Government Land Standing Advisory Committee Tranche 4 Report Part 95 Williamsons Road, South Morang

17 March 2017

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List of Abbreviations

DPO	Development Plan Overlay
EAO	Environmental Audit Overlay
FTGL Service	Fast Track Government Land Service
MUZ	Mixed Use Zone
PUZ	Public Use Zone
VPO	Vegetation Protection Overlay
VPP	Victoria Planning Provisions



About this report

On 21 August 2016, the Minister for Planning referred the following sites to the Government Land Standing Advisory Committee as part of Tranche 4 Report:

- 145 Studley Road, Heidelberg (Austin Hospital)
- Part 48 Rona Street, Reservoir
- 1 Hopetoun Avenue, Brunswick West
- Part 95 Williamsons Road, South Morang.

On 27 September 2016, the Minister for Planning referred the following additional site to the Committee:

• 181-183 Jetty Road, 14 Cook Avenue, 318 Bayview Road and Herman Street Reserve, Rosebud.

This is a report under Section 151 of the *Planning and Environment Act 1987* of the Government Land Standing Advisory Committee for **Part 95 Williamsons Road, South Morang**.

Lester Townsend, Chair

Brett Davis, Deputy Chair

17 March 2017

Lynn Sweeney

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The Government Land Standing Advisory Committee

The Fast Track Government Land Service (FTGL Service) is a 2015 initiative to deliver changes to planning provisions or correct planning scheme anomalies for land owned by the Victorian Government. The Minister for Planning approved Terms of Reference to establish the Government Land Standing Advisory Committee (the Committee) under Part 7, section 151 of the *Planning and Environment Act 1987* in July 2015.

The purpose of the Committee is:

... to advise the Minister for Planning on the suitability of changes to planning provisions for land owned by the Victorian Government.

The Committee consists of:

- Chair: Lester Townsend
- Deputy Chairs: Brett Davis and Cathie McRobert
- Members: Gordon Anderson, Alan Chuck, John Collins, Mandy Elliott, Jenny Fraser, John Ostroff, Cazz Redding and Lynn Sweeney.

The Committee was assisted by Ms Emily To, Project Officer with Planning Panels Victoria.

The Committee's Terms of Reference state:

The Committee must produce a written report for the Minister for Planning providing:

- An assessment of the appropriateness of any changes to planning provisions, in light of the relevant planning scheme and State and Local Planning Policy Frameworks.
- An assessment of whether planning scheme amendments could be prepared and adopted in relation to each of the proposals.
- An assessment of submissions to the Standing Advisory Committee.
- Any other relevant matters raised in the course of the Standing Advisory Committee Hearing.
- A list of persons who made submissions considered by the Standing Advisory Committee.
- A list of persons consulted or heard.

Details of the site and process

Figure 1: Amendment summary

Amendment summary		
Tranche and site reference	Tranche 4: Site reference FT83	
Previous use	Vacant	
Site owner	Melbourne Water	
Council	City of Whittlesea	
Exhibition	31 October to 9 December 2016	
Submissions	One submission was received in relation to this site: - City of Whittlesea	

Figure 2: Proposed planning scheme changes

Current planning scheme controls	Proposed planning scheme controls
Public Use Zone – Schedule 1	Mixed Use Zone
	Development Plan Overlay
	Vegetation Protection Overlay – Schedule 1

Figure 3: Committee process

Committee process	
Members	Brett Davis and Lynn Sweeney
Information session	17 November 2016 at Mill Park Community Centre
Hearing	16 February 2017 at Planning Panels Victoria
Site inspections	9 February 2017 (unaccompanied)
Appearances	Melbourne Water – Paul Beatty of Planisphere, Rob White of Melbourne Water City of Whittlesea, Liam Wilkinson
Date of this Report	17 March 2017

1 Summary and recommendations

1.1 The site

The subject site is located in South Morang at 95 Williamsons Road.

The information sheet published by the FTGL Service describes the site as follows:

The site is approximately 2.8 hectares and is generally flat. It is adjacent to four large water tanks to the west of the site. It is approximately 80 metres from the proposed Marymede railway station and 500 metres from South Morang Station.

The site is located in an area consisting of residential and education facilities, commercial and industrial uses and the Mernda Railway Extension reserve.

The site is located on the southern side of Williamsons Road, approximately 475 metres west of Plenty Road. It has a 119.83 metre frontage to Williamsons Road and has trees situated on the northern, eastern and southern boundaries.

Figure 4: Site location



The site is opposite the Marymede Catholic College to the north. The land to the east is zoned Commercial 2. The Reserve for the Mernda Rail Extension is approximately 80 metres east of the site.

The proposed alignment for the Findon Road extension runs along the southern boundary of the site, which will create a second road frontage for the site.

1.2 Summary

The Site owner proposes to change the current Public Use Zone – Schedule 1 to Mixed Use and apply a Vegetation Protection Overlay and a Development Plan Overlay.

Council supported the rezoning and overlays but submitted that the Development Plan Overlay should include a requirement for 5 per cent affordable housing on the site. The Site owner did not support the requirement for a mandated 5 per cent of social housing though the use of a Section 173 Agreement.

The Committee considered all written submissions as well as submissions presented to it during the Hearing. In addressing the issues raised in those submissions, the Committee has been assisted by the information provided to it as well as its observations from inspections of the site.

Figure 5: Existing and proposed controls

Current planning scheme controls	Proposed planning scheme controls	Recommendation
Part 95 Williamsons Road, Sou		
Public Use Zone 1 – Service and Utility	Mixed Use Zone	Mixed Use Zone
	Vegetation Protection Overlay	Vegetation Protection Overlay
	Development Plan Overlay	Development Plan Overlay

1.3 Recommendations

The Committee recommends for Part 95 Williamsons Road, South Morang:

- 1. A planning scheme amendment be prepared and approved to:
 - a) Rezone the subject site to the Mixed Use Zone
 - b) Apply the Vegetation Overlay
 - c) Apply the Development Plan Overlay.
- 2.1 If Amendment C197 is <u>not</u> approved before the rezoning of this site, include the following wording in the Development Plan Overlay:

Requirements for the development plan

- A Housing Diversity Statement that explains the proposed mix of housing on the site including the provision of social and affordable housing. The statement is to demonstrate how it is proposed to address Council's aim to achieve the inclusion of 5 per cent social housing and 10 per cent affordable housing in the structure planning of any established or greenfield housing development.
- 2.2 If Amendment C197 <u>is</u> approved before the rezoning of this site, include the following wording in the Development Plan Overlay:

Condition and requirements for permits

- An agreement under section 173 of the Planning and Environment Act 1987, or as otherwise agreed in writing, is to be entered into between the applicant and the Responsible Authority, to the satisfaction of the Responsible Authority that the owners will:
 - to provide for construction of road, bicycle and pedestrian connections from the site to the future Marymede Train Station
 - provide for 5 per cent the total number of dwellings for the purpose of social housing developed in association with an accredited housing association, to the satisfaction of the Responsible Authority.

Requirements for the development plan

 A Housing Diversity Statement that explains the proposed mix of housing on the site including the provision of social and affordable housing. The statement is to demonstrate how it is proposed to provide
 5 per cent of the overall housing stock as social housing and 10 per cent of the overall housing stock as affordable housing.

2 Process issues for this site

No process issues were raised for this site.

3 Site constraints and opportunities

3.1 Zoning context

Figure 6: Current zoning

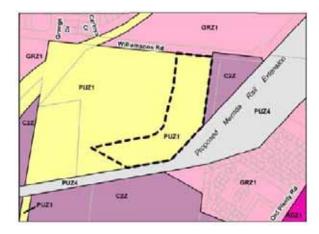
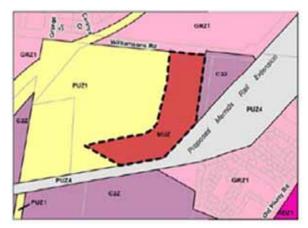


Figure 7: Proposed zoning



3.2 Planning constraints – overlays and restrictions

No overlays currently apply to the site.

3.3 Physical constraints

Council submitted that the site is part of a fast growing neighbourhood which will change radically over the next few years with the construction of significant road and rail infrastructure.

The irregular shape of the 2.8 hectare site currently has a single road access with a 120 metre frontage to Williamsons Road. Significant changes are planned with the alignment for the proposed extension of Findon Road creating a second street frontage for the land and the Marymede railway station will introduce public transport access.

4 Issues with the proposed changes

4.1 What zone is suitable

Submissions

Both the Site owner and Council were in agreement that the most appropriate zoning for the site is MUZ due to the close proximity of the Town Centre, lack of sensitive interfaces, planned public and road transport access and emerging activity centre potential once the Marymede Railway station is constructed.

The purposes of the MUZ are:

To implement the State Planning Policy Framework and the Local Planning Policy Framework.

To provide for a mix of residential, commercial, industrial and other uses which complement the mixed use function of the locality.

To provide for housing at high densities.

To encourage development that responds to the existing or preferred neighbourhood character of the area.

To facilitate the use, development and redevelopment of land in accordance with the objectives specified in a schedule to this zone.

Discussion and conclusion

At the commencement of the Hearing the Committee noted that both the Site owner and Council were in agreement on the proposed zoning for the site and that further detailed submissions were not required on this issue.

The Committee is satisfied that the emerging nature of the neighbourhood and improved transport access to the site support the application of the MUZ, which will enable a mix of both residential and commercial uses on the site.

4.2 What overlays are suitable

Two overlays are proposed for the site: a Vegetation Protection Overlay (VPO) and a Development Plan Overlay (DPO).

Submissions

The Site owner and Council were in agreement that a DPO and VPO should be applied to the site. Council submitted that both tools would:

ensure that the development of the site occurs in a co-ordinated manner which maximises the strategic attributes of the site whilst sensitively addressing the site sensitivities and constraints.

Council submitted that the proposed DPO should be amended to support the provision of social and affordable housing on the site with the following additions and changes (shown in blue) to the DPO:

Condition and requirements for permits

An agreement under section 173 of the Planning and Environment Act 1987, or as otherwise agreed in writing, is to be entered into between the applicant and the Responsible Authority, to the satisfaction of the Responsible Authority that the owners will:

- to-provide for construction of road, bicycle and pedestrian connections from the site to the future Marymede Train Station
- provide for 5 per cent the total number of dwellings for the purpose of social housing developed in association with an accredited housing association, to the satisfaction of the Responsible Authority.

Requirements for the development plan

 A Housing Diversity Statement that explains the proposed mix of housing on the site including the provision of social and affordable housing. The statement is to demonstrate how it is proposed to provide 5 per cent of the overall housing stock as social housing and 10 per cent of the overall housing stock as affordable housing.

Council submitted that the strategic justification for these additions was founded in the alignment with:

- Clause 16.01-5 (Housing Affordability) of the State Planning Policy Framework (SPPF), which guides and supports the facilitation of a mix of private, affordable and social housing in strategic redevelopment sites. Council submitted that the site has the transport and locational characteristics to qualify it as a strategic redevelopment site.
- *Plan Melbourne* Directions 2.3 and 2.4, which support the facilitation of social and affordable housing.
- Infrastructure Victoria Draft 30-year Infrastructure Strategy which includes support for consideration of inclusionary zoning and incentives to deliver affordable rental housing for government land where government is undertaking actions that will provide uplift to private land values.
- Council's Social and Affordable Housing Policy and Strategy, particularly Strategic Action 1.1; that Council, in the structure plan of any Established and new Greenfield housing development, advocate to the State Government to designate the appropriate and desired proportion of affordable and social housing of 10 per cent for affordable housing and 5 per cent for social housing (Strategy p13). Further, the Strategy includes the Action for Council to actively promote the facilitation sites located close to public transport identifying a target of 100 dwellings in the Urban Growth (South Morang) area.
- Local Planning Policy Framework Amendment C197 (adopted by Council). The review of the Municipal Strategic Statement introduces Clause 21.09-3 (Social and Affordable Housing) to provide policy and guidance in planning for social

and affordable housing in the City of Whittlesea. The subclause implements the *Social and Affordable Housing – Policy and Strategy* with Council particularly noting the following statements within Clause 21.09-3:

- The City aims to achieve the inclusion of 5 per cent social housing and 10 per cent affordable housing in the structure planning of any established or greenfield housing development.
- Objective 1: To facilitate the provision and access to social and affordable housing for low and moderate income households.
- Strategy 1.1 Support the provision of social and affordable housing associated with larger residential development/ mixed use development or on strategic redevelopment sites.
- Strategy 1.2 Promote and facilitate affordable housing in locations with good access to public transport and/ or services.
- Strategies 1.4 Facilitate a balanced mix of private, affordable and social housing within new developments.

Council clarified that the *Social and Affordable Housing – Policy and Strategy* is included as a Reference document at Clause 21.14 of the Scheme.

Council submitted that Amendment C197 has been through a Panel Hearing process with no issues raised in the Panel report regarding Clause 21.09-3, adopted by Council and forwarded to the Minister for approval.

Council explained that the drafting of the proposed DPO provisions had been based on the same format applied to the Amcor site in Fairfield by the City of Yarra.

While not objecting to the inclusion of social housing aspirations for the site, the Site owner submitted that:

It is inappropriate to include any requirement prescribing the mandatory provision of social housing, using the mechanism of a Section 173 Agreement

Furthermore, if a social housing requirement is to be included within the proposed DPO, we submit that this should be addressed by way of an incentive to future developers of the land. That is, that provision of social housing is incentivised through the development process ...

It is noted that use of an incentive-based model for social housing provision and achieving Council's targets on this site was previously proposed by Council during discussions with Council and Melbourne Water for this site.

If the provision of social housing within the future development of the subject land is considered necessary, it is submitted that the inclusion of wording within the DPO schedule itself is sufficient.

Discussion

The Committee accepts that Amendment C197 is a seriously entertained amendment given that it has been through a Panel process and subsequently adopted by Council. For the

Amendment to support a requirement for social housing on this site, it would need to be approved and gazetted.

The Committee notes that whilst the proposed Clause 21.09-3 implements Council's Affordable and Social Housing Policy, its wording does not specifically mandate the requirement to use a Section 173 Agreement to provide for 5 per cent social housing. Indeed it would be a much clearer if Council's 'aim' to include 5 per cent of social housing had been expressed as a more explicit requirement.

Notwithstanding the ambiguity of the requirement, Council has been consistent and clear in its intention to address its lack of social and affordable housing through the inclusion of requirements at the structure planning stage.

If Amendment C197 is approved in its adopted form, then not including a specific requirement for affordable housing in the structure planning of this site would undermine the practical effect of including the strategies in the planning scheme.

This site is poised for a significant uplift in value due to the proximity to the public investment in the Marymede Railway Station and is a large parcel in single ownership. It is difficult to imagine a scenario where a social housing requirement might be more appropriate in the City of Whittlesea.

Conclusion

The Committee concludes that:

- If Amendment C197 is approved prior to the rezoning of this site, the DPO should be amended to include the requirement for a Housing Diversity Statement addressing how it will provide social and affordable housing and a Section 173 requirement for the provision of 5 per cent of dwellings for social housing, as proposed by Council.
- If Amendment C197 is not approved prior to the rezoning of this site, the Committee concludes that the DPO should be amended to only include an additional requirement for the Development Plan:

A Housing Diversity Statement that explains the proposed mix of housing on the site including the provision of social and affordable housing. The statement is to demonstrate how it is proposed to address Council's **aim** to achieve the inclusion of 5 per cent social housing and 10 per cent affordable housing in the structure planning of any established or greenfield housing development.

4.3 Plan Melbourne 2017–2050

Post-hearing, the Government released Plan Melbourne 2017-2050. The Committee notes that Policy 2.3.2 of this document states:

Streamlined approval processes for the government and the community-housing sector can help facilitate the supply of social housing.

To support an increase in the supply of social housing, a new streamlined approval process will be developed for social-housing projects. This will facilitate faster delivery of social-housing projects with lower holding costs and greater planning certainty.

4.4 Conclusion

The Committee concludes that the rezoning to MUZ and application of the DPO is appropriate. The proposed requirement for 5 per cent social housing on the site is supported by local policy, is consistent with recent policy announcements and should be included. If Amendment C197 is approved prior to the rezoning of the site, the requirement should be included in the Development Plan Overlay as a specific requirement.

Appendix A: Document list

Documents Presented to Hearing (No.)	Description	Presented By
1	Melbourne Water submission	Paul Beatty, Planisphere
2	City of Whittlesea Submission	Liam Wilkinson, City of Whittlesea
3	Marymede Station brochure	и
4	City of Whittlesea Social and Affordable Housing Policy	и
5	C197 Clause 21.14	и
6	City of Whittlesea Housing Diversity Strategy extract	и
7	City of Yarra Planning Scheme; Schedule 11 to the DPO, Amcor site	и