent)
- Greater Melbourne (2.6 per cent)
- Victoria (2.85 per cent)

Since 2011, the number of social housing dwellings in the City has remained fairly consistent. However given the growth in population this means there has been a reduction in the proportion of social housing. Figure 4 illustrates the shifting distribution of households renting social housing across the City. It suggests there has been a decrease in number of households renting social housing across the City.

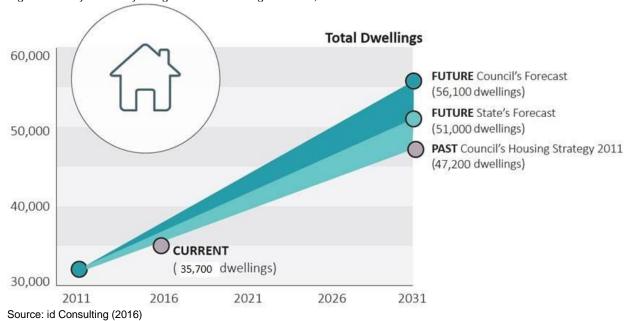
Figure 4: Change in households renting social housing (2011-2016)



Source: ABS Census Data, 2016. Compiled by .id Consulting, 2017

The City's housing stock is forecast to increase to 56,100 dwellings by 2031, 8,900 dwellings more than previously forecasted (Figure 5). The revised dwelling forecast represents an increase of approximately 1,500 new dwellings per annum to 2031 (from 791 dwellings per year as previously forecasted).

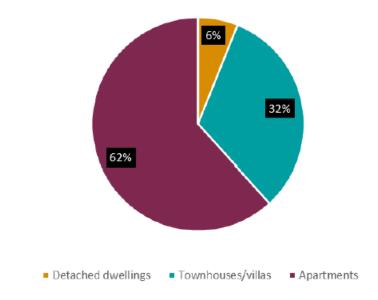
Figure 5: City of Maribyrnong Revised Dwelling Forecast, 2031



Future growth will be primarily focused in suburbs of Footscray and Maribyrnong, as well as key sites along Hampstead Road, Maidstone. Substantial urban renewal sites such as the Defence Site Maribyrnong and the Kinnear's site will also accommodate significant housing growth.

Over the next 15 years, it is forecast that six (6) per cent of new dwelling supply will be detached dwellings. New housing supply will be predominantly apartments, townhouses and villas as shown in Figure 6.

Figure 6: Housing Supply / Take Up by Housing Type: 2016 - 2031



Source: SGS Economics and Planning, 2018

Key Themes

The City is well established and any new development that occurs, whether it be residential, industrial, commercial, institutional or public open space, will involve the recycling of existing 'brownfield' sites and potentially involve a change from an established use. Five key themes were developed to address the opportunities and challenges for planning new housing:

- Housing growth and change
- Housing affordability
- Housing diversity and adaptability
- Housing design
- Infrastructure

The draft Housing Strategy has been developed based upon these themes.

DISCUSSION/KEY ISSUES

1. Vision Statement 2018 - 2031

A vision has been prepared providing an overarching statement on the desired future of housing in the City, which is outlined below.

"Housing growth and change will support the continued revitalisation of the City, while respecting our significant heritage legacy with contemporary, high quality and sustainable design.

The changes anticipated means that diversity of housing choices will be provided in response to community needs. Housing growth will be supported and directed to locations with access to employment, infrastructure and services."

2. Strategy Structure

The Strategy has been developed in two parts:

- Maribyrnong Housing Strategy: sets out the objectives, strategies and actions to deliver the vision (Attachment 1)
- Technical Report: sets out the background analysis, population projections, capacity, strategy and implementation plan (Attachment 2)

The objectives and strategies are organised under three key themes, each of which address a number of topics. The themes are:

- Settlement pattern: Where housing change will occur in the City (housing framework plan)
- Supply: Support and manage the City's growing and changing population to 2031 (the type of housing that will be delivered)
- Design: Ensure that housing built today meets the housing needs of future generations (how the housing should look and function)



Housing Framework Plan
Limited Change Areas
Incremental Change Areas
Substantial Change Areas
Infrastructure to support growth

Design

Neighbourhood character and heritage Residential amenity Housing adaptability Environmentally sustainable development

Supply

Diversity
Housing for students/aged
Housing affordability

3. Key Themes

Settlement Pattern

This section of the draft Strategy sets out spatially where project population and housing growth will be accommodated.

Housing Framework Plan

The draft housing framework plan provides clear guidance on how and where housing growth and change will occur in the City. A classification system was developed along-side the framework plan to categorise housing change areas and identify the level of change, height and density for each type (Attachment 3).

The framework plan and classifications directs growth to key substantial change areas across the City that have quality access to services, jobs and public transport to 2031. Whilst incremental infill develop will be supported in established residential areas, and growth will be limited in locations where the existing heritage, neighbourhood character and environmental sensitivities are to be protected. Land not included in the housing framework plan will not be supported for housing growth unless further strategic planning work is undertaken to Councils satisfaction.

The City's housing capacity is realised through strategic rezoning opportunities and improving the alignment between zoning and change areas. An additional 20,500 new dwellings will be required to meet housing demand from 2016 to 2031. The City has the capacity to absorb the anticipated growth based on the draft framework plan and classifications. It is important to have greater capacity than demand to support an efficient and diverse housing market, housing affordability and the local economy.

The Limited Change Areas will accommodate 5 per cent of growth, with Incremental Change Area accommodating 42 per cent of growth (predominately infill development in the General Residential Zone). The Substantial Change Areas, such as Footscray and Highpoint Activity Centres, Bradmill and Defence site will accommodate 53 per cent of the growth.

Limited Change Areas

Limited Change Areas are generally characterised as having significant neighbourhood character, heritage values and environmental sensitivities. These areas have limited capacity to accommodate future residential growth. Key objectives and strategies are:

- To limit housing growth in Environmental Protection Authority buffers, and preserve neighbourhood and heritage character
- Support low scale development that respects the existing heritage values and preferred neighbourhood character (up to 9 metres – 2 storeys).

Incremental Change Areas

Incremental Change Areas comprise of established residential areas and local convenient shopping strips (small destination centres). The City's established residential area covers approximately 70 per cent of land that allows for residential development (zoned General Residential). These locations provide some opportunity for housing growth and change, however redevelopment needs to be balanced with the protection of existing neighbourhood character.

Key objectives and strategies for Established Residential Area are:

- To support moderate housing growth to support ongoing investment and a diversity of dwellings
- Support an additional storey above the prevailing building height in the environs
- Support gradual infill development.

Key objectives and strategies for Local and Small Destination Centres are:

- To increase the density of people living in local centres and small destination centres without compromising low-scale built form in these areas.
- Support mixed use development with low-scale housing on the first floor and above
- Require development to provide an appropriate transition in height and built form to adjoining properties
- Support development of no more than 11 metres (up to 3 storeys) or as prescribed in HO or NCO controls.

Substantial Change Areas

Substantial Change Areas provide significant opportunities for housing growth and change. These areas consist of Activity Centres (Footscray/Victoria University, Highpoint and Central West), Strategic Redevelopment Sites (former industrial land suitable for transition to residential); Neighbourhood Activity Centres (Seddon, Edgewater, Yarraville, West Footscray) and Urban Corridors and Development Areas (sites along selected main roads and tram corridor).

These areas are relativity free of major constraints and are well serviced by public transport, jobs and services. A mix of medium and higher density residential development is expected in these locations.

Key objectives and strategies for Activity Centres are:

- To maximise densities in appropriate locations as activity centres grow
- Facilitate high density mixed use development and diverse housing typologies
- Avoid under development
- Support site consolidation to achieve preferred building heights.

Key objectives and strategies for Strategic Redevelopment Sites are:

- To facilitate an appropriate scale of development on strategic redevelopment sites
- To integrate strategic redevelopment sites within surrounding neighbourhood context
- Prepare detailed site plans for each location to identify an appropriate mix of uses and scale of development.

Key objectives and strategies for Neighbourhood Centres are:

- To increase the density of people living in Neighbourhood Activity Centres to create more vibrant centres and maximise use of transport, commercial and community infrastructure
- Support high density mixed use development and diverse housing typologies
- Support development up to 4 storeys or as prescribed in relevant overlays and structure plans.

Key objectives and strategies for Urban Corridor and Development Areas are:

- To encourage appropriate growth within urban corridors and residential growth areas
- Facilitate medium density residential developed and diverse housing typologies
- Support development on consolidated sites of greater than 1,000 square metres with a minimum property width of 15 metres
- Require development to provide an appropriate transition in height and built form to adjoining properties
- Support development of 3 to 4 storeys depending on context and any prescription in the zone.

Infrastructure to Support Growth

Demand for infrastructure will be influenced by the nature and scale of population and household growth. While the suburbs of Maribyrnong and Footscray will experience higher rates of growth, a City-wide network approach may also be an effective and efficient way to address demand. Key objectives and strategies are:

- Ensure that people living in Maribyrnong have access to the infrastructure they require
- Ensure infrastructure upgrades occur in keeping with housing growth
- Provide development infrastructure (roads, drainage, telecommunications etc.), community infrastructure and open space to support future population and community needs based on the tests of need, nexus, fair apportionment and accountability

Supply

The key objectives, strategies and actions are:

Housing Diversity Policy

- Facilitate a diversity of dwelling typologies, configurations and sizes
- Facilitate development of three plus bedroom dwellings, townhouses and/or apartments that cater for a diversity of family structures in strategic redevelopment and established residential areas
- Facilitate development of smaller dwellings for smaller household formations such as young persons, couples without children, single person households and persons wanting to 'age in place'

Housing for Specific Groups Policy

- Respond to the growing demand for specialised aged care housing, disability housing and student/staff housing
- Facilitate development of Footscray as a University Town
- Avoid development of caretakers housing on industrial land

Housing Affordability Policy

- Planning for housing should include providing land for affordable housing
- Improve access to affordable housing in the City
- Reduce housing stress in the City
- Facilitate development of affordable housing across the City
- Support private developers to work with community housing providers
- Amend Maribyrnong Planning Scheme to provide a clear statutory definition on affordable housing, while having regard to the State Government Bill before Parliament:
 - A dwelling unit or units whose title is transferred to a not-for-profit registered housing association or provider'
- There are 3 planning mechanisms being investigated to deliver affordable housing, through S173 Agreements, to an Affordable Housing Provider:
 - 1. Requiring a contribution (minimum of 50%) of the value uplift created when land is up-zoned, to be used for broader public benefit outcomes (including

- affordable housing)
- 2. Requiring 5% (existing) and 10% (proposed) of the total number of dwellings on the land for the purpose of affordable housing on development plan approved sites (e.g. Bradmill)
- 3. Providing additional development rights (heights or density), in selected locations, to increase affordable housing

A policy statement will be prepared to provide a position on the affordable housing provision and rate.

Design

The key objectives, strategies and actions are:

Neighbourhood Character and Heritage Policy

- Ensure development is appropriate to the local built form context of the area
- Achieve high quality and attractive building form
- Avoid development that relies on poor built form outcomes as precedent
- Provide guidance for all housing areas on preferred built form outcome
- Facilitate with the Department of Health and Human Services an improvement in the quality of housing stock across the City, in particular Braybrook

Housing Design - Resident Amenity Policy

- Support development which is comfortable to live in and provide residents will a high level of amenity
- Ensure site development respects the future development potential of adjacent land
- Facilitate adequate living spaces on the ground floor in larger dwellings of three or more bedrooms
- Provide guidance on preferred design and internal amenity for apartment and townhouse developments

Housing Adaptability Policy

- Ensure residents will have access to adaptable and accessible housing that meets their lifestyle needs at all stages of their life.
- Facilitate housing that can be adapted for different household formations and stages of life
- Support housing that can be cost effectively adapted to different layouts
- Support a ground floor bedroom and bathroom in dwellings with more than one storey

Environmentally Sustainable Development Policy

- Ensure housing in Maribyrnong will become increasingly environmentally sustainable
- Facilitate environmentally sustainable development

4. Implementation Plan

The first action is to implement the Housing Strategy framework plan and policy into the Maribyrnong Planning Scheme through a Planning Scheme Amendment (C152).

The Technical Report Chapter 7 (Attachment 2) contains a list of core actions, relating to:

- Amending the Local Planning Policy Framework
- Review of zones and overlays
- Further strategic work
- City infrastructure to support growth
- Advocacy (engage with stakeholders to support and advance the Housing Strategy policy, including a whole of metropolitan, state and federal approach to affordable housing)
- Research monitoring and review (consist with National Cities Performance Framework – Performance Indicators for Housing 2017)

5. Planning Scheme Amendment C152

The Amendment seeks to implement the policy recommendations of the *Maribyrnong Housing Strategy 2018* into the Local Planning Policy Framework, specifically:

Amend the following clauses to introduce new housing policy

Clause 21.02 Municipal profile

Clause 21.04 Settlement

Clause 21.06 Built environment and heritage

Clause 21.07 Housing

Clause 21.09 Transport

Clause 21.10 Community and Development Infrastructure

Clause 21.11 Local areas

Clause 21.12 Reference documents

Clause 21.14 Further strategic work

Clause 22.02 Francis Street mixed use policy

 Amend Clause 22.05 to update the zones reference in the Preferred Neighbourhood Character Statements Policy.

The Amendment will provide clear policy direction for decision makers regarding the location and type of housing required to meet the changing needs of our community. It will ensure the City can absorb the anticipated growth in demand for housing and reinforces the importance of protecting commercial and employment areas from residential development. The economic potential of our Activity Centres will increase by encouraging housing growth, while retaining and planning for sufficient commercial floor space.

The objectives of planning in Victoria will be implemented by direct housing growth across the City to balance the present and future interests of all Victorians through orderly, economic and sustainable use and development of land and providing a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.

The strategic assessment of the amendment is detailed in Attachment 4 in the Explanatory Report.

6. Council Policy/Legislation

Council Plan 2017-2021

This report contributes to Council's strategic objectives contained in the Council Plan 2017-2021, by considering:

- Strategic Objective:
 - Growth and prosperity support diverse, well-planned neighbourhoods and a strong local economy.
 - Quality places and spaces lead the development of integrated built and natural environments that are well maintained, accessible and respectful of the community and neighbourhoods.
 - Healthy and inclusive communities provide and advocate for services and facilities that support people's wellbeing, healthy and safe living, connection to community, cultural engagement and whole of life learning.
 - Mobile and connected city plan and advocate for a safe, sustainable and effective transport network and a smart innovative city.
 - Clean and green strive for a clean, healthy city for people to access open spaces, cleaner air and water and respond to climate change challenges.

Legislation

- Planning and Environment Act 1987
- Ministerial Direction on the Form and Content of the Planning Schemes
- Ministerial Direction 9 Metropolitan Planning Strategy
- Ministerial Direction No. 11 Strategic Assessment of Amendments
- Ministerial Direction No. 15 The Planning Scheme Amendment Process

Conflicts of Interest

No officer responsible for, or contributing to, this report has declared a direct or indirect interest in relation to this report.

Human Rights Consideration

This report complies with the rights listed in the Victorian *Charter of Human Rights and Responsibilities Act* 2006.

7. Engagement

During the amendment process, extensive community consultation will include a minimum 6 weeks exhibition period calls for submissions in accordance with Section 19 of the *Planning and Environment Act* 1987. A detailed communication plan will be prepared, which includes (as appropriate) the following:

- Notices in the local newspaper and Government Gazette
- Brochures and fact sheets
- Your City Your Voice
- Letters to Prescribed Ministers, public authorities and agencies

- Letters to residents groups, housing providers and industry groups
- Community Voice Panel
- Drop in sessions
- Advertisements in local newspaper
- Story in Maribyrnong Messenger
- Council website
- Social media live Facebook chat
- Local media

The results of the consultation process will be presented to Council as part of the Planning Scheme Amendment process. If submissions are received that cannot be resolved, a Planning Panel will be appointed by the Minister for Planning, providing submitters an opportunity to be heard.

8. Resources

Resource requirements for the Planning Scheme Amendment are in accordance with existing budget allocations. A wide range of further strategic work has been identified and Council will consider the progression of this work as part of future budgets.

9. Environment

The draft Strategy will promote positive environmental effects by encouraging population and housing intensification in areas of the municipality with the greatest capacity for change, and will encourage greater housing diversity and improved environmental performance of new dwellings.

CONCLUSION

The review identified the need to develop a resilient Housing Strategy. The Strategy will ensure that residents, businesses, developers and investors alike will have a common understanding of how the City will change and where, and will facilitate diverse housing typologies to 2031.

The draft Strategy will support and manage the City's population and housing growth to 2031, address current and emerging planning issues and facilitate positive housing outcomes for residents. It will also support a more diverse housing market, facilitate affordable housing and adaptable housing that is well serviced by community and development infrastructure in a timely manner.

Growth will be directed to key substantial change areas across the City that have quality access to services, jobs and public transport. While also supporting gradual infill development in incremental change areas. Limited growth is expected in locations that have significant and established neighbourhood character, heritage values and environmental sensitivities. The current zoning framework, together with a number of rezoning opportunities on strategic redevelopment sites will enable Council to deliver the 2031 housing requirements.

The Amendment is required to implement the recommendations of the draft Housing Strategy and provide clear guidance in the Planning Scheme on how residential

development in the City will be planned and managed. During the amendment process, extensive community consultation will occur (minimum 6 weeks) allowing for submissions.