

Places to Live:

**City of Port Phillip Housing
Strategy (Draft – for
consultation)**

The City of Port Phillip respectfully acknowledges the Traditional Owners of this land, the people of the Kulin Nations. We pay our respect to their Elders, past and present. We acknowledge and uphold their continuing relationship to this land.

Contents

Places to Live: City of Port Phillip Housing Strategy (Draft – for consultation)..... 1

 Contents 2

Foreword 1

Part 1: Introduction 2

 1.1 Why do we need a new housing strategy? 3

 1.2 Role of Council in housing provision 4

 1.3 Scope of the Housing Strategy as a planning document 5

 1.4 Housing Strategy Approach 6

 1.5 What we heard from the community 7

Part 2: Context 8

 2.1 Policy Context 9

 2.2 Port Phillip Planning Scheme 11

 2.3 Community profile 12

 2.4 Housing Profile 15

 2.5 Housing Development Trends 17

 2.6 What are we planning for – Key housing challenges 18

Part 3: The Strategy 21

 3.0 Vision and Housing Objectives 22

 Objective 1: Ensure adequate housing supply 23

 Objective 2: Direct new housing to appropriate locations 28

 Objective 3: Ensure new housing responds to neighbourhood character and heritage values of established residential areas 34

 Objective 4: Encourage a range of housing options to support our diverse community 39

 Objective 5: Support new housing that is well-designed and resilient to the impacts of climate change 42

 Objective 6: Facilitate the provision of more affordable housing 45

Part 4: Residential Development Framework Plan 52

 4.1 What is a Residential Development Framework Plan? 53

 4.2 How was the Draft Residential Development Framework Plan prepared? 53

 4.3 Housing Change Areas 54

 4.4 Residential Framework Plans 57

 Housing Change Areas 57

 Neighbourhood character areas and level of change 66

Part 5: Implementation and Delivery 67

Definition of terms 72

Foreword

When planning for future housing in Port Phillip, we acknowledge that housing is more than the dwellings we build. It is also about environments, people, and places where residents want to live and become involved in their community.

In an era when cities face the increasingly severe impacts of climate change, economic crises, and global interruptions, we ask what role housing plays in ensuring our city and community in the City of Port Phillip (**CoPP**) is socially and economically resilient.

The Draft Housing Strategy (**'the Draft Strategy'**) is prepared to realise the housing needs and aspirations of our current and future residents. It aspires to achieve Port Phillip's community vision as a liveable and vibrant city, that enhances the wellbeing of our community.

Before we identify the extent and nature of future housing in Port Phillip (over the next 15 years) in a new Housing Strategy, we first need to understand the key housing drivers:

- Our projected population and household needs (including how much and what type of housing we need)
- Where housing should be located to enhance our community's quality of life.
- How we maintain and enhance valued neighbourhood character.

We strive to provide appropriate and affordable housing for all, especially those in greater need. This requires a whole of government approach that facilitates public and private partnership.

We encourage you to read this Draft Housing Strategy and share your views and insights with us. Your feedback will assist in the preparation of the final Housing Strategy.



Part 1:

Introduction

We are developing a new Housing Strategy for the City of Port Phillip to help plan for and manage housing growth and change in a way that will enhance the city's resilience, liveability, diversity, and valued character. This 15-year strategy, outlines the housing vision and key strategies required to accommodate the projected population and household needs of our residents.

The Draft Strategy is set out in five parts as follows:

- Part 1: Introduction
- Part 2: Context
- Part 3: The Strategy
- Part 4: Residential Development Framework Plan
- Part 5: Implementation and Delivery

The draft Housing Strategy aspires to achieve Port Phillip's community vision as a liveable and vibrant city and has been informed by in-depth background research, other existing council strategies, as well as the community members who talked to us about their housing priorities in 2022 and 2023 as part of the Housing Strategy Phase 1 & 2 Engagement.

1.1 Why do we need a new housing strategy?

State planning policy requires councils to proactively plan for, at a municipal level, projected population growth over at least a 15-year period and provide clear direction on locations where growth should occur.

A Housing Strategy is the key foundational strategic planning document that assists Council in planning for our residents' current and future housing needs.

Council's existing Housing Strategy was finalised over 15 years ago and lapsed in 2017. The current strategy is based on sound strategic principles of providing opportunities for new residential development in well-serviced locations with a high capacity for change. However, the City is facing a number of new challenges and opportunities, as well as changes to Port Phillip's planning framework and local context, which have significant local implications including:

- a) Port Phillip's Declaration of Climate Emergency in 2019 and preparation of a Climate Emergency Plan (updated 2023). This provides an important basis for how we plan for new housing ensuring its location and design respond to our changing climate.
- b) Rezoning the Fishermans Bend Urban Renewal Area ('Fishermans Bend') in 2012 to accommodate residential land uses and development. Fishermans Bend will be Australia's largest urban renewal area. It is anticipated that the Sandridge, Wirraway and Montague precincts located in Port Phillip will accommodate 68,000 residents.
- c) Changes to the State Government policy context including the release of Melbourne's Metropolitan Planning Strategy, *Plan Melbourne 2017-50*, which outlines how Melbourne will meet the demand for housing diversity and growth, including by accommodating an increased percentage of new housing in established areas and activity centres.
- d) Introduction of a new suite of residential zones in 2013 (reformed in 2017), which provide local government with the opportunity to better direct the location and scale of residential change.
- e) Updated Victoria in Future 2023 State Government population and household projections.

An up-to-date Housing Strategy will provide direction on what, where and how much housing should be accommodated in areas across the municipality. This supports Council in undertaking precinct and area-based planning such as structure planning.

1.2 Role of Council in housing provision

Each level of government has a role to play in relation to housing. The diagram at Figure 1 sets out the responsibilities of various level of government.

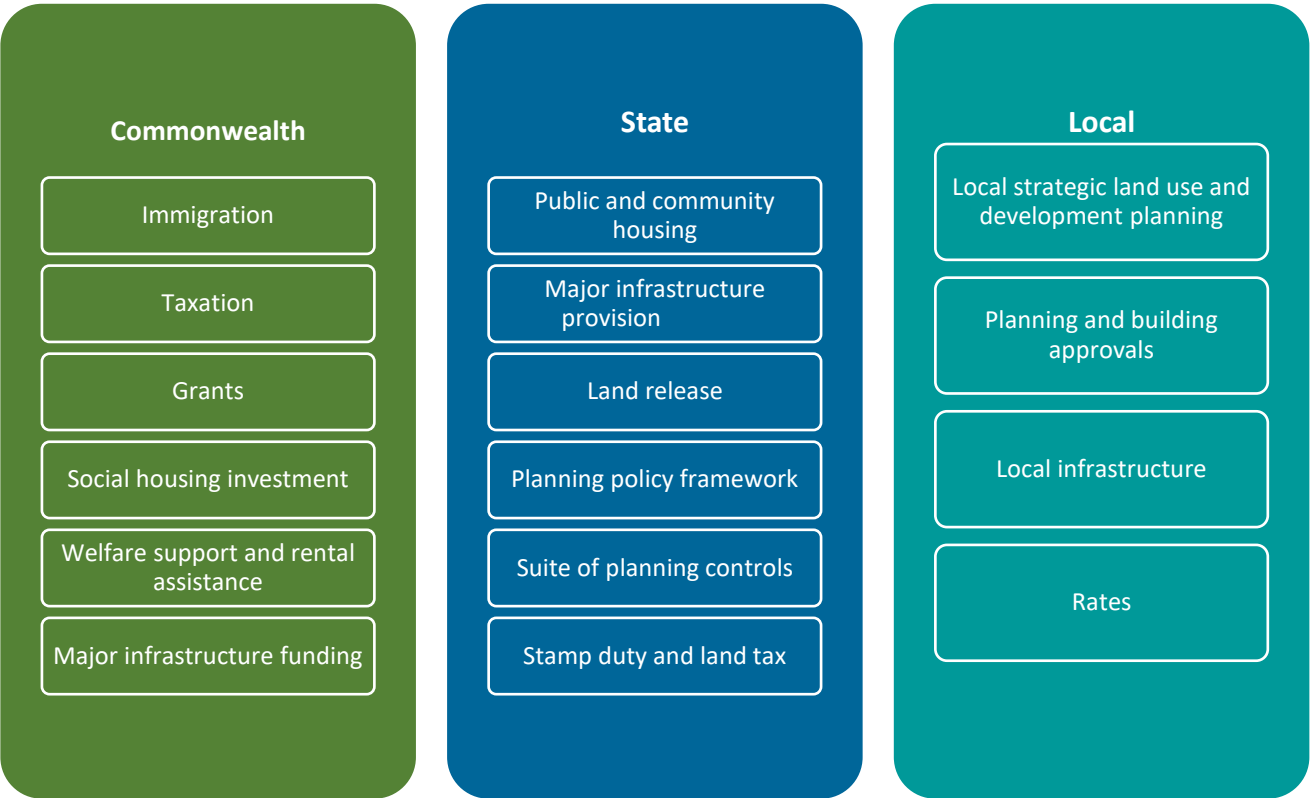


Figure 1: Government planning responsibilities, adapted from AHURI (source: adapted from: [Understanding the housing policy levers of Commonwealth, state and territory, and local government | AHURI](#))

Alongside various levels of governments, the community housing sector also plays an important role in the provision of affordable housing. Community housing is a form of social housing that comprises various

forms of rental housing which are owned and/or managed by a wide range of community housing organizations (CHO) or not-for-profit companies. In 2021, the 100 largest CHOs managed 122,000 social and affordable tenants in the country.¹

Importantly, the sector not only has expertise in looking after affordable and social housing tenants who sometimes have complex needs but is also closely regulated by the government. These regulations are typically designed to prevent the conversion of affordable units into market-rate housing, maintain income eligibility requirements, and protect the interests of low- and moderate-income households. This makes the community housing sector an increasingly important partner for the private and public sectors when comes to delivering and managing affordable housing over the longer term. In such arrangements, affordable housing delivered by private development can be transferred to the CHOs either with or without cost. For optimal affordable housing outcomes, private sectors are often encouraged to partner with CHO at the planning application stage through an agreement under section 173 of the planning scheme.

Role of Council in housing

Most of the housing in Port Phillip is delivered by the privately operated market, which is influenced by various geographic, regulatory, and economic factors. Local governments do not control many of the drivers behind the market, however, they do play a role in facilitating an efficient housing market.

Local government is the only tier of government that:

- undertakes a comprehensive review of local housing needs and demand.
- reviews land capacity and land use trends to ensure supply of land can readily meet the community's needs.
- provides detailed guidance on how local housing needs and demand should be met in terms of housing type, size, amenity, character, and location.
- leads the implementation of local housing strategies including changes to local planning policy, zones and planning controls in the planning scheme to achieve desired housing outcomes.

¹ Community Housing Industry Association, 2023, Australian's community housing industry in profile, <<https://www.communityhousing.com.au/wp-content/uploads/2023/06/CHIA-Profile-2023-Final-1.pdf?x44516>>

1.3 Scope of the Housing Strategy as a planning document

Housing strategies are important local planning documents that help councils plan for housing growth and change in the municipality. To do this, we consider the following questions:

- **Housing capacity** – how much new housing do we need?
- **Housing location** – where should new housing be located to create liveable and sustainable neighbourhoods?
- **Housing diversity** – what types of new housing would best meet the needs of our community?
- **Housing quality** – how should housing be designed to be more liveable and consider the changing environment?
- **Housing character** – how do we maintain and enhance the things we love about Port Phillip? How do we ensure future housing collectively contributes to our preferred neighbourhood character?
- **Housing affordability*** – how can we support the market to deliver more affordable housing options?

*In relation to affordable housing this document provides market opportunities in the form of identifying opportunities for housing development, encouraging a diversity of housing and higher density housing. The coordination, delivery, and management of affordable (including social) housing is beyond the scope of this strategy and will be addressed when Council's affordable housing strategy (In Our Backyard) is updated.

The draft Housing Strategy applies to all land in Port Phillip that may be used for residential purposes as shown in the map in Figure 2 - Land subject to this Housing Strategy



Figure 2 - Land subject to this Housing Strategy

1.4 Housing Strategy Approach

The draft Housing Strategy has been prepared in accordance with State Government requirements outlined in Planning Practice Note 90 and 91. It has been informed by two rounds of community engagement (see section 1.5 for details, and is evidence-based having been informed by technical investigations, including:

- Housing capacity report (Urban Enterprise, 2023)
- Affordable Housing Needs Study (SGS Economics, 2023)

The draft Strategy also incorporates findings from a Neighbourhood Character Study and Preferred Character Statements (LATStudios, 2024) which provides vision and direction for preferred character outcomes in specific areas in our established residential areas. In addition to the existing built form guidance for our heritage precincts and within our activity centre areas that is already contained in the Port Phillip Planning Scheme, this character work will ensure clear guidance is provided for preferred built form outcomes for all residential development.

The draft Strategy provides a housing response aligned to other relevant Council strategies and policies such as Move, Connect Live ‘Integrated Transport Strategy’ and Climate Emergency Plan. It also aligns with other strategic planning projects being undertaken concurrently by Council, including the municipal-wide Spatial Economic and Employment Framework and the new draft South Melbourne Structure Plan.

The development of the draft Housing Strategy was preceded by a Discussion Paper which to help refine scope, priorities, and direction. The Discussion Paper was released for consultation in April – May 2023, with more detailed Neighbourhood Character conversations taking place in July 2023. The feedback received during community consultation has informed the priorities and actions of the draft Strategy.

Once formally adopted by Council, the Housing Strategy will be implemented primarily through a planning scheme amendment to update the Port Phillip Planning Scheme, as well as non-statutory implementation such as advocacy and improvements to operations. Figure 3 provides an indicative timeline of the Housing Strategy.



Figure 3. Housing Strategy Timeline

1.5 What we heard from the community

The development of the draft Housing Strategy has been informed by two rounds of community² consultation.

Phase 1 Engagement Sept - Oct 2022

The first phase of community engagement helps us understand, at a high level, local community' priorities and ideas for housing in Port Phillip.

Our key findings from Phase 1 were:

- Our community most values housing that is well-designed, energy efficient and affordable.
- Most people believed new housing should be located close to public transport, parks, open space and local shops.
- The community indicated they would like more affordable and public housing, followed by increased protection of neighbourhood character, and more focus on green and open space.
- Trees, landscaping, and vegetation in front gardens were identified as neighbourhood character elements that people liked most about their area.

Phase 2 Engagement April - May 2023

The second phase of community engagement help us gather specific feedback on the issues and opportunities presented in *Places to Live, the City of Port Phillip Housing Strategy Discussion Paper*. The draft Housing Strategy has been updated to reflect those comments. Our key findings from Phase 2 were:

The Vision

The feedback we received was that the draft Vision was too generic and requires more tangible outcomes.

Housing needs

- Design quality (access to well-designed and energy efficient housing) was identified as the most significant housing need followed by preferred neighbourhood character; housing diversity and accessibility; and appropriate location of future housing.
- Housing location and supply were of significant interest to the community. The need for diverse, accessible, well-designed housing close to infrastructure and amenities was recognised by the community as being of great importance.

Future of housing

The desired future of housing outcomes that emerged through the engagement process involved accommodating diverse housing needs in a way that preserves neighbourhood character and makes homes more affordable. The feedback indicated that the community are looking for a range of innovative housing solutions facilitated by Council. Balancing development while protecting what people value about their neighbourhoods, and meeting housing needs while addressing affordability, are seen as central to shaping a future where everyone can find suitable housing in Port Phillip.

Quotes from the community:



"For families looking to move into the area and have space for kids, it can be quite expensive".

"It is mostly apartment living, and the new ones are really small. It is also quite expensive. In saying that, there are some very nice places to live in Port Phillip."

"I think the issues are bigger than Port Phillip, and there needs to be more of a coordinated effort between all levels of government."

"Incentivise good developers to include more social housing and energy efficiency in their developments".

"An increase in the supply of quality infill / medium density housing. This can be done as build to sell or build to rent - quality and sustainability is important and ensures that adaptive, diverse housing options are priced".

"Accept not everyone can live in Port Phillip - continue to keep it a desirable place to live".

"Implement a plan for Fishermans Bend. There are a range of housing types, but developers are building apartments and not family housing."



² When referring to the 'community' throughout this document, it is important to note that the feedback captured throughout the engagement processes represents the views of people who chose to participate in the engagement activities and is not representative of the whole Port Phillip community.

Part 2:

Context

2.1 Policy Context

The Housing Strategy is informed by a broad range of State and Local plans, strategies, and policies. These include the following:

Table 1: State and Local Strategies, Policies and Plans informing the Housing Strategy

| State Framework | |
|--|---|
| <i>Planning and Environment Act 1987</i> | Sets the legislative framework for Victoria's planning system. Section 4 sets out the objectives of planning in Victoria, which the Minister for Planning has delegated to the City of Port Phillip to implement within the municipal boundaries. The Act establishes the Victorian Planning Provisions, a set of standard provisions for Victoria to be used as the 'planning tools' to achieve specific land use and development outcomes. |
| <i>Planning Policy Framework</i> | <p>The PPF is the integrated policy context of a planning scheme and includes state, regional and local policies. It sets out Council's (as planning authority) obligations in planning for population growth and housing change.</p> <p>The key PPF housing and settlement State and Regional policies include:</p> <ul style="list-style-type: none"> • Clause 11.01-1S – Settlement • Clause 11.02-1S – Supply of urban land • Clause 15.01-5S – Neighbourhood Character • Clause 16.01-1S - Housing Supply • Clause 16.01-1R – Metropolitan Melbourne |
| <i>Plan Melbourne 2017-2050 – Metropolitan Planning Strategy</i> | <p>Establishes a vision for Melbourne by integrating land use, infrastructure, and transport planning to meet the City's future environmental, population, housing, and employment needs. The three key directions of Plan Melbourne are:</p> <ul style="list-style-type: none"> • Ensure a 15-year supply of land to accommodate projected population growth and provide clear direction on locations where growth should occur. • Location of 70% of net additional dwellings within established Melbourne and 30% in the growth areas. • Residents can access most everyday needs within a 20-minute walk, bike-riding, or public transport trip from a person's home |
| <i>Homes for Victorians – Affordability, access and choice 2017</i> | The strategy aims to improve housing choice by outlining a coordinated approach across government. |
| <i>Victoria's Housing Statement: The decade ahead 2024-2034 September 2023</i> | The Statement aims to boost the supply, affordability and quality of housing across Victoria through numerous recommendations including policy reforms. The subsequent planning scheme amendments (VC242 and VC243) Implemented some of the actions. |
| <i>Planning for housing Planning Practice Note 90 - December 2019 (PPN90)</i> | Provides information and guidance to Councils about how to plan for housing growth and protect neighbourhood character to ensure a balanced approach to managing residential development in planning schemes. PPN90 highlights the need for Councils to undertake local strategic studies for the development of a Residential Development Framework. |
| <i>Planning Practice Note 43 – Understanding Neighbourhood Character (PPN43)</i> | Provides guidance for applicants, the community and councils about understanding what is meant by neighbourhood character and preparing or assessing permit application with respect to neighbourhood character objectives and standards in the planning scheme. |
| <i>Using the Residential Zones Planning Practice Note 91 December 2019 (PPN91)</i> | Provides guidance to Councils on how residential zones should be applied across their municipality once the Residential Development Framework has been prepared. Further clarification is also provided on the objectives to be applied to the residential zones by Councils. |
| <i>Fishermans Bend Framework 2018</i> | <p>The Framework is a long-term strategic plan for the development of Fishermans Bend to 2050. It will guide investment and development by the Victorian Government, local governments and the private sector. The Framework provides direction on how the transition of the area will be managed, creating certainty for the community, landowners, developers, businesses, and investors. The Framework provides:</p> <ul style="list-style-type: none"> • a long-term plan extending to 2050. • a guide to inform the preparation and consideration of planning permit applications. |

| | |
|--|--|
| | <ul style="list-style-type: none"> • clear strategic planning directions to inform public and private investment • a plan that enables the community, businesses and investors to make informed decisions that will assist in the realisation of the Vision |
| Local Framework | |
| <i>City of Port Phillip Council Plan 2021-31</i> | <p>Outlines the community vision for Port Phillip: <i>Proudly Port Phillip: A liveable and vibrant City that enhances the wellbeing of our community.</i></p> <p>A key initiative of the Plan is to update Port Phillip's Housing Strategy to effectively manage growth, land use change and support community sustainability, health, and wellbeing.</p> |
| <i>Climate Emergency Plan 2023-2028</i> | <p>Port Phillip Council declared a Climate Emergency in 2019, recognising that climate change is a global and that everyone must play their part. The declaration responds to the critical climate situation and demonstrates Council's commitment to take action. The five year plan outlines what Council will do, what the Port Phillip community can do and what Council is advocating for the Victorian and Australian Governments to do. The Plan includes measurable targets and practical actions to respond to the climate emergency and adapt and thrive.</p> |
| <i>Move, Connect, Live Integrated Transport Strategy 2018-28</i> | <p>Move, Connect, Live ITS aims to create neighbourhoods with access to key services within a 10-minute walk. It seeks Victorian Government funding for early delivery of connections to public transport, public space and streetscapes, footpaths and bike lanes in Fishermans Bend; and to optimise wider transport connections for both current and future residents and workers.</p> |
| <i>Places for People Public Space Strategy 2022-32</i> | <p>Sets the vision and blueprint for the future of our public spaces in Port Phillip.</p> |
| <i>Act and Adapt Sustainable Environment Strategy 2023-28</i> | <p>Outlines the City of Port Phillip's commitment to environmental sustainability for the organisation and the wider community. It establishes a pathway that will help transition the City to a greener, cooler more liveable City where we are all reducing our impact on the environment and are more resilient to the impacts of climate change.</p> |
| <i>In Our Backyard – Growing Affordable Housing in Port Phillip, 2015-2025</i> | <p>The In our Backyard Strategy (IOBY) identifies Council's role and actions it will take to grow the supply and diversity of affordable housing in the Port Phillip to address priority local housing needs. It sets up overall vision and policies to increase the supply of social and affordable housing in our municipality. The Housing Strategy will explore planning tools to help implement the IOBY strategy.</p> |
| <i>Think and Act: Homelessness Action Strategy 2015-2020</i> | <p><i>Think and Act: Homeless ness Action Strategy</i> is Council's specific homelessness strategy. It seeks to reduce the risks associated with homelessness through the development of agreed actions, continuing council's role as a leader, advocate, planner, facilitator and service provider.</p> |
| <i>Draft Urban Forest Strategy 2040</i> | <p>The Draft Urban Forest Strategy will replace the 2011 Urban Forest Strategy. It will set a 20-year vision or aspiration for how we want Port Phillip's Urban Forest to be in 2040 – so we know what we are working towards. It will include a set of Principles that will help guide the decisions and action that we take.</p> |
| <i>Draft Spatial Economic and Employment Framework (SEEF)</i> | <p>The draft Spatial Economic and Employment Framework (SEEF) sets out a Vision and a series of Objectives and Directions to support economic growth and vitality over the coming years.</p> |
| <i>Port Phillip Planning Scheme</i> | <p>The Port Phillip Planning Scheme is a statutory document that outline policies, zones, overlays, and other provisions to manage the use and development of land in a consistent and sustainable manner.</p> |
| <i>Structure Plans, Precinct Plans and Framework Plans</i> | <p>Port Phillip has numerous structure plans, Precinct Plans and Framework Plans that provide guidance to development and land use in specific areas. While the specific roles and definitions may vary, generally, these plans serve to provide a vision, set objectives, and establish guidelines for development within the City of Port Phillip.</p> <p>Current plans include: <i>Bay Street Activity Centre Structure Plan (Parts 1 and 2, 2014)</i>, <i>Carlisle Street Activity Centre Structure Plan (2009)</i>, <i>St Kilda Road South Urban Design and Land Use Framework Plan (2015)</i>, <i>Ormond Road Urban Design Guidelines (2007)</i>, <i>St Kilda Road North Precinct Plan (updated 2015)</i>.</p> <p>Draft plans include: draft South Melbourne Structure Plan (2024)</p> |
| <i>Port Phillip Heritage Review Volumes 1 – 6, Incorporated Document</i> | <p>The main heritage review document for Council, providing a municipal-wide, post-European contact environmental history, and includes citations for heritage precincts and individual heritage places as well as maps identifying the gradings of places within the heritage overlay (Heritage Policy Map) and contributory heritage places not included by a heritage overlay (Neighbourhood Character Map). This document underpins heritage policy and heritage overlays in the Port Phillip Planning Scheme.</p> |

2.2 Port Phillip Planning Scheme

This section gives an overview of the Planning Policy Framework, and relevant Victorian Planning Provisions that influence Council's provision of Housing.

Residential Zones

The residential zones in Port Phillip are:

- Mixed Use Zone
- Residential Growth Zone
- General Residential Zone
- Neighbourhood Residential Zone

Capital City Zone, Commercial 1 Zone and Comprehensive Development Zone also allow for residential uses, though it is in combination with other land uses.

Overlays

There are a number of overlays used across Port Phillip to achieve different built form outcomes. Within Port Phillip's residential areas these are predominately:

- Heritage Overlay – applied to individual sites and precincts to conserve heritage significance.
- Neighbourhood Character Overlay – applied to areas of special character.
- Design and Development Overlay – applied to sites and precincts to achieve specific design and built form requirements.

Particular Provisions

- Rescode (Clause 54 One dwelling on a lot or a small second dwelling on a lot, and Clause 55 Two or more dwellings on a lot and residential buildings)
- Apartment Design Standards (Clause 58 Apartment developments)

Local Planning Policy Framework

Key housing and settlement policies in Local Planning Policy Framework include:

- 16.01-1L-01 Housing diversity
- 16.01-1L-02 Location of residential development
- 16.01-2L Affordable housing
- 16.01-4L Community care accommodation
- 16.01-5L Residential aged care facilities

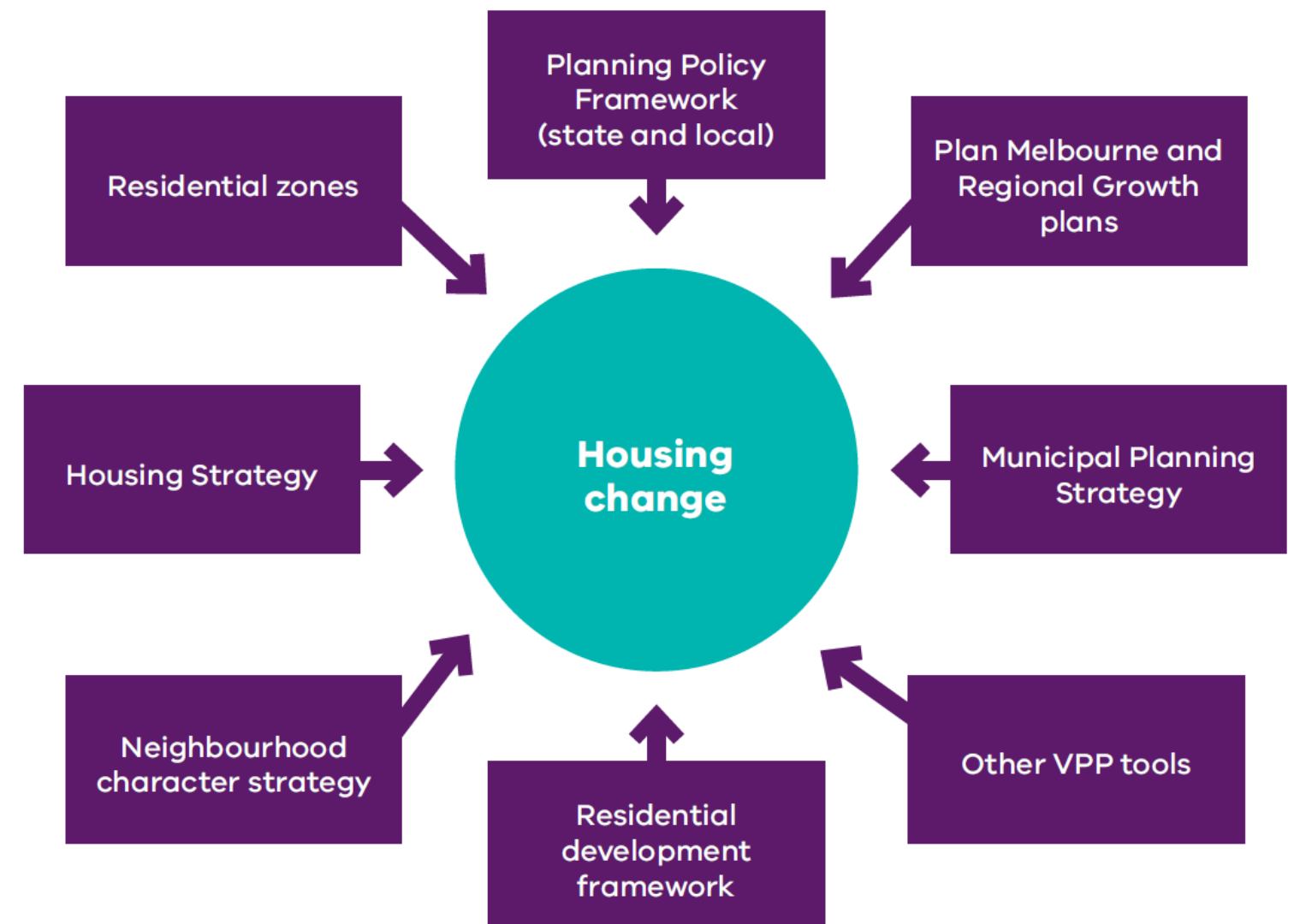
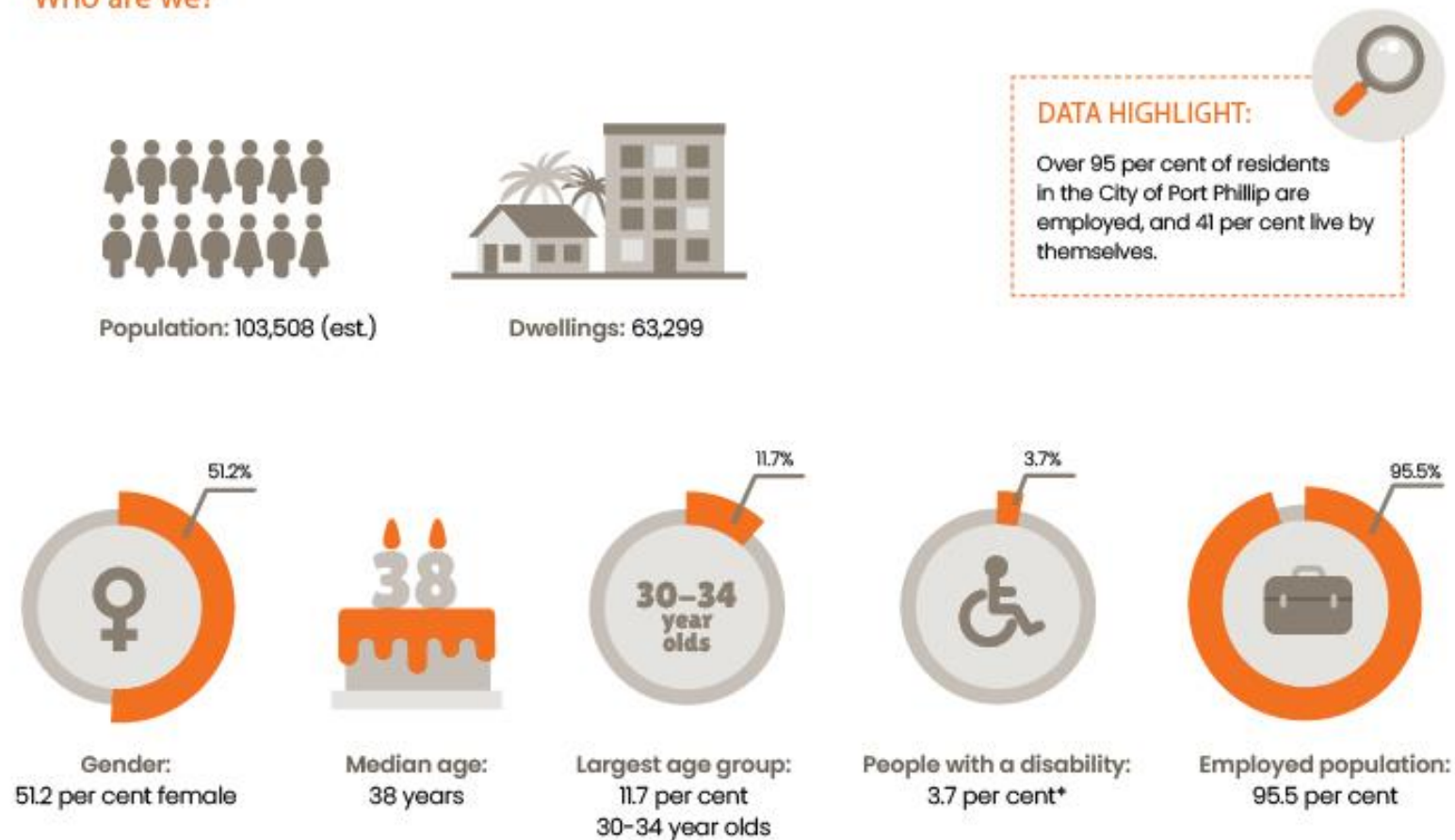


Figure 4. Planning for housing change (Source: Planning Practice Note 90, Department of Transport and Planning)

2.3 Community profile

Who are we?



* The people with a disability figure reflects people who reported needing help in their day-to-day lives due to disability and does not represent all disability needs in the City.

Source: City of Port Phillip. Estimated Resident Population. [Online] Profile .id, 2023g

Where do we come from?



Key facts:

- Our young workforce cohort aged between 25 and 34 has declined slowly but from 28.4 per cent (2006) to 22.7 per cent (2021). This runs against the trend in Greater Melbourne and other inner metropolitan Melbourne councils, where this age cohort has grown over the past 15 years.
- Port Phillip is culturally diverse with over 33% of our community born overseas, and 21% of our community speaking a language other than English at home.
- In 2021, 3.7 per cent of the population in Port Phillip reported needing help in their day-to-day lives due to disability. Of this, the largest age group needing assistance were those 85 years and over.

2021 Snapshot - household makeup



Number of homes: 63,299

Average household size:



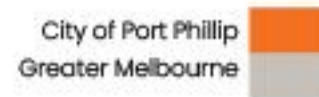
City of Port Phillip:
1.88 persons



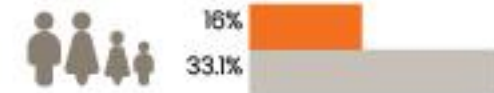
Greater Melbourne:
2.58 persons

How do we live?

Household types



Families with children:



Couples:



One parent families:



Group households:

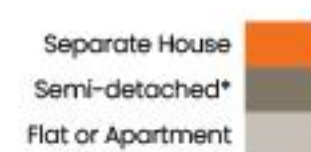


Lone person:



Source: ABS Census 2021

Household split by dwelling type



Families with children (16% of all households)



Couples (26.7% of all households)



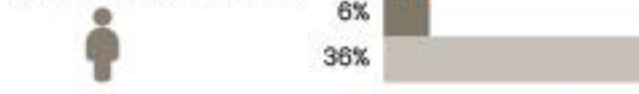
One parent families (6.2% of all households)



Group household (6.8% of all households)



Lone person (44.4% of all households)



Key facts:

- Our average household size is 1.88 persons, which is lower compared to the Greater Melbourne average of 2.58 persons. This reflects a declining trend from 1.91 in 2016.
- Our most common household type is Lone persons (41%), followed by Couples without children (24.7%). These are both higher than the Greater Melbourne averages at 23.7% and 23.5% respectively.
- The proportion of families (both couples and one parent) with children has grown from 17.3 per cent (2006) to 20.6 per cent (2021) however remains low in comparison to the rest of Greater Melbourne (43% at 2021).

2021 Snapshot - Education and employment

Median weekly income



Individual: \$1,289



Family: \$3,051



Household: \$2,069

HIGH INCOMES



44 per cent of people aged 15+ are in the highest income quartile (\$1,475+ per week), compared with Greater Melbourne at 27 per cent.



A third of the households are in the highest income quartile (\$2,947+ per week), compared with Greater Melbourne at 28 per cent.

LOW INCOMES

About 12,882 (16 per cent) of individuals aged 15+ are in the lowest income quartile, earning less than \$375 per week.

Nearly 1 in every 5 households (9,204 households in total) are in the lowest income quartile, earning less than \$881 in 2021.

Key facts:

- Overall, 31.0 per cent of the households earned a high income and 16.8 per cent were low-income households, compared with 25.3 per cent and 19.0 per cent respectively for Greater Melbourne.
- 48.9 per cent of people in the City of Port Phillip had a Bachelor or Higher degree qualification in 2021, higher than Greater Melbourne. This represents an increase of 5,365 people since 2016.
- The most popular industry sectors were: Professional, Scientific and Technical Services (9,911 people or 16.2%). In comparison, Greater Melbourne employed 9.6% in Professional, Scientific and Technical Services.
- The level of volunteering can indicate the cohesiveness of the community and how readily individuals are able to contribute to that community. 15.3 per cent of the population reported doing some form of voluntary work in 2021. This was a greater proportion than 12.1 per cent in Greater Melbourne.

Industry Sectors



16.2 per cent work in professional, scientific, and technical services



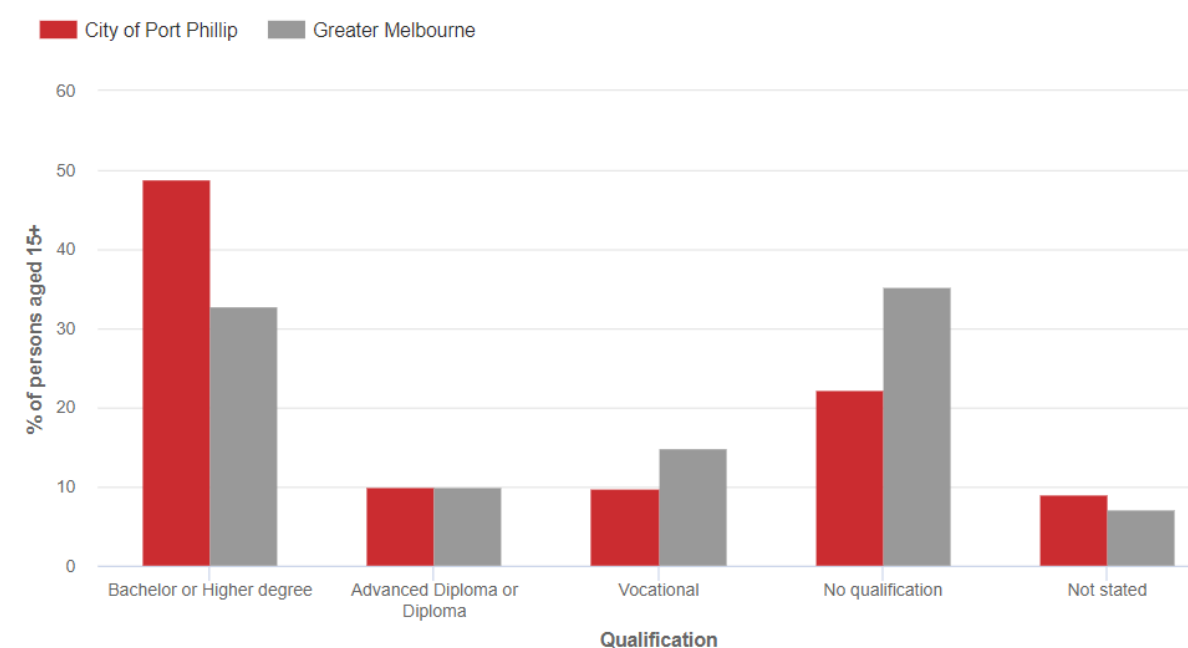
11.8 per cent work in health care and social assistance



8.6 per cent work in education and training

Highest qualification achieved, 2021

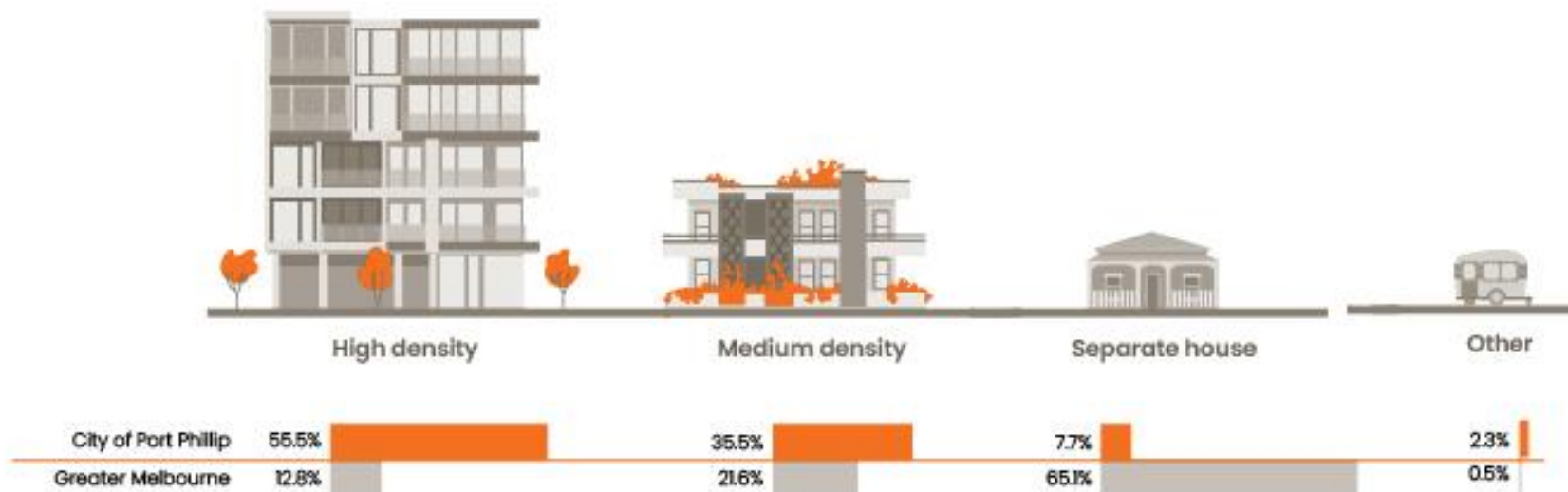
export



Source: Australian Bureau of Statistics, [Census of Population and Housing, 2021](#) (Usual residence data). Compiled and presented in profile.id by [.id](#) (informed decisions).

2.4 Housing Profile

What types of dwellings do we live in?



Definitions:

High density includes apartment buildings in block of 3 storeys or more

Medium density includes semi-detached, row or terrace houses, townhouses, and flats or apartments in 1-2 storey block

Other includes caravans and cabins

Source: City of Port Phillip. Estimated Resident Population. [Online] Profile .id, 2023d

DATA HIGHLIGHT:

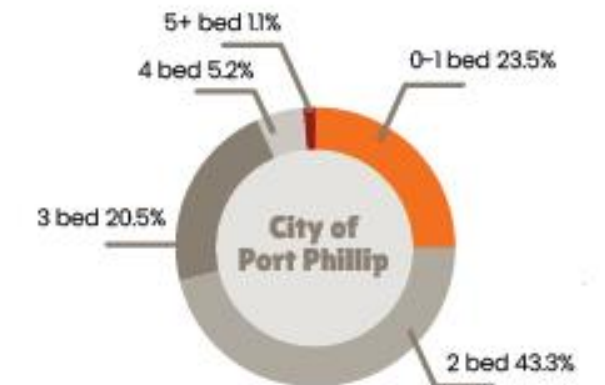
High density apartments make up 55.5 per cent of our housing stock, 4 times that of Greater Melbourne.

Key facts:

- The City of Port Phillip continues to be the most densely populated local area in Victoria. We have a population density of 5,029 people per square km in Greater Melbourne.
- A majority of the dwellings in Port Phillip have 2 bedrooms or less (66.8 per cent).
- The percentage of separate houses has slowly declined from 8.4 per cent in 2016 to 7.7 per cent in 2021.

What do our dwellings look like?

Number of Bedrooms



Types of dwellings and their bedroom split

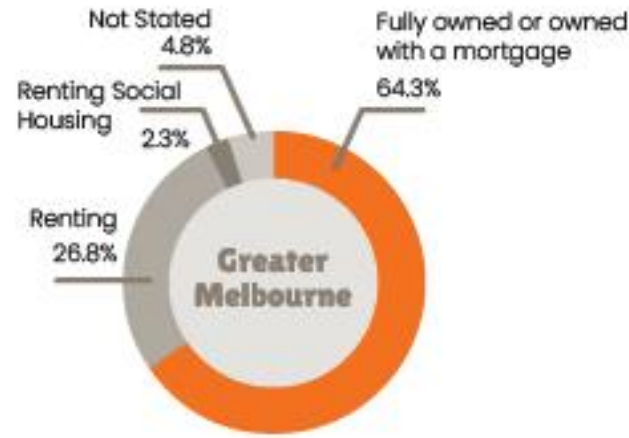


Source: ABS Census 2021

Home ownership

Home Ownership

Note: The ABS figure for social housing rental is under counted. The Department of Families, Fairness and Housing, 2021/22 data state about 6.5% of dwellings in CoPP is social housing, including short term crisis support accommodation units, and transitional housing units.



Source: City of Port Phillip: Estimated Resident Population. [Online] Profile .id, 2023e.

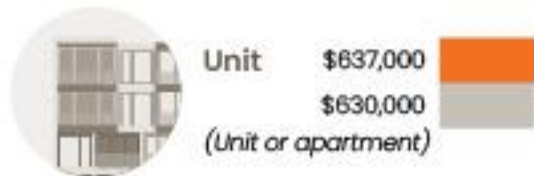
Costs of buying and renting

City of Port Phillip
Greater Melbourne

Source: *Housing prices* (Victoria. Department of Environment, Land, Water & Planning, (issuing body), 2021)

Rental prices (Victoria. Department of Families, Fairness and Housing, (issuing body), 2022)

Median house prices (2021)



Median rental prices (2022) per week



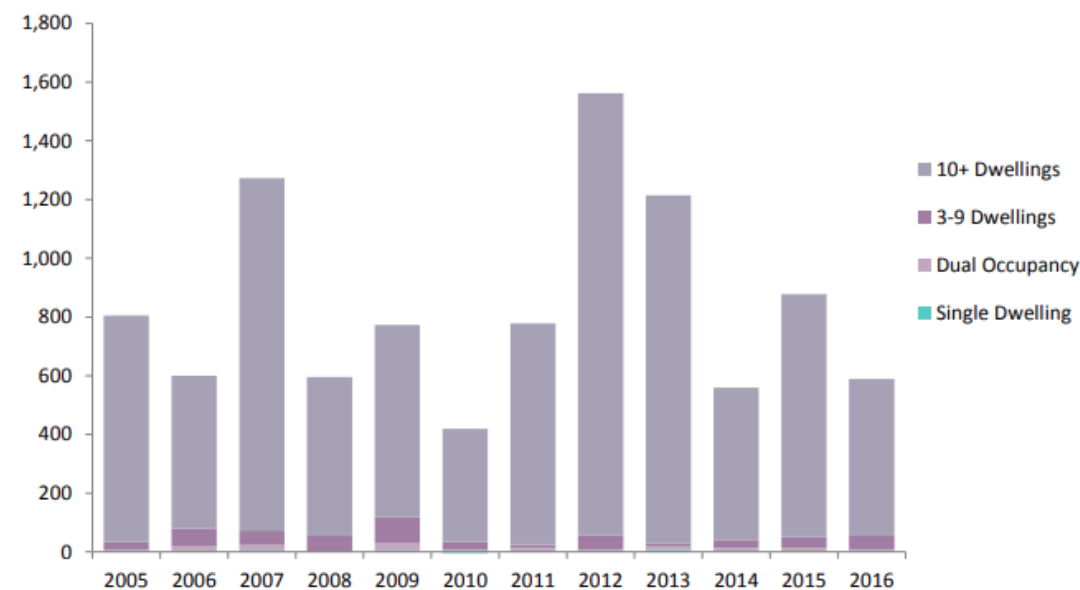
Key facts:

- There is an estimated shortfall of 7,000 affordable housing units across Port Phillip. Without policy intervention, the estimated shortfall will increase to 11,300 by 2041.
- Both median house prices and rental prices for separate, townhouse or terrace house in Port Phillip is higher than Greater Melbourne average.

2.5 Housing Development Trends

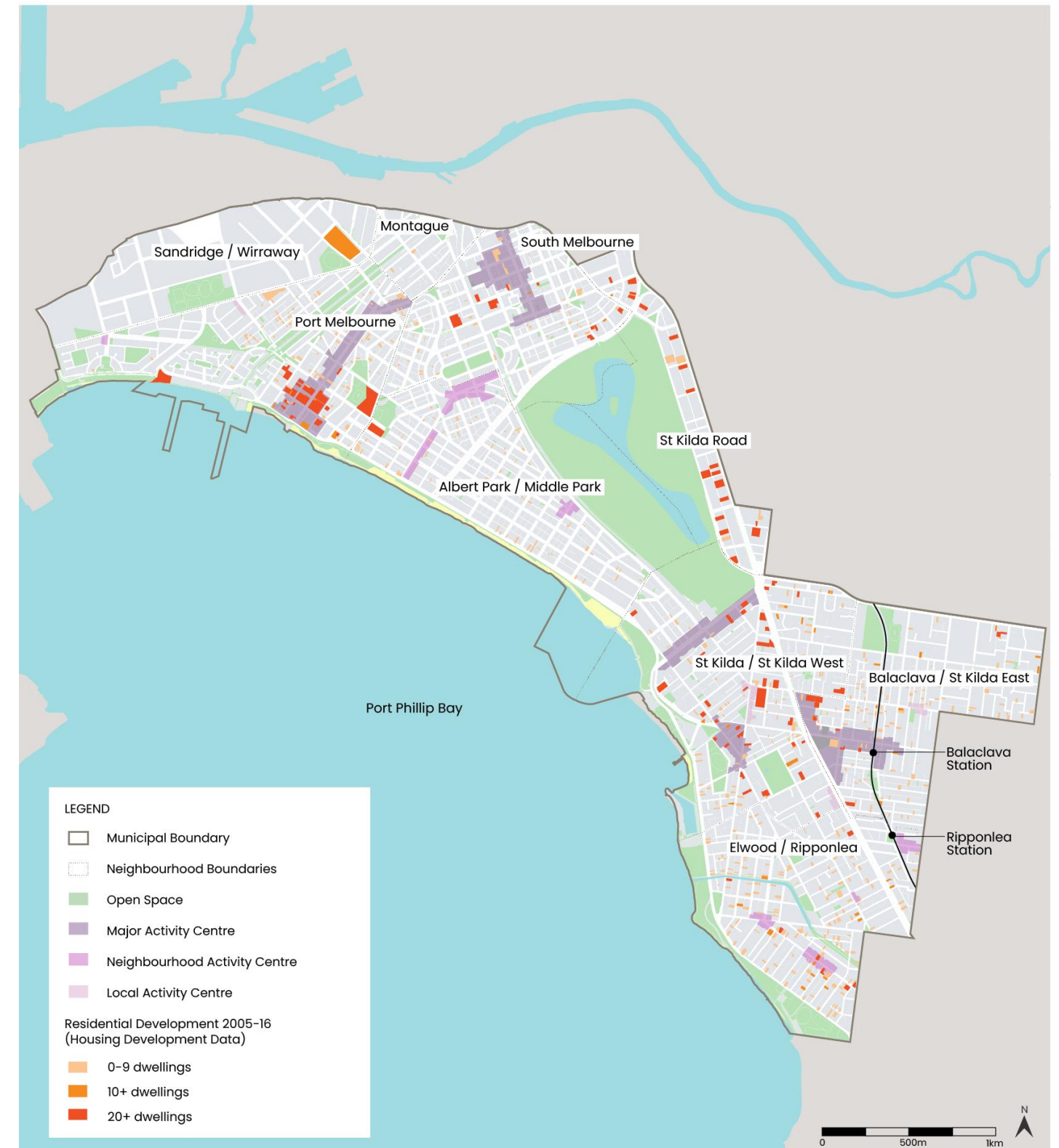
The two figures below explore the development trends in Port Phillip between the years 2005 – 2016.

Figure 5: Annual new dwellings in Port Phillip 2005 – 2016 (source: Victoria Environment, Land, Water and Planning)



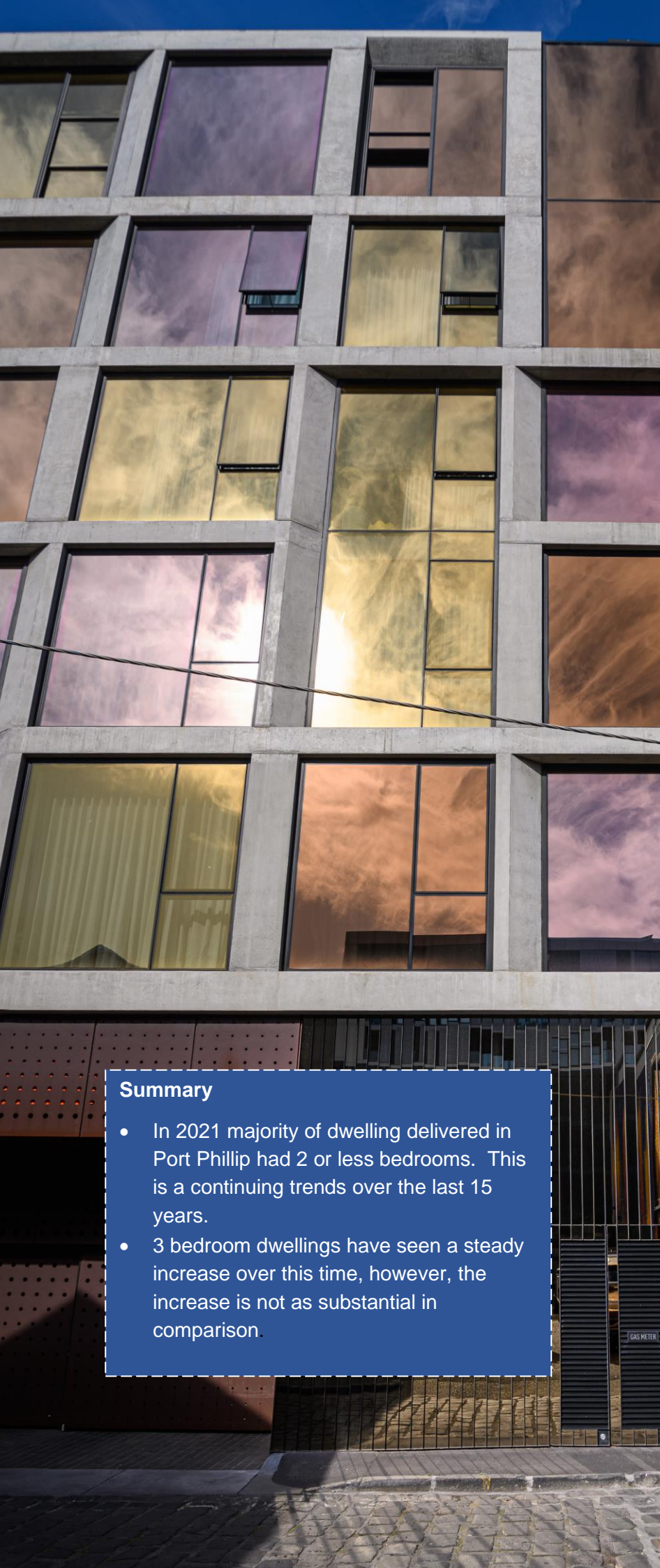
Summary

- Approvals for new dwellings has been relatively consistent over the past 6 years (to 2023) at between 1,000 and 1,300 approvals each year. More than half of all dwelling approvals over the period were in areas in the northern section of the municipality including Fishermans Bend, South Melbourne and St Kilda Road North (including Domain).
- Larger residential redevelopments (50+ dwellings) have been concentrated around St Kilda (along Nepean Road / St Kilda Road), Melbourne and South Melbourne (Albert Road, Kings Way, Queens Road and the South Melbourne Activity Centre) and in Fishermans Bend.
- Medium sized residential developments (10-50 dwellings) are more distributed spatially, with concentrations in St Kilda, Elwood, Port Melbourne and South Melbourne.
- Developments with 10 or more dwellings (apartment buildings) have been the dominant dwelling typology in Port Phillip over the past decade.
- Almost all (99 per cent) of housing approved in 2021 were apartments. 66 per cent of the apartments approved were in buildings over 20 storeys high.
- Recent permit data indicates that 92.51 per cent of new major residential development (with 10 dwellings or more) is located outside Port Phillip's Activity Centres (refer Figure 6 right) in the areas of Fishermans Band, the St Kilda Road corridor (including the Domain Precinct) and St Kilda. Recent permit data indicates that 92.51 per cent of new major residential development (with 10 dwellings or more) is located outside Port Phillip's Activity Centres (refer Figure 6 right) in the areas of Fishermans Band, the St Kilda Road corridor (including the Domain Precinct) and St Kilda.



Residential Development 2005 – 2016

Figure 6: Residential Development 2005 – 2016 location



How our dwellings have looked in the past 15 years

Figure 7: Typology trends 2006 – 2021 (ABS Census 2021)

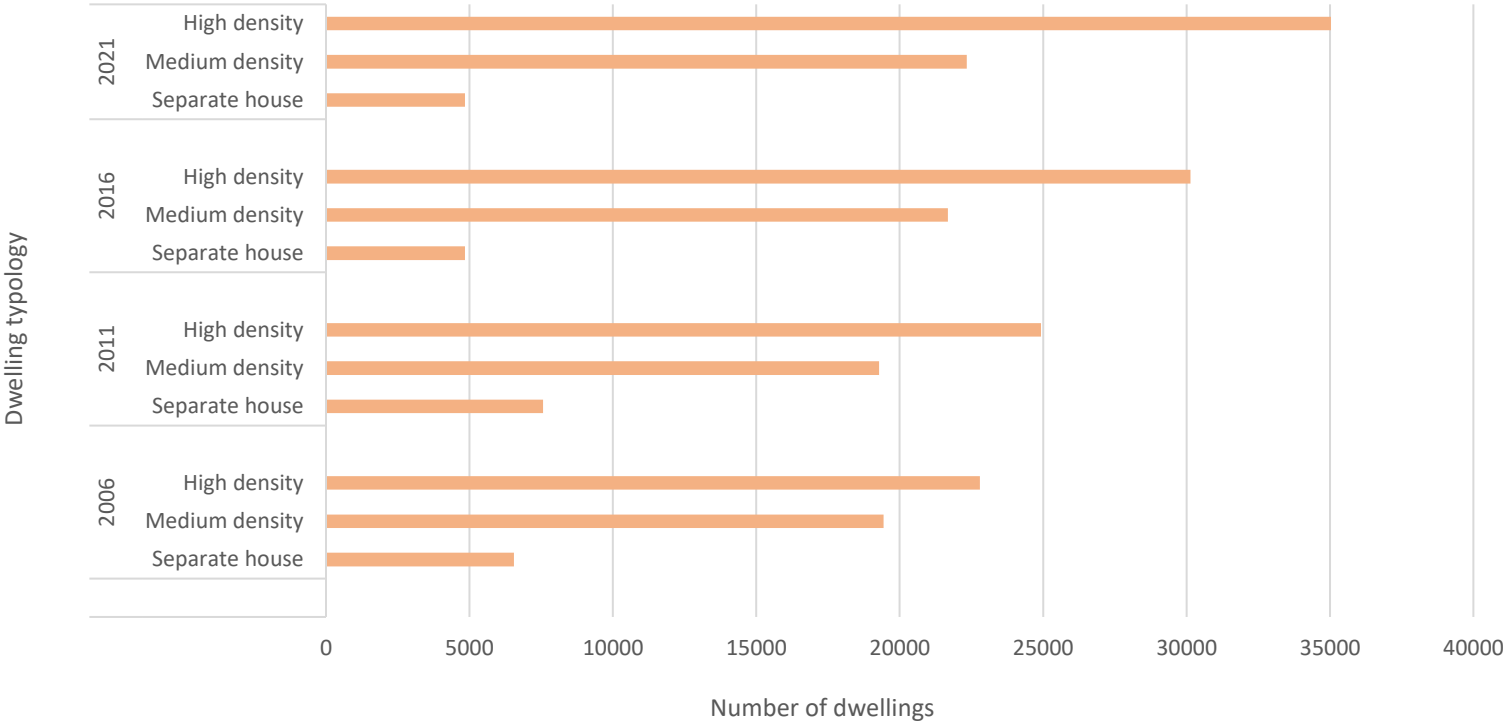
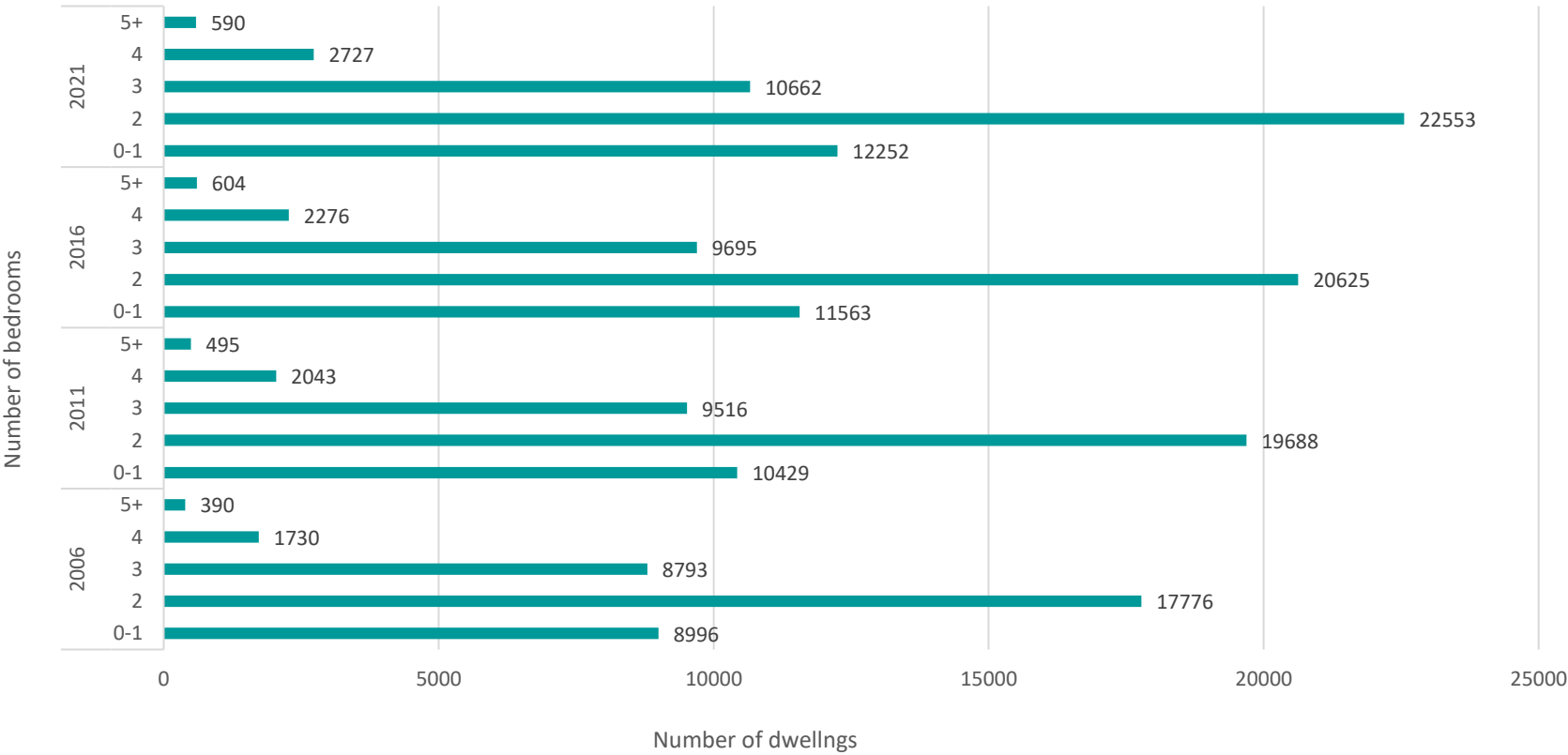


Figure 8: Dwelling typology trends (bedroom split) 2006 – 2021 (ABS Census 2021)



Summary

- In 2021 majority of dwelling delivered in Port Phillip had 2 or less bedrooms. This is a continuing trends over the last 15 years.
- 3 bedroom dwellings have seen a steady increase over this time, however, the increase is not as substantial in comparison.

2.6 What are we planning for – Key housing challenges

As a city, we face a number of challenges impacting key decisions around how we plan for our community's future housing. These include:

Climate Change – Increasing Flood Risk and Urban Heat

Climate change is driving unprecedented changes in weather, with disasters resulting from increased storm severity and extreme temperatures. As a result, we are experiencing floods, storm surges, heatwaves, bushfires and erosion more frequently.

Flood Risk

Melbourne's sea level has increased by 10.6 centimetres since 1966. As a coastal municipality and with more than half of the city below three metres above sea level, we are vulnerable to rising sea levels and increasing coastal erosion with more frequent and intense storm surges.

The rising sea levels, coupled with intensified rainfall and greater frequency of storm surges could have a substantial impact on the future location and design of new housing in Port Phillip. This particularly affects low-lying urban renewal areas like Fishermans Bend and established regions like South Melbourne, Port Melbourne, Albert Park, Middle Park, St Kilda, Balaclava, and Elwood. Currently, flood risk is mapped across Port Phillip through the Special Building Overlay (SBO) in the Port Phillip Planning Scheme. However, this risk will increase in the future, both in terms of its severity and the number of properties that could be affected.

Urban Heat

Across our state, the average annual temperature has risen 1°C since 1910, while average annual rainfall has decreased. Rising temperatures are changing our city, and the most vulnerable in our community are the most affected.

Urban heat is an increasing threat to liveability and productivity because cities have less vegetation cover than surrounding land. Instead, they're full of concrete, brick and asphalt – hard and dark materials that absorb heat, which worsen summer heat extremes and jeopardise the health and wellbeing of people, pets and native wildlife. In addition, temperatures are intensified by climate change, with more frequent and extreme hot weather and heatwaves.

Increased densification and larger houses have resulted in the loss of large canopy trees across Port Phillip. However, trees and greenery benefit individual households and the whole municipality.

Plan for Population Growth and Changing Households

By 2036, we expect our population to grow by another 43,510 people. As it grows, the types of households will keep changing.

Smaller household size

The projected change in households in Port Phillip from 2021 to 2036 (15 years) indicates a growth in the number of couples without children (27 per cent), while the proportion of families with children will decline from 21.8 per cent in 2021 to 19.7 per cent. The number of people living by themselves is projected to remain steady at 41 per cent and continue to be the most common household structure in Port Phillip.

Ageing population

By 2041, people aged 60 years and older are forecast to represent almost 21 per cent of the Port Phillip population, and in areas such as Port Melbourne, South Melbourne, Albert Park and Middle Park at least one in four residents will be over sixty.

Improve Housing Affordability

Victoria has the nation's fastest growing population, and as the costs of living rise and housing becomes more and more expensive, it is increasingly becoming more difficult for people to afford to buy and rent places to live in Melbourne.

The housing affordability problem (rental and home ownership) has deepened over the last 25 years in Port Phillip. It is the result of many interconnected factors including the supply and demand dynamics, gentrification, interest rates, and government tax incentives, etc. The supply of new housing has a role to play in making housing affordable, however is only one part of the solution.

It is a shared responsibility across the levels of Government (Commonwealth, State and Local) and each tier has a different role to play.

Provide for Affordable Housing Needs

As population and household numbers grow, the need for affordable housing choices also increases. In 2021, about 10,500 households (20% of all households) need housing assistance. Among those in need, half of them are in severe or moderate rental stress, spending more than 30% of their income on housing). Another half are either homeless or living in social housing.

If the current supply of social housing dwellings does not change, the need for housing assistance is forecast to increase to 17,300 households by 2041, indicating an estimated shortfall of 12,600 affordable dwellings.

Managing Conflict in Mixed Use Areas

Mixed use areas (such as activity centres and employment precincts) are where both residential and commercial development do and will co-exist. The City is becoming an increasingly mixed-use environment. With more housing being accommodated in, or close to areas where there are existing or planned commercial uses (such as retail, hospitality or office spaces), there is potential for conflict to arise around amenity impacts (such as noise), traffic and parking. While there are benefits associated with locating housing in our activity centres and some employment areas, it needs to be carefully managed so the different uses can coexist harmoniously.

Balance Heritage values, Neighbourhood Character Objectives and Sustainable Development

Port Phillip has some of the most extensive heritage areas in Melbourne, with some of the earliest European settlement patterns and development. Our heritage and neighbourhood character are highly valued by our community and contributes to our sense of place. A majority of our municipality is also well located with good proximity to public transport, shops, jobs and services. Striking the balance between protecting our valued heritage and character and supporting housing growth and development in key locations for walkable, healthy communities is a challenge that warrants careful consideration.

Facilitating quality design especially in apartments

Almost all (99 per cent) of housing approved in 2021 were for new apartments. 66 per cent of the apartments approved were in buildings over 20 storeys high. It is projected that apartments will continue to be the main housing products delivered by the market in Port Phillip. Facilitating quality design, especially in apartments is crucial for the health and wellbeing of our community.

2036 projections: Who are we planning for?



Number of homes: 63,299

Average household size:



City of Port Phillip:
1.88 persons

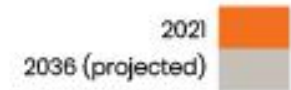


Greater Melbourne:
2.58 persons

Key facts:

- Consistent with Australia-wide trends, our population is ageing. In 2021, there were more than 19,000 people aged 60 years and older residing in the City of Port Phillip representing 19 per cent of our population. This is an increase of approximately 3,000 older residents since 2016.
- By 2041, people aged 60 years and older are forecast to represent almost 21 per cent of the Port Phillip population, and in areas such as Port Melbourne, South Melbourne, Albert Park and Middle Park at least one in four residents will be over sixty.

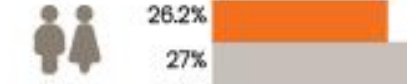
Household types



Families with children:



Couples:



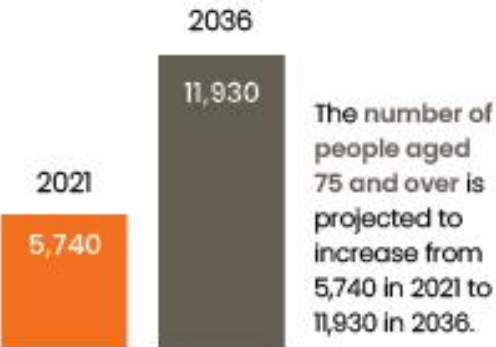
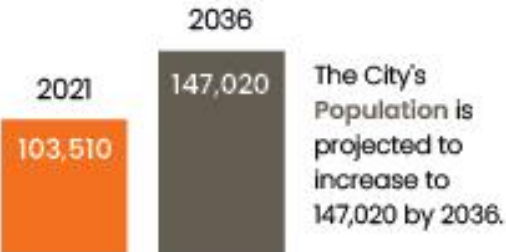
One parent families:



Group households:



Lone person:

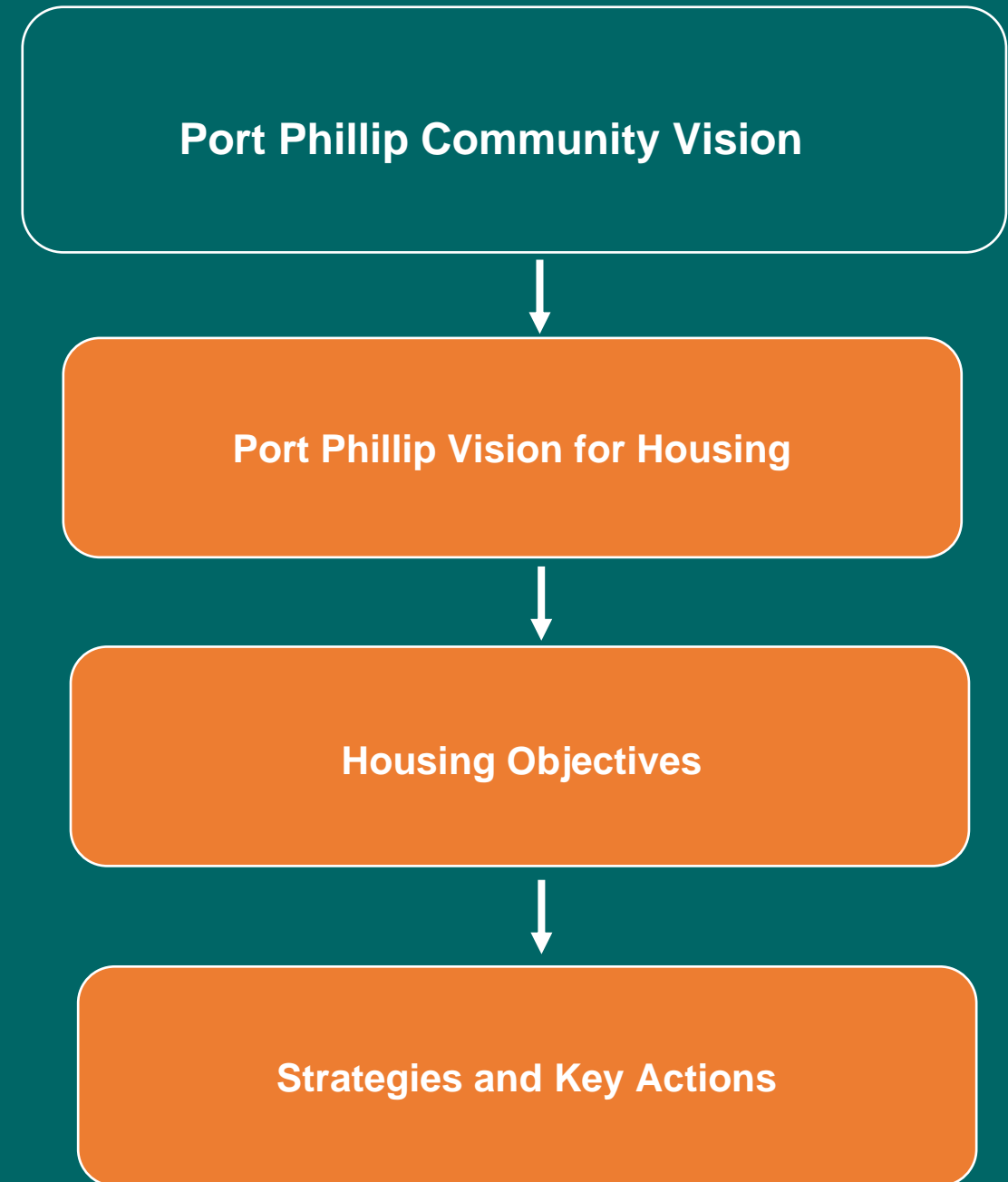


Housing Need and Shortfall of Affordable Housing in Port Phillip

| Household type ¹ | Port Phillip LGA Total | |
|------------------------------|---------------------------|---------------|
| | 2021 | 2041 |
| Homeless | 1,200 2% | 1,900 2% |
| Severe rental stress | 2,500 5% | 5,400 6% |
| Moderate rental stress | 2,900 6% | 5,300 6% |
| Living in social housing | 3,900 7% | 4,700† 6% |
| TOTAL need for assistance | 10,500 20% | 17,300 21% |
| Affordable housing shortfall | 6,600 | 12,600 |

¹Rental stress includes very low to moderate income households spending more than 30 per cent of their income on housing. Numbers have been rounded to the nearest 100 and totals may not add.
†Assumes an additional 800 Affordable housing from Fishermans bend based on assumption that the 6% affordable housing target would be fully implemented.
Notes: Percentages (%) are a share of all households. The count of social housing comprises long-term accommodation (not temporary accommodation), source: Department of Families, Fairness and Housing.
Source: SGS Economics and Planning 2023, Housing Assistance Demand Model (based on 2021 ABS Census)

Part 3: The Strategy



3.0 Vision and Housing Objectives

The draft Housing Strategy sets out a municipal wide housing vision that directly responds to the Proudly Port Phillip Council Plan 2021-2031: Community vision:

Proudly Port Phillip: A liveable and vibrant City that enhances the wellbeing of our community.

The housing vision will guide Council's actions as we endeavour to respond to our key housing challenges and meet the housing needs and aspirations of our evolving community over the next 15 years. The Draft Housing vision is:

A City with liveable neighbourhoods and places to live that meet the needs of our diverse and growing community.

An evolving City that respects its rich history while looking to the future. A City of safe, distinct, inclusive, interconnected neighbourhoods. A City that continues its long-standing commitment to providing affordable housing and is a home to our diverse community. A City that is sustainable and resilient to meet the challenges of a changing environment.

To achieve this vision, the draft Strategy sets out:

- Objectives – the general aims or ambitions for the future
- Strategies – how Council will achieve the desired aims and ambitions for housing and residential development in the City, and
- Actions - how the strategies will be implemented through specific actions to be implemented via the Planning Scheme and possible other actions.



Objective 1: Ensure adequate housing supply

Relevant housing need:

Ensuring sufficient land available to accommodate projected population growth (land supply).

Key messages

- Population growth is a key driver of housing demand and the property market over the long term.
- By 2036, we expect an extra 43,510 people will move to our city and live in an additional 21,480 homes.
- Port Phillip has a strong housing supply pipeline (0 to 5 years) to meet expected demand (short term).
- There is sufficient residential land in Port Phillip to accommodate projected housing demand over the next 15 years (long term).
- It is important to ensure that residential uses complement, rather than displace, economic activity and employment.

What have stakeholders told us?

At the industry workshop during our Phase 2 engagement, we wanted to know from industry professionals (most of whom are involved in the delivery of housing), what they saw as the main roadblocks to housing supply. Issues with approval processes, and the availability of affordable land in Port Phillip were raised as key issues. Balancing community concerns about development and meeting housing demand was also talked about.

Discussion

Before the COVID-19 pandemic, Port Phillip’s population grew at an average rate of 1.5 per cent per year (1,489 people) between 2006 and 2020 largely due to strong overseas migration³.

Port Phillip’s population growth corresponded with an increase in residential development activity during this period, with an average annual increase in dwellings equating to approximately 1,000 per year.

Figure 9 shows that 2010-11, 2013-14 and 2015-16 were the years with the largest growth in dwelling stock.

In 2021, Port Phillip’s population declined sharply by 6.31 per cent from the previous years (108,627 in 2016) to 103,508. This was largely due to negative overseas migration and residents moving interstate and to other municipalities⁴ during the pandemic period (Figure 10).

This decline is most likely a short-term impact of COVID-19, with the Federal Government forecasting a return to higher growth rates from 2022/23 onwards as overseas migration resumes⁵.

³ City of Port Phillip: Estimated Resident Population. [Online] Profile .id, 2023g. Available at: <https://profile.id.com.au/port-phillip/population-estimate> [Accessed 25 January 2023].

⁴ City of Port Phillip: Residential building approvals. [Online] Profile .id, 2023h. Available at: <https://profile.id.com.au/port-phillip/building-approvals> [Accessed 23 January 2023].

It is expected that population growth, along with demand for inner-city living, the attractiveness of Port Phillip as a place to live and State policies that support urban consolidation, will continue to drive ongoing demand for housing in Port Phillip in the longer term, in line with State Government projections.⁶

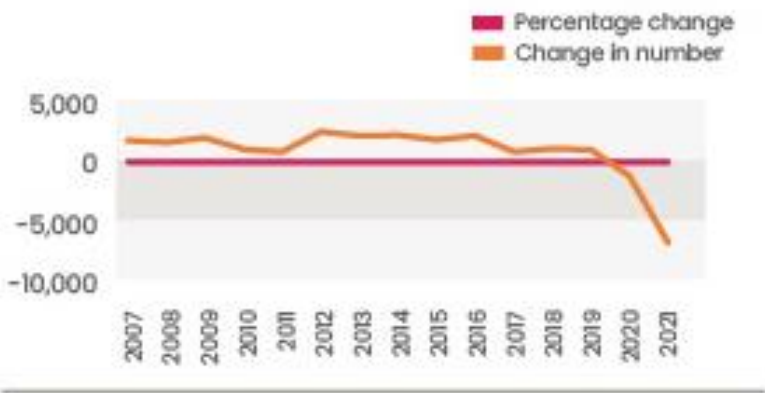
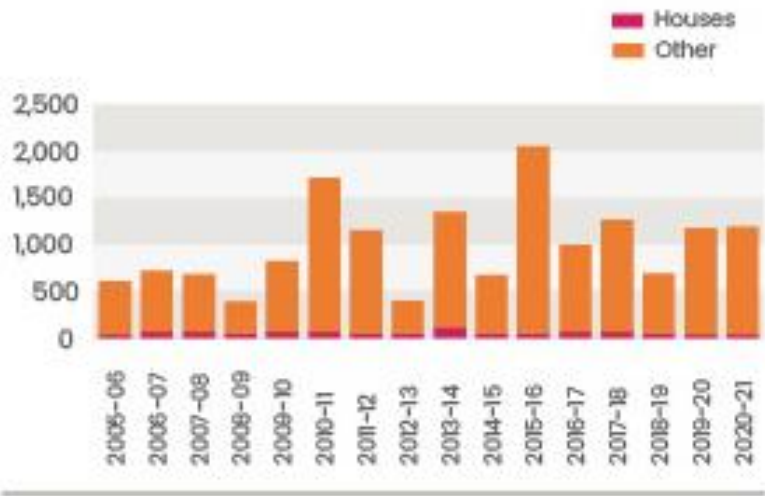


Figure 9 (top): Annual net new dwellings

Figure 10 (bottom): Annual change in estimated resident population

⁵ City of Port Phillip: Estimated Resident Population. [Online] Profile .id, 2023g. Available at: <https://profile.id.com.au/port-phillip/population-estimate> [Accessed 25 January 2023].

⁶ Victoria. Department of Environment, Land, Water and Planning (issuing body.), 2023. Victoria in Future 2023: population projections 2016 to 2056, Melbourne: Department of Environment, Land, Water and Planning

Population and dwelling projections

State Government population and household projections⁷ forecast that by the year 2036 an extra 43,512 people will move to the City of Port Phillip and live in an additional 21,480 homes.

The projected change in households in Port Phillip from 2021 to 2036 (15 years) indicates a growth in the number of couples without children (27 per cent), while the proportion of families with children will decline from 21.8 per cent in 2021 to 19.7 per cent. The number of people living by themselves is projected to remain steady at 41 per cent and continue to be the most common household structure in Port Phillip.

We need to support the development of new housing to meet the demands of the growing residential population. The Housing Strategy investigates ways to ensure that new housing is designed to meet the needs of the community and adapt to the proliferation of the community of the coming years.

This will include facilitating transitions between life stages including shared, sole person, couple, family housing, and downsizing later in life. More housing choices will also be required to attract and retain families with children to the area to ensure the continuation of a diverse population in the City of Port Phillip.

Total residential land capacity⁸

To ensure Port Phillip can accommodate the projected additional 21,480 dwellings required by 2036, there must be enough suitable residential land available for housing change and growth.

Recent capacity report has identified the potential to incorporate approximately 51,000 additional dwellings across the municipality⁹. This considers all feasible sites being developed to their fullest extent, based on specific land capacity assumptions. Although this is a theoretical capacity figure and practical development will be somewhat less, the presence of a current housing development pipeline of more than 17,000 dwellings indicates that major developments, at least in aggregate terms, are likely to provide substantial new dwelling supply in the coming years relative to demand.

Fishermans Bend alone can accommodate approximately 22,400 additional dwellings (44 per cent of the total 51,000 capacity)¹⁰. This is 920 dwellings more than required for the whole of the municipality. A further capacity of 10,900 dwelling (21 per cent of the total 51,000 capacity) can be accommodated in the St Kilda Road Precinct. Apartments in mid- and high-rise towers will continue to be the predominant housing type in these areas. Most of the future housing capacity exists due to existing planning controls permitting medium and high-density residential development within Fishermans Bend and the St Kilda Road North Precinct (this includes the Domain Precinct).

Port Phillip's Major Activity Centres have relatively limited housing capacity by comparison, with potential for approximately 4,600 dwellings across all Major, Neighbourhood and Local Activity Centres.

The capacity support also suggests that while residential infill opportunities are limited in the established residential areas of South Melbourne, Middle Park and Albert Park, that more substantial infill opportunities exist in the established residential areas of Port Melbourne, St Kilda and Elwood especially in areas zoned

as Residential Growth Zone (RGZ) and General Residential Zone (GRZ) and where we have already observed new low-rise apartments being added to the neighbourhood fabric.

| Precinct | C1Z | MUZ | RGZ | GRZ | NRZ | CCZ | Total | % of total |
|--|--------------|-------------|-------------|-------------|-------------|--------------|--------------|-------------|
| St Kilda Road Precinct | 7275 | 3204 | 1060 | 0 | 0 | 0 | 11539 | 22% |
| St Kilda Road South Precinct | 1011 | 481 | 0 | 126 | 1 | 0 | 1619 | 3% |
| Fitzroy Street MAC | 703 | 0 | 0 | 11 | 0 | 0 | 714 | 1% |
| Acland Street MAC | 357 | 0 | 0 | 28 | 0 | 0 | 385 | 1% |
| Bay Street MAC | 235 | 477 | 0 | 30 | 0 | 0 | 742 | 1% |
| South Melbourne Central MAC | 864 | 30 | 0 | 0 | 1 | 0 | 895 | 2% |
| South Melbourne Precinct Balance | 211 | 299 | 13 | 174 | 25 | 0 | 722 | 1% |
| Carlisle Street MAC | 542 | 298 | 0 | 59 | 8 | 0 | 907 | 2% |
| Armstrong Street NAC | 43 | 0 | 0 | 0 | 0 | 0 | 43 | 0% |
| Ormond Rd/Glenhuntly Rd NAC | 222 | 0 | 0 | 0 | 16 | 0 | 238 | 0% |
| Bridport Street/Victoria Avenue NAC | 141 | 0 | 0 | 0 | 0 | 0 | 141 | 0% |
| Local activity centres | 566 | 0 | 0 | 10 | 0 | 0 | 576 | 1% |
| Sub-total - Centres / Precincts | 12170 | 4789 | 1073 | 438 | 51 | 0 | 18521 | 36% |
| St Kilda Balance | 65 | 488 | 0 | 1981 | 117 | 0 | 2651 | 5% |
| Port Melbourne Balance | 0 | 372 | 606 | 121 | 217 | 0 | 1316 | 3% |
| Elwood Balance | 0 | 0 | 501 | 2062 | 655 | 0 | 3218 | 6% |
| South Melbourne Balance | 0 | 14 | 0 | 28 | 131 | 0 | 173 | 0% |
| Albert Park Balance | 12 | 0 | 0 | 89 | 161 | 0 | 262 | 1% |
| Balaclava Balance | 0 | 0 | 92 | 842 | 86 | 0 | 1020 | 2% |
| Ripponlea Balance | 0 | 0 | 0 | 338 | 14 | 0 | 352 | 1% |
| St Kilda East Balance | 0 | 0 | 0 | 999 | 99 | 0 | 1098 | 2% |
| Middle Park Balance | 0 | 0 | 0 | 355 | 90 | 0 | 445 | 1% |
| St Kilda West Balance | 0 | 0 | 436 | 2 | 41 | 0 | 479 | 1% |
| Windsor Balance | 0 | 0 | 191 | 0 | 0 | 0 | 191 | 0% |
| Sub-total - Suburb Balance | 77 | 874 | 1826 | 6817 | 1611 | 0 | 11205 | 22% |
| Fishermans Bend | 0 | 0 | 0 | 0 | 0 | 22366 | 22366 | 43% |
| Total | 12247 | 5663 | 2899 | 7255 | 1662 | 22366 | 52092 | 100% |
| Percentage of total | 24% | 11% | 6% | 14% | 3% | 43% | 100% | |

Table 2: Capacity results summary – Net additional dwellings (source: Urban Enterprise, 2022, Port Phillip Housing Market and Capacity Assessment, p.56, Table T29.)

Housing Supply Pipeline

In the short term (0 to 5 years), the City has a strong housing supply pipeline to meet expected housing demand. Based on recent permit data,¹⁰ there are 84 planned major residential development projects (ten

⁷ Victoria. Department of Environment, Land, Water and Planning (issuing body.), 2023. Victoria in Future 2023: population projections 2016 to 2056, Melbourne: Department of Environment, Land, Water and Planning

⁸ This section of the draft Strategy has been informed by the technical work undertaken by Urban Enterprise, which has been informed by the previous census & VIF data. These datasets will be updated in the final Housing Strategy to reflect the census 2021 and VIF 2023 data.

⁹ Port Phillip Housing Market And Capacity Assessment City Of Port Phillip, November 2022 Urban Enterprise

¹⁰ Port Phillip Housing Market And Capacity Assessment City Of Port Phillip, November 2022 Urban Enterprise

or more dwellings), which propose to deliver 14,611 new dwellings in Port Phillip. Over five years this totals to an average of 2,922 dwellings per annum. Of these planned projects, 60 per cent are apartment developments of more than 50 dwellings. These upcoming developments are mainly concentrated in areas with available housing capacity, including Fishermans Bend, the St Kilda Road corridor, and the St Kilda / St Kilda West precincts.

It is difficult to predict what percentage of the planned developments will proceed through to construction. The Urban Development Program 2021 (Department of Transport and Planning) represents a potential supply pipeline of residential redevelopment. However, the timing for the development of these sites is up to landowners and developers and can be influenced by changes in market conditions. It is unclear if all proposed developments will be realised inside, or outside, of a 5-year period (if they do proceed to construction at all).

It is harder to predict the development pipeline in the medium (5-10 years) and long-term (10-15 years). Historically, Port Phillip has delivered a net additional 1000 dwellings per year. This indicates Port Phillip may incur a deficiency of 400 dwellings per year. However, given there is sufficient residential land in Port Phillip to accommodate projected housing demand over the next 15 years, this strategy has been developed on the assumption that the market will respond to this increased demand and attempt to reduce the potential 400 dwellings shortfall per year based on the availability of land and other stimulus initiatives outlined in the State Government Housing Statement.

While Council cannot foresee future market conditions with certainty, including factors like residential interest rates, supply chain disruptions, realised/constructed development, and new state policies such as the Housing Statement and the associated VC Amendments, Port Phillip can support State Government initiatives to increase housing supply when appropriate. Additionally, a review of activity centre heritage and built form controls should be considered to ensure they facilitate and support growth.

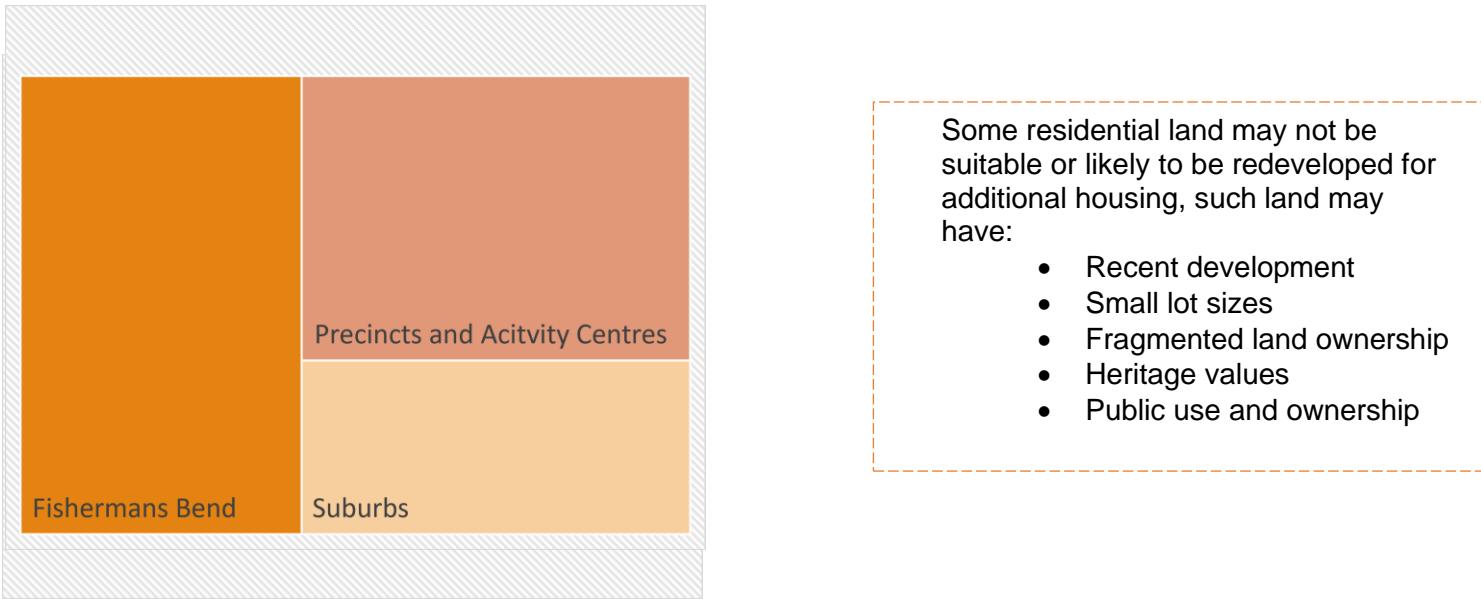


Figure 11: Residential land supply

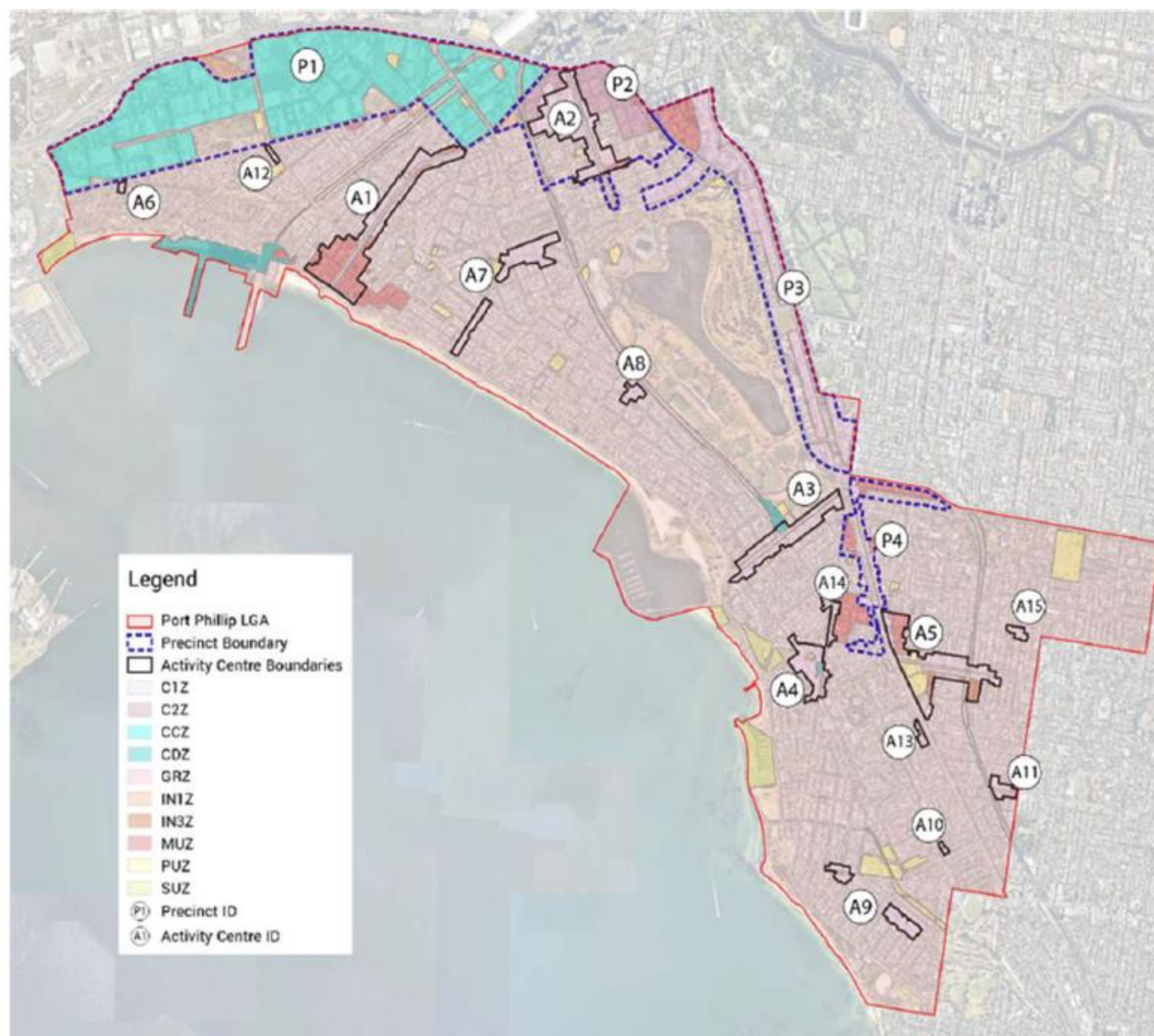


Figure 12: Port Phillip employment land precincts (Source: Urban Enterprise)

Employment Land and Precincts (Land zoned for economic activity)

Many of the city's employment precincts and activity centres also have the potential to include housing under the existing zoning controls. In Port Phillip less than 20 per cent (410 hectares) of land is designated primarily for employment uses. Of this, only about 1.14 per cent (23 hectares) of the land is set aside exclusively for employment purposes¹¹. All other employment land has the potential to accommodate

| Code | Name | Location | State policy categorisation | Local Policy Categorisation |
|-------------------------|-----------------------------------|-----------------------------|------------------------------|-------------------------------|
| Major Precinct | | | | |
| P1 | Fishermans Bend | Port Melbourne | State significant commercial | Urban Renewal Area |
| P2 | South Melbourne Central | South Melbourne | Regional Industrial | Industrial Area |
| P3 | St Kilda Road North / Albert Road | Melbourne / South Melbourne | State significant commercial | Primary Employment Node |
| P4 | St Kilda Road South | St Kilda | Local commercial area | Secondary Employment Node |
| Activity Centres | | | | |
| A1 | Bay Street | Port Melbourne | Major Activity Centre | Major Activity Centre |
| A2 | South Melbourne | South Melbourne | MAC | Major Activity Centre |
| A3 | Fitzroy Street | St Kilda | MAC | Major Activity Centre |
| A4 | Acland Street | St Kilda | | |
| A5 | Carlisle Street | Balaclava | MAC | Major Activity Centre |
| A6 | Centre Avenue | Port Melbourne | Local commercial area | Neighbourhood Activity Centre |
| A7 | Bridport Street / Victoria Avenue | Albert Park | Local commercial area | Neighbourhood Activity Centre |
| A8 | Armstrong Street | Middle Park | Local commercial area | Neighbourhood Activity Centre |
| A9 | Ormond Road / Glenhuntly Road | Elwood | Local commercial area | Neighbourhood Activity Centre |
| A10 | Tennyson Street | Elwood | Local commercial area | Neighbourhood Activity Centre |
| A11 | Glen Eira Road | Ripponlea | Local commercial area | Neighbourhood Activity Centre |
| A12 | Graham Street | Port Melbourne | Local commercial area | Local centre |
| A13 | Brighton Road | Elwood | Local commercial area | Local centre |
| A14 | Inkerman / Grey Streets | St Kilda | Local commercial area | Local centre |
| A15 | Inkerman Street | Balaclava | Local commercial area | Local centre |

Table 3: Employment land precincts (Source: Urban Enterprise)

housing, particularly in commercial and mixed use zoned areas in activity centres and employment precincts.

While this provides economic benefits for these areas, including increased local expenditure, a more stable labour supply for local businesses, etc.; this land use flexibility presents a challenge as it intensifies the competition between spaces designated for residential living and those designated for employment.

At the municipal level, the estimated additional development capacity of activity centres and employment precincts (excluding Fishermans Bend) is 1.71 million sqm of gross floorspace, which is substantially higher than the projected floorspace demand of 562,000sqm over the period to 2041.

Where possible, land use and development outcomes are considered, however, the opportunity of residential development in most areas reduces the employment floorspace that may be delivered. Reducing overall capacity to approximately 520,000sqm, while net additional employment floorspace could

¹¹ Land zoned either Commercial 2, Industrial 1 or 3 Zones.

be as low as 181,000sqm if all developable sites in employment zones were developed with a land use mix weighted towards residential.

This capacity assessment demonstrates the importance of employment-only zones (such as the Commercial 2 Zone in South Melbourne) for the opportunity to safeguard land for employment uses in the context of strong competition for inner urban land from residential alternatives.

A key direction of the *draft Port Phillip Spatial Economic and Employment Framework* (SEEF) is to align housing, transport, and employment policy, and to ensure that residential land use complements, rather than displaces, economic activity and employment. In locations where both residential and non-residential land uses are permitted under current zoning, local planning housing policy direction is needed to achieve a balance of complementary land uses, as opposed to 'crowding out' of non-residential uses.

Draft Strategies & Actions

Draft Strategy 1 - Balance the need to accommodate housing growth with the need to adequately support employment land to accommodate growth in businesses and jobs. (Retain land for non-residential uses to support local businesses and employment)

Draft Strategy 2 - Monitor population growth, land capacity, and evolving development trends in Port Phillip to plan for future housing growth and needs.

| Strategies & Actions | | Role | Timeframe | Lead / Partner | Business impact |
|----------------------|--|---------|------------|----------------|--|
| 1.1 | Balance the need to accommodate housing growth with adequately supporting employment land to accommodate growth in businesses and jobs. | | | | |
| 1.1.1 | Continue to ensure there is sufficient housing capacity and supply available across different parts of the municipality to reduce pressure to convert employment land to be used for residential purposes. | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 1.1.2 | Review local planning policy to ensure it balances the need to accommodate housing growth with the need to accommodate adequate employment land to accommodate growth in businesses and jobs. | Deliver | Short-term | Lead | Subject to annual plan and budget |
| 1.2 | Monitor population growth, land capacity, and evolving development trends in Port Phillip to plan for future housing growth and needs. | | | | |
| 1.2.1 | Establish a housing monitoring system that would identify and regularly track key indicators to inform strategic planning projects. For examples, it might include but not limited to: <ul style="list-style-type: none"> Maintain the housing capacity study Review population forecast | Deliver | Ongoing | Lead | Operating budget/ Business as usual |

| | | | | | |
|-------|---|---------|---------|------|--|
| | <ul style="list-style-type: none"> Review current housing stock Review proposed housing stock Review available rental housing accommodation Correlate yearly forecast population to current and proposed Port Phillip housing stock Identifying the proposed shortfall in housing capacity Identify area's which could be suitable for future residential development data captured from both planning permit stage and building occupancy stage | | | | |
| 1.1.2 | (1.1.2a) Report on the residential housing patterns. (1.1.2b) Provide biennial updates to Council on the Port Phillip Housing Strategy to monitor its delivery of actions and to ensure an adequate supply of residential land for future housing and population growth | Deliver | Ongoing | Lead | Operating budget/ Business as usual |

Objective 2: Direct new housing to appropriate locations

Relevant housing need:

New housing in appropriate locations close to jobs, public transport, open space, and other key facilities and services.

Key messages:

- The location of new housing is critical to supporting liveability, and creating a city that is environmentally sustainable and resilient to climate change.
- Most of Port Phillip’s neighbourhoods are highly ‘walkable’, thanks to the compact settlement pattern and established transport network.
- New housing will be directed to areas close to services, jobs, public transport, activity centres and that have the capacity for change.
- Housing development will be limited in comparison in the rest of the established residential areas to protect valued heritage and neighbourhood character.
- Some medium density ‘infill’ development can be accommodated in established residential areas with existing diverse neighbourhood character that are in close proximity to activity centres and/or the fixed rail PPTN.
- Some well serviced areas are also areas most at risk to the impacts of climate change, such as increased flooding and extreme weather events and this challenge cannot be resolved based on the data available at this time.

What the community told us?

Throughout engagement, the participants expressed the desire for well-designed, accessible, and energy-efficient housing options in the right locations. Locating future housing in close proximity to infrastructure and amenities is seen as crucial. The role of infrastructure and open space was seen as important when planning for new housing. Participants also believed that new development should adequately consider existing infrastructure capacity and ensure adequate provision of open spaces.

Discussion

The location of housing growth is a major consideration in planning for an increasing population over 15 years. It is important to identify where residential development should be focused and where it should be limited, meet the needs of our community. Deciding where to locate new housing can impact liveability and help to creating a city that is environmentally sustainable and resilient to climate change.

20-minute Neighbourhoods

The Victorian Governments long-term strategy *Plan Melbourne 2017-2050*, is guided by the principle of 20-minute neighbourhoods. The 20-minute neighbourhood focusses on living locally and sustainably. It gives people the ability to meet most of their daily needs within 800m walk from home, with safe bike-riding and local transport options. This represents a 10 minute walk to a destination, and 10 minute walk back home.

Importantly, the 20-minute neighbourhood focuses on the role of Neighbourhood Activity Centres (especially those with good public transport connections), which in addition to Major Activity Centres are able to provide a range of local goods, services and employment for our local community. For a healthy,

walkable Neighbourhood Activity Centre to survive and thrive in order to enable people to ‘Live Locally’ they need enough people living within the walkable catchment to support them.

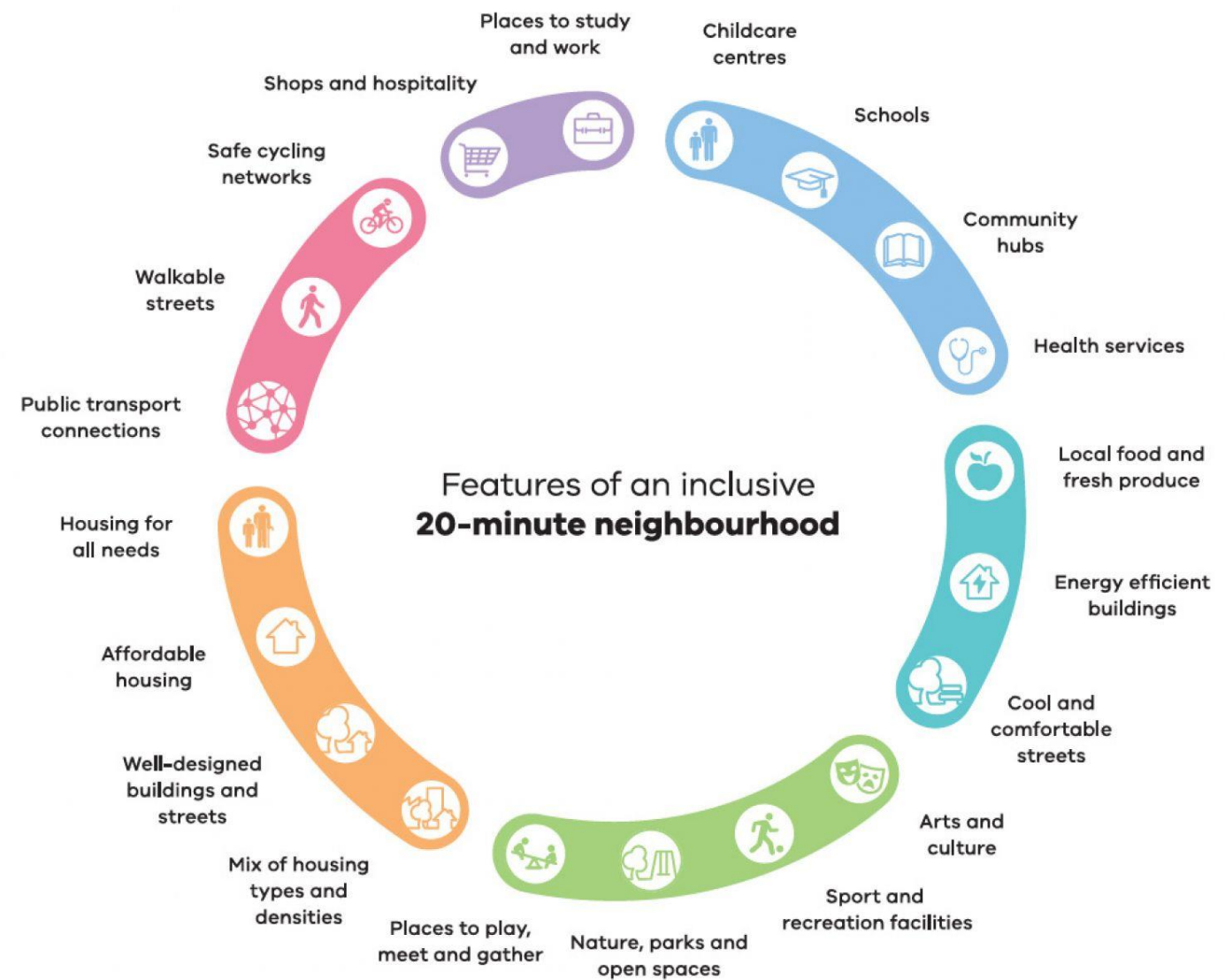


Figure 13: 20- minute neighbourhoods

10-minute Walkable Neighbourhoods

Council’s *Integrated Transport Strategy: Move, Connect, Live 2018-28* aims for 10-minute walking neighbourhoods, which involves locating housing and jobs “close to existing (or soon to be completed) high quality pedestrian routes and frequent public transport services that connect to key destinations like schools, employment, shops and community facilities.”

This aspiration is supported by the established compact housing settlement pattern of our City (excluding Fishermans Bend) and the well-connected transport network. This means that accessing work, shops and recreation is already possible within a 10-minute walk from our neighbourhoods. Most of the municipality performs well as ‘walkable’ neighbourhoods (Walk Score, 2023), with a larger percentage of Port Phillip’s

population walking to work than the Melbourne average (4.7 per cent compared to 2.0 per cent, respectively¹²).



Image above: 10 Patterson Place, South Melbourne – Small infill development in NRZ covered by heritage overlay.

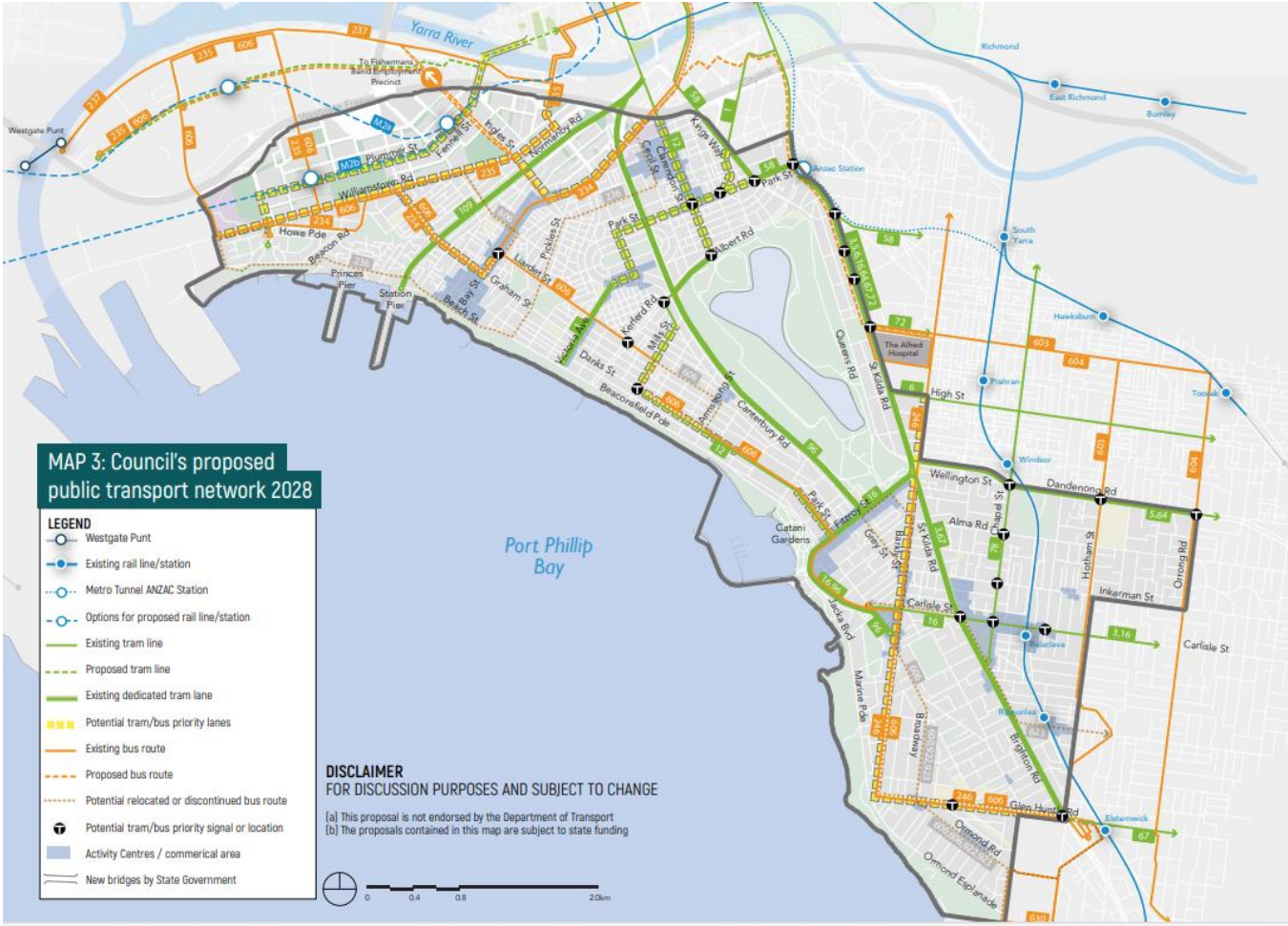


Figure 14: Council's proposed transport network (source: *Move, Connect, Live* 2018-28)

Facilitating housing in and around Activity Centres

During Phase 1 and Phase 2 engagement, community expressed a strong preference of housing located close to public transport, open space and local shops.

There is a hierarchy of activity centres in Port Phillip, with differing roles to play. Port Phillip's activity centres (refer to Figure 2) are generally preferred locations for new housing; given their proximity to services, facilities and public transport. There are economic benefits that flow on from locating housing in activity centres, including increased local expenditure and the generation of new land uses and commercial formats. Research on Melbourne's city centre during the COVID-19 pandemic confirmed the importance of a mix of commercial and residential land uses for improving retail resilience¹³. Additionally, the Draft SEEF identified in certain parts of the municipality (such as St Kilda), an increase in housing and population could

¹² [Method of travel to work | City of Port Phillip | Community profile \(id.com.au\)](#)

¹³ [Hananel R, Fishman R, Malovicki-Yaffe N. Urban diversity and epidemic resilience: The case of the COVID-19. Cities. 2022 Mar;122:103526. doi: 10.1016/j.cities.2021.103526. Epub 2021 Dec 10. PMID: 34908641; PMCID: PMC8660207.](#)

contribute to economic recovery from challenging conditions for tourism, hospitality, and entertainment businesses.

However, the benefits of locating housing within centres needs to be balanced with ensuring the on-going economic viability of activity centres, as well as carefully managing the potential land use conflicts that may arise due to the competing needs of commercial uses vs residential uses, including amenity impacts (such as noise), traffic and parking.

Port Phillip's activity centres are anticipated to accommodate a moderate amount of additional housing capacity, with potential for approximately 4,600 new dwellings across all centres. The majority of Port Phillip's activity centres are located within areas with strong heritage and neighbourhood character values, constraining their growth potential as well as constraints such as small lot-sizes and fractured land ownership. So, while the physical aspects such as fine-grain, walkability, heritage and character make these locations desirable places to live, they also pose as barriers to redevelopment.

Structure plans provide the overarching vision and direction for future growth, land uses and built form in activity centres and are the basis for updating planning provisions in a planning scheme. Currently, Bay Street, Port Melbourne and Carlisle Street, Balaclava MACs have existing structure plans, with the work for a new South Melbourne MAC Structure Plan underway. The St Kilda MAC currently does not have a structure plan; hence it is important that this work be undertaken for the activity centre to ensure that its role in accommodating housing, population and economic growth is realised.

Port Phillip also has a number of Neighbourhood Activity Centres, which provide a key opportunity to support the 10-minute walkable neighbourhood concept of Council and 20 minute neighbourhoods of *Plan Melbourne*. The SEEF outlines the increasingly important role of these centres in accommodating more employment uses and recommends Council explore opportunities to encourage and support housing and employment growth in NACs. It further recommends to re-categorise 'Centre Avenue Port Melbourne' and 'Tennyson Street Elwood' from Neighbourhood activity centres to Local activity centres, reflecting the current scale and role of these centres; and prioritise NAC locations include Bridport Street Albert Park, Ripponlea, Ormond Road. Elwood and Armstrong Street Middle Park. Currently, Ormond Road is the only NAC with detailed land use and built form guidance.

Areas surrounding Major Activity centres, Neighbourhood Activity Centres and train stations (within 800 meters) provide a potential opportunity for new 'infill' housing to support 10/20 minute walkable neighbourhoods. Further strategic work is required to determine the appropriate level of housing growth that could be accommodated in these areas. This approach acknowledges several key considerations:

- Community feedback from previous consultations has indicated support for increased housing and greater housing diversity in close proximity to existing infrastructure and services.
- Some of those areas are protected by Heritage Overlays (HO). While the HO does not prohibit development it requires compliance with the Council's heritage policy and will impact development outcomes and potential yields. While the HO is often seen as the reason for limiting growth, it is the combination of the residential zone (which restricts building height and site coverage), HO, and various land constraints not limited to lot sizes, street width and site access. The draft strategy proposes to investigate whether additional housing capacity could be achieved through upzoning

some of this land. This would be further investigated through feasibility testing and further capacity study.

Managing the impacts of coastal inundation and flooding in future housing development

Sustainable settlement requires residential areas to be planned to be resilient to climate change impacts overtime. As a coastal municipality, Port Phillip is particularly vulnerable to the impacts of coastal inundation and flooding because of climate change. The rising sea levels, coupled with intensified rainfall and greater frequency of storm surges could have a substantial impact on the future development of Port Phillip. This particularly affects low-lying urban renewal areas like Fishermans Bend and established regions like South Melbourne, Port Melbourne, Albert Park, Middle Park, St Kilda, Balaclava, and Elwood.

Much of these areas are covered by the Special Building Overlay¹⁴ (SBO). Conditions that apply to development in these locations can include ground floor levels being set above the flood level, increased boundary setbacks and/or limitations on the design of basement parking and access.

Current state of play

In October 2021, the Minister for Planning approved Amendment VC171, which revised the Victoria Planning Provisions (VPPs) and planning schemes, including Port Phillip's Planning Scheme to strengthen coastal hazard planning and implement the Marine and Coastal Policy 2020.

Amendment VC171 replaced the previous requirement for councils to plan for sea level rise to 2040 with a new requirement to plan for a sea level rise to 2100. It also emphasises the need to consider the combined effects, such as tides, storm surges, coastal processes, and local conditions, when assessing climate change-related risks.

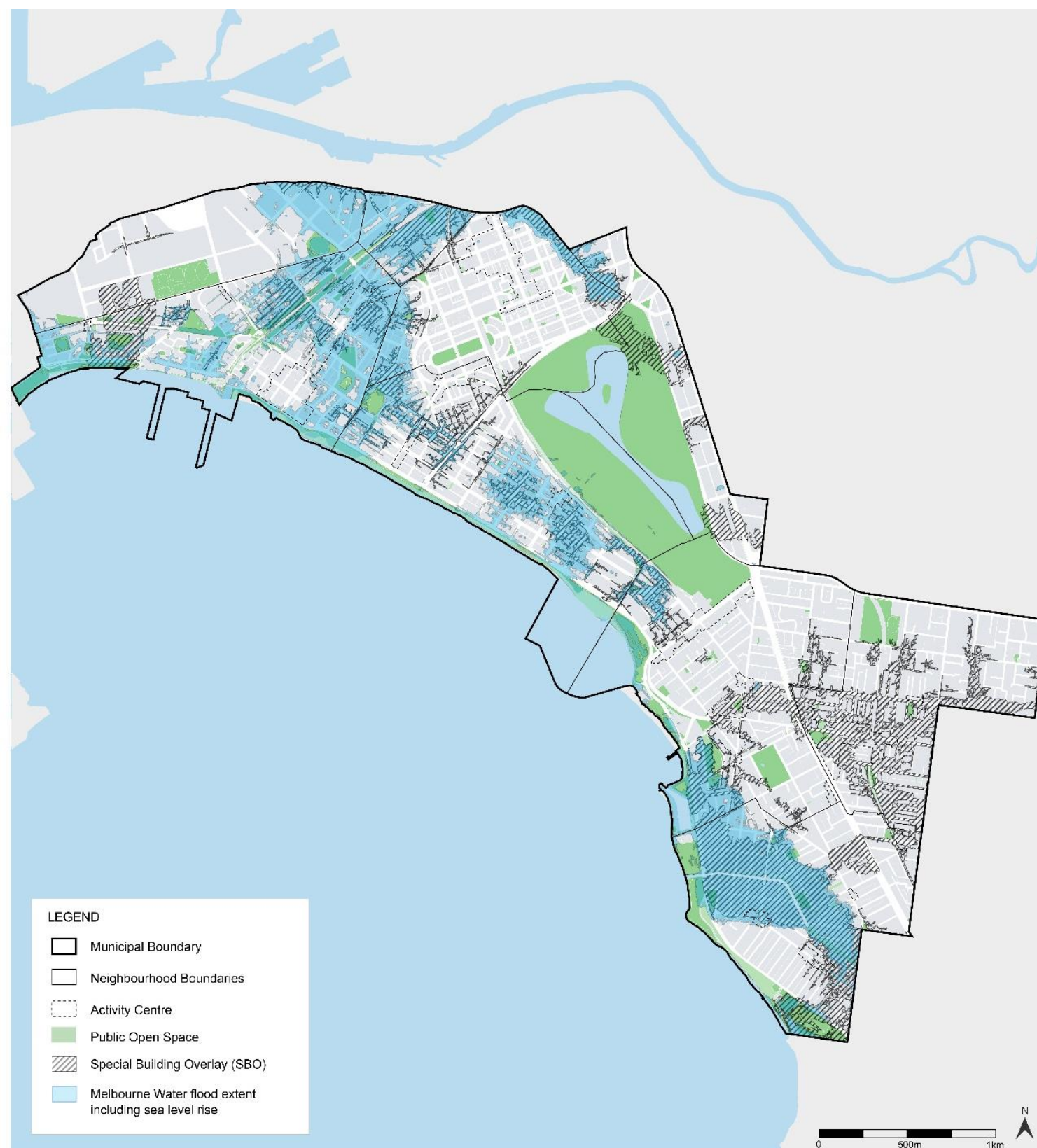
These changes have highlighted more locations vulnerable to flooding when compared to what is currently affected by the SBO, including additional sites either susceptible to flooding or facing an elevated flood risk. This information is not currently reflected in the Planning Scheme.

To assist with the City's consideration of this new benchmark, Melbourne Water has provided Port Phillip with interim flood data and modelling / mapping, The Water Act 1989 and State Planning Policy requires the Port Phillip to use this interim data and mapping for determining flood levels. This modelling is an interim measure while planning scheme amendments are prepared to introduce the new controls into the Port Phillip Planning Scheme to identify land subject to future flooding and to ensure appropriate referrals to Melbourne Water.

In January 2024, the Department of Energy, Environment and Climate Action (DEECA) released the Port Phillip Bay Coastal Hazard Assessment (PPBCHA). This project provides additional and different modelling on coastal erosion, permanent and tidal inundation, and groundwater.

Until Melbourne Water and Council have compressively reviewed the PPBCHA data, Council will continue to rely on the interim Melbourne Water sea level rise data and mapping as the 'best available' to inform statutory and strategic planning process and decisions. This is an interim measure while planning scheme

¹⁴ The SBO is a planning tool designed to identify areas in the Planning Scheme susceptible to overland flooding and to facilitate appropriate development in these areas



amendments are being prepared to introduce the new controls into the Port Phillip Planning Scheme, to ensure appropriate statutory referrals to Melbourne Water. These amendment/s are anticipated to commence in 2024.

Figure 15 (left): Melbourne Water forecast data – Sea Level Rise (1 in 100 yr)

A proactive approach to flood risk mitigation

Flood mitigation can be addressed at the precinct or individual lot scale. Melbourne Water has released the Guidelines for Development in Flood Affected Areas February 2019 to assist with managing the impact of flood risk on our community.

At present, under the direction of Melbourne Water and the State Government, flood risk is managed on a site-by-site basis (e.g. by elevating finished floor levels) and at the precinct level through larger scale flood mitigation measures (e.g. Infrastructure projects to mitigate the impacts of flooding). Managing flood impacts on a site-by-site basis is generally addressed at the planning permit application stage. During this stage, Melbourne Water, as the floodplain manager, provides statutory referral comments on new development, primarily regarding minimum floor levels based on current flood mapping.

At the precinct level, Melbourne Water has provided preliminary guidance for South Melbourne aimed at proactively steering high levels of built form / development density away from areas at elevated risk of flooding, as defined by the safety criteria outlined in the Guidelines for Development in Flood Affected Areas. The Structure Plan is well placed, as a forward-looking strategic planning document, to support flood mitigation efforts in the area including formulating land use policies that consider flood risk.

When determining locations for housing growth, the draft Housing Strategy aligns with State Planning Policy at Clause 13.01-2S of the Port Phillip Planning Scheme. Port Phillip will also follow the guidance from Melbourne Water regarding areas identified with a high flood risk profile (areas exceeding safety criteria in the Guidelines for Development in Flood-Affected Areas, DELWP 2019). Where possible, Port Phillip should avoid intensifying flood risk through increasing the intensity of development and use within flood prone areas. Where development does occur on flood affected land (ie land within the SBO), the risk must be reduced at the property scale. For example, elevating the floors of buildings.

Car parking

Including a car parking space in a residential development can add up to \$50,000 to the cost of each apartment.¹⁵ Minimum car parking requirements can encourage an oversupply of car parking, which results in increased traffic, noise and emissions and a poorer quality urban environment¹⁶. Currently,

¹⁵ P.Hatch, “Kids but no car: Meet one of the rarest families in Melbourne”, The Age, January 4 2023, National Infrastructure Victoria, “Our home choices, How more housing can make better use of Victoria’s infrastructure”, March 2023

¹⁶ Department of Transport and Planning Victoria, Modernising car and bicycle parking requirements, Discussion paper, October 2023

minimum car parking requirements are mandated through Clause 52.06 of the Scheme, which is a state-standard provision that applies the same rates across the state. This does not allow Council to require a reduction to the standard rates to encourage more sustainable development.

Much of Port Phillip is well serviced by public transport in the form of trains, trams and buses. On-site car parking in some areas that are not as well-connected to public or active transport modes and amenities is necessary, but can be improved through access to electric vehicle charging facilities to lessen future emissions. Less onsite car parking is often appropriate in well-connected areas to support Council's commitment to achieve a zero-net emission carbon City.

The Residential Development Framework Plan

WHAT WILL A RESIDENTIAL DEVELOPMENT FRAMEWORK PLAN ACHIEVE?

Identifying housing change areas suitable for different level of growth. It provides certainty to the community about where growth and intensification will be encouraged. It also defines where valued neighbourhood character will be protected and where development is

To plan for housing change over 15 years and provide guidance on where new housing should be located in Port Phillip, we have developed a 'Housing Framework Plan' (the Plan). The Plan provides clear spatial direction on locations where housing growth and change should occur, and where it should be restricted. The Victorian planning system seeks a balance between population growth, new development, retention of heritage fabric, neighbourhood character and improved liveability.

The preparation of the plan has considered the following aspects specific to areas at neighbourhood, and sometimes street, level:

- Existing context (e.g. neighbourhood context, existing land use zones and overlays)
- Constraints (e.g. Heritage Overlays, Neighbourhood Character Overlay, environmental considerations such as flooding)
- Opportunities (e.g. Activity Centres, strategic areas and sites, transport accessibility including existing and proposed train station)

The Plan directs growth based around the key locational principles of:

- A majority of new housing is directed to designated locations with the capacity for change and which are located in close proximity to shops, services, public transport and jobs.
- Housing development will be more limited in comparison in the rest of the established residential areas to protect valued heritage and neighbourhood character.

Further details on the draft Residential Development Framework Plan and methodology is outlined in **Part 4**.

Draft Strategies & Actions

Draft Strategy 1 Direct new housing to appropriate locations

Draft Strategy 2 Ensure the location of housing upholds direction from state and local overland flood management, foreshore management and coastal adaptation plans to reduce risk to population,

infrastructure, ecosystems and property from sea level rise, storm surges, coastal erosion, tidal inundation, and groundwater intrusion.

Draft Strategies & Actions

| | Draft Action | Role | Timeframe | Lead | Business impact |
|-------|--|----------|-------------|------|---|
| 2.1 | Direct new housing to appropriate locations | | | | |
| 2.1.1 | Designate land suitable for substantial, moderate, incremental, and minimal change in a Residential Development Framework Plan. | Deliver | Short-term | Lead | Operating budget/ Business as usual |
| 2.1.2 | Implement the Residential Framework Plan by including it in the Port Phillip Planning Scheme, updating local planning policy to provide guidance on the appropriate location for new housing, and update residential zones and schedules. | Deliver | Short-term | Lead | Subject to budget in Planning Scheme Amendments Program |
| 2.1.3 | Undertake a program of structure planning for Port Phillip's Major Activity Centres (prioritizing St Kilda – Fitzroy Street and Acland Street) and Neighbourhood Activity Centres to guide the appropriate location and form of new housing. | Deliver | Ongoing | Lead | Subject to annual plan and budget |
| 2.1.4 | Investigate opportunities for new 'infill' housing within established residential areas proximate (within 800m) to major activity centres, neighbourhood activity centres and existing and future train stations. | Deliver | Medium term | Lead | Operating budget/ Business as usual |
| 2.1.5 | Review local planning policy to manage land use conflicts between residential and commercial uses in mixed use environments. | Deliver | Medium | Lead | Operating budget/ Business as usual |
| 2.1.6 | Advocate for changes to the on-site parking rates mandated through Clause 52.06 of the Planning Scheme for residential developments in appropriate locations. | Advocacy | Ongoing | Lead | Operating budget/ Business as usual |
| 2.2 | Ensure the location of housing upholds direction from state and local overland flood management, foreshore management and coastal adaptation plans to reduce risk to population, infrastructure, ecosystems and property from sea level rise, storm surges, coastal erosion, tidal inundation, and groundwater intrusion | | | | |
| 2.2.1 | Advocate to the Minister for Planning to amend the Port Phillip Planning Scheme to update existing or introduce new planning overlays to ensure new development responds to increased risks associated | Advocacy | Ongoing | Lead | Operating budget/ |

| | | | | | |
|-------|--|---------|---------|---------|--|
| | with sea level rise and flooding impacts. | | | | Business as usual |
| 2.2.2 | Continue to monitor available flood data, work with Melbourne Water and seek their advice on flood risk areas in Port Phillip. | Deliver | Ongoing | Partner | Operating budget/ Business as usual |

| | | | | | |
|-------|---|---------|---------|------|--|
| 2.2.3 | Update the Housing Framework Plan to reflect the latest 'best available data' for flooding as it becomes available. | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
|-------|---|---------|---------|------|--|

Objective 3: Ensure new housing responds to neighbourhood character and heritage values of established residential areas

Relevant housing need:

- New housing that respects heritage and responds to preferred neighbourhood character.
- Access to a range of housing choices that are well designed, consider the environment, and health and wellbeing (design quality and sustainability).

Key messages

- Port Phillip is a city of neighbourhoods, where every property, public place and piece of infrastructure contributes to establishing a distinct character.
- Neighbourhood character is not static and evolves over time.
- Port Phillip has some of the earliest European settlements in the metropolitan area and our heritage precincts containing many of established residential areas are highly valued by our community.
- Council's heritage policy and guidelines provide guidance to balance future housing growth with heritage significance.
- Respecting heritage does not mean preventing change or limited housing growth. Rather it is about ensuring that new development does not adversely impact upon heritage significance.
- For residential areas outside of our heritage precincts, preferred Neighbourhood Character Statements have been developed and are informed by the Neighbourhood Character Conversations that took place with community in July 2023. These statements will provide guidance to balance future housing growth with character, sustainable development, and community benefit.

What the community told us?

Regardless of where they live, community members told us what they value the most about their neighbourhoods:

- **The village feel** that build on the mix of activities around and the walkability of the street.
- They feel **more welcoming and safer** in spaces designed for a range of activities, where streets that are easy to navigate for people of all ages and abilities, and there is a mix of housing types for different families and lifestyles.
- The **existing eclectic character** came from the diversity in architecture, including the feel and a mix of both contemporary and heritage structures.
- The trees and vegetation in streets, parks, and private gardens. Many recognize greenery not only as the defining visual character of their neighbourhoods, but also see the great environmental benefits from trees and vegetation, from ground level gardens to green walls and roof top gardens. They value the functional aspect of greenery such as reducing water runoff.

When it comes to future opportunities, many community members see the greatest opportunities for improving neighbourhood character as:

- Increasing tree canopy and vegetation coverage
- Maintaining and expanding open spaces
- Having a diverse and high-quality built form that respects and integrates with existing urban form

- Increasing Environmentally Sustainable Design requirements for buildings
- Having diverse housing to cater for a diverse community
- Protect significant heritage buildings and creating new heritage for future generations

Discussion

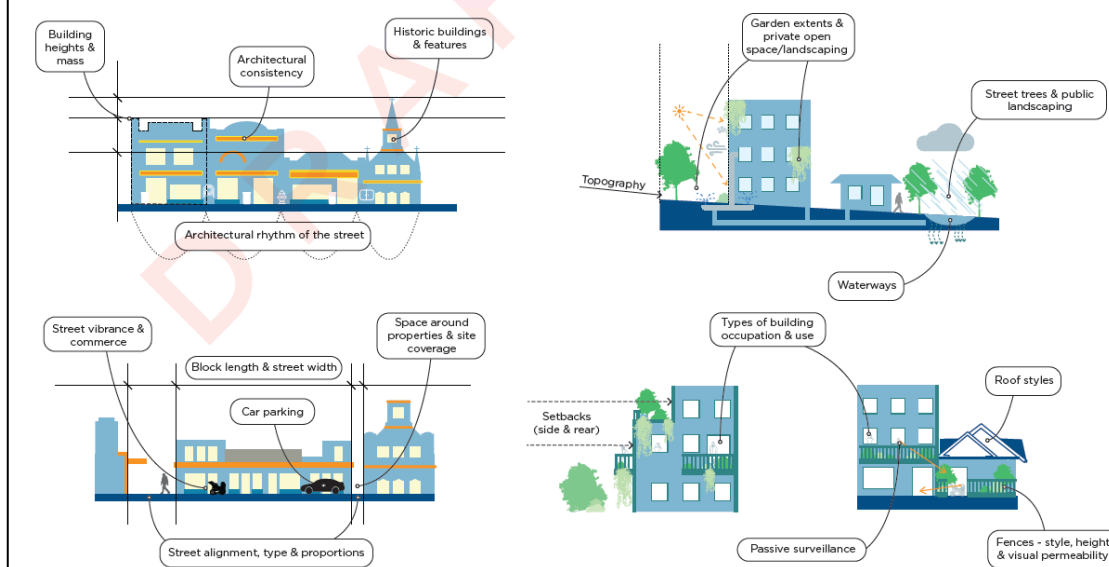
When planning for future housing change and growth, it is crucial to provide clear guidance for preferred built form outcomes. This ensures that new developments can contribute to creating resilient, safe, and inspiring neighbourhoods.

What is Neighbourhood Character?

Neighbourhood character describes elements of the public and private realm that make one area distinctive from another (creating a sense of place). Every property, public place or piece of infrastructure contributes, no matter how great or small. It is the cumulative impact of all these contributions that establishes neighbourhood character.¹

Neighbourhood character is different to attractiveness or heritage. All areas have a character in the same way all people have a personality. In some areas the character may be more obvious, more unusual, or more attractive, but no area can be described as having no character.

Some of the most common physical attributes that define neighbourhood character are identified in the diagram below. These elements are a condensed list of those described in PPN43. Respecting Neighbourhood character does not mean preventing change. Instead, new development in Port Phillip will play a significant role in shaping neighbourhood character of areas.



In areas already covered by planning tools such as the Heritage Overlay (HO), Design and Development Overlay (DDO), and Neighbourhood Character Overlay (NCO), the future built form outcomes would continue to be shaped by these controls that would be regularly reviewed to maintain their relevance. For areas not covered by such tools (The Neighbourhood Character Study Focus Area), the future built form

would be guided by preferred character statements that are developed as part of the Neighbourhood character study.

The existing guidance area

The existing guidance area is comprised of established residential areas in our municipality that are already covered by planning controls such as the Heritage Overlay (HO), Neighbourhood Character Overlay (NCO), and Design Development Overlay (DDO). In those residential areas, there is existing guidance on what type of future development might be suitable.

Heritage precincts

The HO affects large swathes of the municipality, as either a place of individual heritage significance or heritage precincts. The Port Phillip Heritage Review (the Heritage Review) forms the framework for Council's approach to heritage and contains Citations for all places of heritage significance in Port Phillip. The Citation and specifically the Statement of Significance is to be read in conjunction with Council's local heritage planning policy and provides guidance on the built form sought in each heritage precinct.

The major heritage overlay precincts affecting our residential areas include:

- HO1 – Port Melbourne
- HO2 – Garden City Housing Estates
- HO5 – St Kilda Hill
- HO6 – St Kilda East
- HO7 – Balaclava, St Kilda, Ripponlea and Elwood (*under review*)
- HO8 – Elwood (Glen Huntly and Ormond Roads, Elwood) (*under review*)

Neighbourhood Character Overlay – Beacon Cove

Five schedules to the NCO were introduced into the Port Phillip Planning Scheme via Amendment C73 (2011) which implemented the planning framework for the residential component of Beacon Cove. The schedules were applied to the low rise residential area in Beacon Cove to control the form of future development to maintain the character of future development, and were prepared having regard to the reference document Beacon Cove Neighbourhood Guidelines, SJB Urban, 2010. Major renewal of these dwellings in the next 20 years is unlikely. Council is satisfied that the application of the NCO on Beacon Cove remains appropriate for the timeframe of the Housing Strategy.

Design and Development Overlay

The Port Phillip Planning Scheme has extensively applied schedules to the Design and Development Overlays across the municipality. The Scheme currently has 29 Design and Development Overlays (DDOs) applying to specific areas, including activity centres, growth areas, coastal areas and specific sites. DDO's apply specific requirements to the design and built form of development. They should include design objectives, and typically address built form matters including building heights, setbacks and overshadowing.

The existing guidance is regularly reviewed as part of Council's ongoing strategic planning work program. Council also continuously review DDOs, as place based strategic work is undertaken. For example, Council is currently reviewing DDO8 (South Melbourne Central) as part of the South Melbourne Structure Plan work.

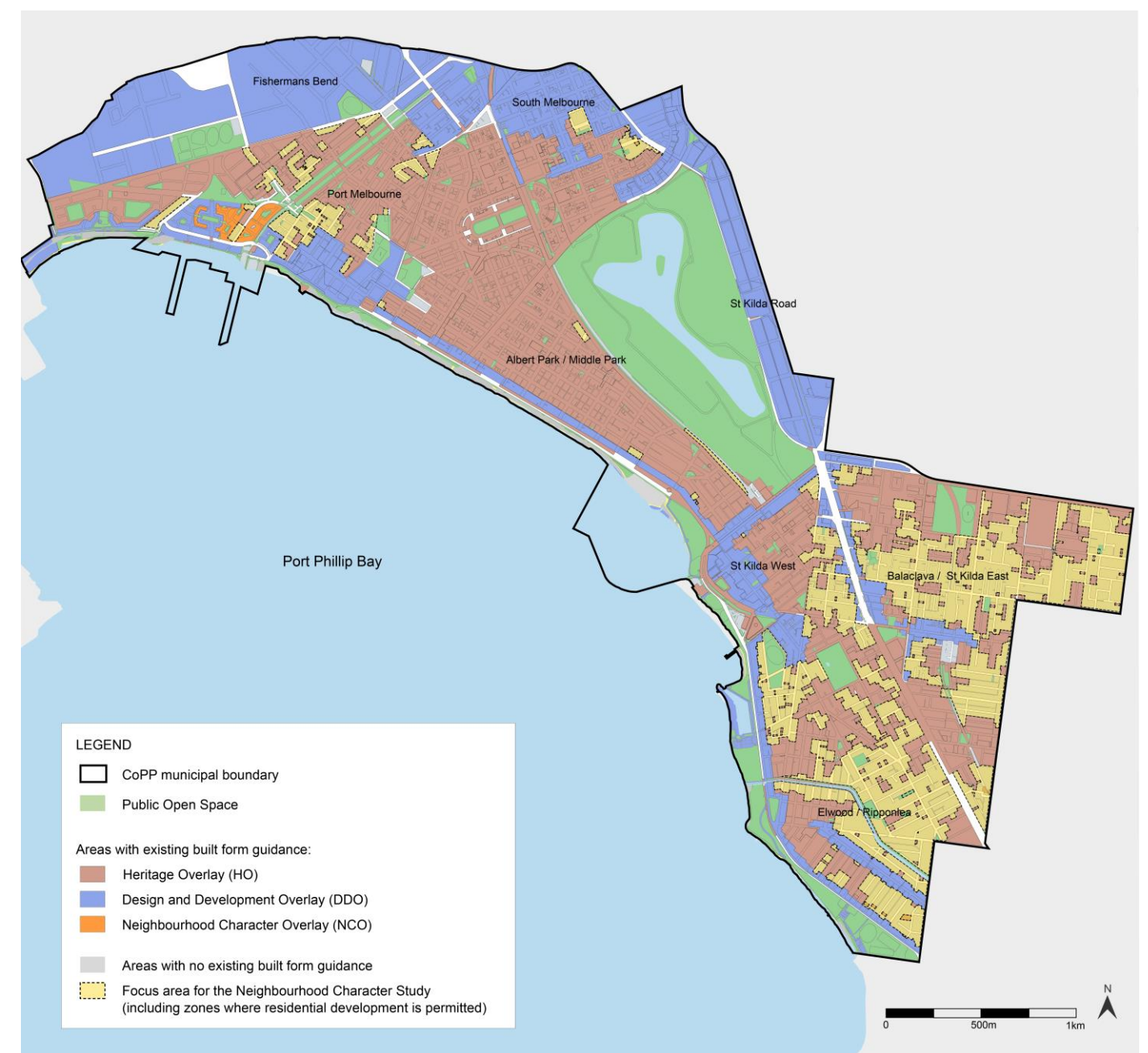
This Strategy will contribute towards revising our residential, design and neighbourhood character policies and controls. However, changes are not proposed to heritage policy or above overlays as part of the Housing Strategy.

The Neighbourhood Character Study Focus area

The Neighbourhood Character Study focus area consists of residential areas where no specific built form or heritage controls currently apply. This study area is predominately concentrated in the south of CoPP (Elwood and Ripponlea, Balaclava and St Kilda East, St Kilda and St Kilda West), and Port Melbourne. In addition, there are also some sites in Albert Park and Middle Park and South Melbourne.

For the focus area, the NCS identify valued existing neighbourhood character elements and preferred future character. The study was prepared by external technical experts in consultation with community.

Figure 16: Neighbourhood Character Study Focus Area & Existing guidance area

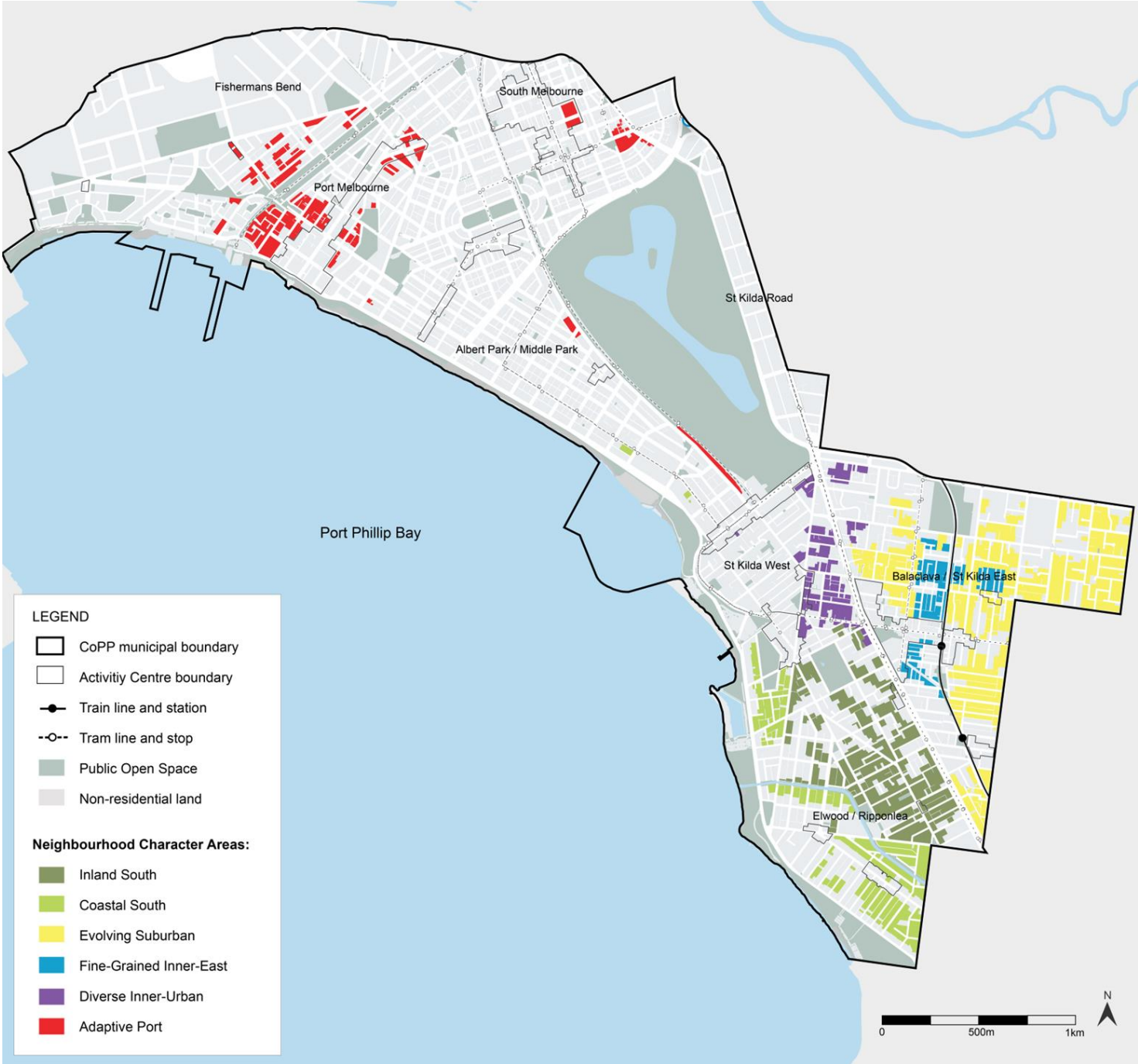


The Focus area – Preferred Character Statements

The preferred future neighbourhood character statement is developed, based on desk top analysis, street survey, and importantly community input to guide future development.

The statements aim to reflect the valued features and characteristics of an area but also be ‘forward-looking’ to ensure contemporary housing needs are being met. The preferred character statements will inform new design objectives, standards and requirements for the Planning Scheme including objectives and requirements in the schedules to the residential zones.

When appropriate, these statements might shape the future development in residential areas by specifying preferred minimum street setbacks, site coverage, landscaping, front fence height, and other design elements that contribute to the desired character. This then ensures that new developments align with the intended character of the neighbourhood, contributing to the overall housing vision we set up in this strategy.



INLAND SOUTH

Elwood and southern St Kilda form a green and leafy character area that is driven by high-quality landscaping, low and visually permeable fence lines, as well as mature street trees and vegetated verges within the public realm.

The lush nature of the area is enhanced by mature canopy trees within private lots and generous gardens with a variety of shrubs, grasses and groundcovers, which tie into surrounding natural elements such as the Elsternwick Creek and Yalukit Willam Nature Reserve, St Kilda Botanical Gardens and the coastline.

Development in the area will be a mix of architectural styles and typologies, including single dwellings, townhouses, and apartments. The variation in styles and typologies will be united by a careful material palette to help create cohesive streetscapes. The dark red bricks and terracotta tiles of Californian bungalows, timber detailing of Victorian cottages, cream brick of post-war apartment blocks and rendered stairways and arches of Spanish Mission and Art Deco apartments are all valued existing elements that will inspire contemporary responses in highly sustainable built form outcomes.

Car access will be prioritised from rear laneways wherever possible, and where access is off a primary street, vehicle storage will be positioned behind the building line to minimise visual impact and accentuate the visibility of landscaping. Landscaping buffers between constructed driveways and side boundaries will minimise the visual impact of parallel driveways and protect the desirable spacious and green nature of the neighbourhood.

COASTAL SOUTH

Coastal Elwood & St Kilda are highly landscaped with unique references to the coastal proximity through durable and light material palette and native coastal plant species. High-quality landscaping, low fence lines and vegetated verges within the public realm will enhance the sun-kissed and airy character of the area.

Development in the area will be a mix of architectural styles and typologies, including single dwellings, townhouses, and apartments.

Mature, valued vegetation will be protected and retained where possible, and a landscape character reflective of the local context will incorporate indigenous coastal plants, supporting a connection to and sense of place. Low-lying coastal scrub vegetation will encourage visual permeability throughout the neighbourhood and give a powerful visual identity to the area, tying it to its valued coastline.

Along with landscaping character, the architecture of the neighbourhood will subtly reference connection to the coast through a robust, natural, light, and textural material palette. Low fences and landscaped front, rear and side boundaries will support public and private interaction, creating safe and comfortable streets.

Dwelling facades will consider the threat of flood damage and finished ground floor levels will be raised to reduce the impact of potential inundation in the future. Secondary frontages along waterways and/or oriented towards the coast will feature windows and balconies to reinforce important views and connection to streets and waterways. Landscape on walls and rooftops will be encouraged, supporting a strong and connected landscape integrated into the built form.

| | | | |
|--|---|--|--|
| <p>EVOLVING SUBURBAN</p> <p><i>An eclectic area with a community focus, built form varies from smaller single dwellings to townhouses and apartments supporting a self-sufficient inner-suburban neighbourhood that thrives with local activity and dwelling diversity.</i></p> <p><i>Architectural style and materiality is diverse but consistent in its delivery of robust and high-quality outcomes that build upon the existing flat front facades, orthogonal building massing, and common use of brick. Large, deep lots with medium side and front setbacks will ensure a coarse-grained spacious and calm feel as the area develops.</i></p> <p><i>Upper levels of buildings are designed to provide diversity in the skyline, avoiding a monotonous, single-height roofline, providing both visual interest and allowing for air and natural light to penetrate through the streetscape.</i></p> <p><i>Safe and engaging streets are created through the delivery of human-scaled and diverse dwellings oriented towards the street with visible entrances, articulated front facades and interaction with the street from verandahs, balconies, and other habitable spaces.</i></p> <p><i>Enhanced landscaping and canopy coverage in the private and public realms creates green streetscapes and reduces urban heat. Canopy trees dominate the streetscape and valued mature vegetation is prominent. Vehicle cross-overs are minimised and where possible provided from rear laneways, promoting safe pedestrian pathways. Low and permeable front fences, that may incorporate planting, enhance the green image of this inner-suburban neighbourhood.</i></p> | <p>FINE-GRAINED INNER-EAST</p> <p><i>This low-lying, tightly packed pocket is an intimate, human-scaled character area. Fine-grained streets of narrow lots with attached single-storey weatherboard workers cottages inform a feeling of enclosure that is reinforced by narrower streets, small building setbacks, thin footpaths, street verges and smaller public landscaping. The large cobblestone gutters further reduce the visible street width and give this area a ‘back-street’ laneway feeling that enhances its quiet and approachable character.</i></p> <p><i>Future development will allow light and visual access to the street, permitting with verandahs and front porch social spaces encouraging interaction between dwellings & creating a welcoming, safe neighbourhood with evident passive surveillance.</i></p> <p><i>Permeable and low front fencing will ensure dwellings engage with the streetscape and encourage interaction between neighbours to further emphasise the human scale of this character area.</i></p> <p><i>This area will have high site coverage due to the narrow, short lot sizes and lack of front or side setbacks. As such, roof gardens, green walls and planting along fence lines will be crucial to provide biodiversity, habitat and connection to nature whilst also reducing the urban heat island of this tightly packed inner-suburb pockets.</i></p> | <p>DIVERSE INNER - URBAN</p> <p><i>With remarkable variation in building form, era and scale, this area offers an inner urban character with the potential for excellent diversity and flexibility in its built form. With a distinctive array of rooflines, façade arrangements, street orientations and material choices, this neighbourhood showcases adaptable, innovative and environmentally sensitive design. The prevalent material palette leans towards modernity, incorporating elements such as steel structures, aluminium framing, timber, exposed concrete, and pockets of brickwork.</i></p> <p><i>Side setbacks are generally small or non-existent, while front setbacks differ creating variation within the character area allowing for flexible new development. With the area’s proximity to – and views of – the Melbourne CBD presents a strategic location for future growth in areas identified for moderate and substantial housing growth. The neighbourhood is dynamic and lively, celebrating its artistic and creative heritage through distinctive, adaptable, and forward-looking architecture.</i></p> <p><i>Landscape will be interwoven with the architecture through fence line planter boxes, balcony, rooftop and wall gardens with canopy trees providing essential shade. These planting elements soften the built form of the area and ensure there is a biodiversity connection between the coast, Albert Park Lake, and the leafy inner suburbs further east. Permeable fences improve visual access onto front gardens enhancing the feeling of safety through passive surveillance.</i></p> | <p>ADAPTIVE PORT</p> <p><i>This area will combine high-density, adaptable development with a consistent building mass, profile, and materiality. The built form will feature orthogonal dwellings with flat facades that often extend to the front boundary, creating a noticeable street wall uniformity. Side setbacks will be consistent and small or non-existent, which fosters a cohesive rhythm along the streetscape.</i></p> <p><i>The essence of the neighbourhood’s character lies in its industrial heritage combined with modern coastal living. New development will be innovative and flexible, responding to each unique site.</i></p> <p><i>Despite the built form diversity, a commonality will be formed by small to non-existent setbacks, robust street walls, engaging rooflines and a unique semi-industrial material palette. A visual identity is formed by referencing building profile, materiality, scale and rhythm of the area’s working class architectural typologies; warehouses, bank houses, cottages, and wrought-iron terraces.</i></p> <p><i>Development will embrace best-practice environmentally sensitive design and incorporate planting into fences and facades. Landscaping on shared and private rooftop gardens will be visible across the roofline.</i></p> <p><i>With high-density living anticipated, addressing challenges such as limited private greenspace, high impermeable surfaces and climate change-induced weather extremes is crucial and may require interventions in the public realm. Flood risk will also be factored into the construction and materiality of building facades, and raised finished ground floor levels will reduce the risk of damage from inundation. Increased landscaping and Water Sensitive Urban Design (WSUD) initiatives such as rain gardens, particularly featuring native coastal vegetation, will be an important part of achieving this neighbourhood’s resilient future character and visual identity.</i></p> |
|--|---|--|--|

Strategies & Actions

| Strategies & Actions | | Role | Timeframe | Lead / Partner | Business impact |
|----------------------|--|---------|---------------------|----------------|-----------------------------------|
| 3.1 | Reinforce highly valued existing neighbourhood character and heritage elements that contribute to Port Phillip's unique neighbourhood identity. | | | | |
| 3.1.1 | Review and update the Port Phillip Planning Scheme to implement the Neighbourhood Character Study and Preferred Character Statements by updating local planning policy and making changes to residential zone schedules. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |

| | | | | | |
|-------|---|---------|---------------------|------|-----------------------------------|
| 3.1.2 | Continue to review heritage controls to ensure application of the HO and relevant documentation is up to date. | Deliver | Ongoing | Lead | Subject to annual plan and budget |
| 3.1.3 | Protect significant trees and vegetations in private realm that are valued by communities via suitable planning tools | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 3.1.4 | Develop design (including vegetation) guidelines for developments for new residential developments to facilitate desirable built form outcomes, and innovative and resilient landscapes in the private realm. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |

Objective 4: Encourage a range of housing options to support our diverse community.

Relevant housing need

Ensuring access to housing choices that are fit for purpose for people at different life stages and of varied abilities and needs.

Key messages

- Diverse and accessible housing choices are important to support and cater for our diverse and changing community.
- The range of housing choices available in our city will impact on the social makeup of our community.
- While there is a sufficient supply of housing in Port Phillip there is a lack of diversity in the housing being built.

What the community told us

So far, a significant number of those who participated in Phase 2 engagement on the Discussion Paper found it difficult to find suitable housing in our city. This was mainly due to concerns about housing affordability and a lack of diversity in the housing market. We found that renters prioritised affordable housing choices, housing diversity and accessibility, and showed greater interest in upsizing.

*‘For families looking to move into the area and have space for kids, it can be quite expensive’ –
Community member*

Change in living arrangements was the most common reason people cited for moving out of their current home. We also heard that in the future, most of our community would like to see housing that accommodates diverse housing needs.

Discussion

Housing diversity refers to the mix of different housing options. This can include a range of housing types such as apartments, townhouses, and separate houses. It can also include housing of varied sizes (number of bedrooms), design, layouts, and tenure.

Housing diversity in Port Phillip

One of the biggest challenges we face in Port Phillip is the limited choice of housing types available to our community. For example, the majority (66.8 per cent) of dwellings in our city have two or less bedrooms. 55.5 per cent of dwellings in our city are high density apartments (above 3 storeys), with less than 8 per cent of dwellings in our city are separate houses.

The lack of diverse housing choices means that as people’s lifestyles change – as they opt to work from home, start families, become empty nesters– they may have to move out of Port Phillip to find housing that meets their needs. Due to the land cost, it is unlikely that there will be many single dwellings on a lot built in Port Phillip in the future. Given this, it is important that alternative family housing solutions are available. A diversity of apartment types, locations and price points will be needed across our city to satisfy different market segments and life stages, accommodate population growth, provide opportunity for movement within the housing market, and provide for diverse and vibrant communities.

In Port Phillip we need more diverse housing choices, particularly larger dwellings in new apartment developments to accommodate families and various other life stages. There are already state planning provisions (cl 58.02-3 & 55.02-3 Dwelling diversity objective) in the Port Phillip planning scheme that encourage a range of dwelling sizes and types in developments of ten or more dwellings. The local planning policy applying to the Fishermans Bend Urban Renewal Area aims to facilitate housing diversity by encouraging new development of 100 dwellings or more to provide a certain percentage of three-bedroom dwellings¹⁷.

The 2018 *Port Phillip Planning Scheme Review Audit Report*¹⁸ recommended that Council should consider identifying acceptable ratios of housing diversity, particularly for key housing growth areas. For example, this could take the form of a policy encouraging minimum percentage of 3-bedroom dwellings in a new development that has more than 10 dwellings.

We want Port Phillip to remain diverse and inclusive into the future. The availability of diverse housing choices for a diverse community is an important element in realising this future.

Facilitating housing diversity – recent planning scheme changes

The Victorian Government have made recent changes to planning schemes under the ‘Victorian Housing Statement’ which make it easier to get approvals for different types of housing, this includes:

- *Amendment VC243* - The amendment which came into effect in October 2023, aims to facilitate housing supply and diversity by removing permit requirements to construct or extend a single dwelling on a lot that is 300sqm or bigger.
- *Amendment VC253* - which came into effect in December 2023, and will help facilitate the construction of small second dwellings at the rear of existing dwellings such as ‘granny flats’. These small second dwellings, up to 60m2 in size, were previously only able to be constructed for dependents, such as grandparents. The amendment will allow their construction on a lot that is 300sqm or larger without the need for a planning permit.

In the Port Phillip context, a potential 16,000 lots (approximately) could be impacted by VC253. The easing of planning requirements may help to facilitate small scale infill developments such as granny-flats, or alterations and additions to single houses, to provide accommodation for larger household types and multigenerational households.

¹⁷ Policy guidelines at Clause 11.03-6L-04 FBURA specifies the following percentages of three-bedroom dwellings for developments of more than 100 dwellings: Montague: 25 per cent; Sandridge: 20 per cent ; Wirraway: 30 per cent

¹⁸ Port Phillip Planning Scheme Review Audit Report 2018, pg 127

Planning for more inclusive housing - dwelling accessibility

Dwelling accessibility is the overall design and layout of a home, and ensuring it meets the needs of any occupant. It might include designing or modifying homes to include accessibility features such as ramps, elevators, wider doorways to make the spaces more accessible to people with disabilities or temporary mobility difficulties. Accessible housing often provides kitchen, living, bathroom and bedroom on the same floor.

There are many Port Phillip residents who are able to live independently without assistance but have mobility challenges brought about for many reasons including old age. As the number of people aged 75 and over is projected to increase over the next 15 years, it becomes more likely that every home will be required to respond to the needs of a person with a physical limitation. Families with young children and people with temporary injuries also have mobility challenges in dwellings that are not adequately designed to allow for easy accessibility for people using prams, wheelchairs and mobility aids. Homes of the future should be designed to allow for better access and movement to support occupants at different life stages and of varied abilities and needs.

Universal design

To create an inclusive and accommodating living environment, it is important to prioritise the design of apartments to be accessible and suitable for residents throughout their lifetime. This can be achieved by incorporating the seven principles of Universal Design into the planning and construction processes:

1. **Equitable use** – the design is useful and marketable to people with diverse abilities.
2. **Flexibility in use** – the design accommodates a wide range of individual preferences and abilities.
3. **Simple and intuitive use** – use of the design is easy to understand, regardless of the user's experience, knowledge, language skill, or current concentration level.
4. **Perceptible information** – the design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities
5. **Tolerance of error** – the design minimizes hazards and the adverse consequences of accidental or unintended actions.
6. **Low physical effort** – the design can be used efficiently and comfortably and with a minimum of fatigue.
7. **Size and space for approach and use** – appropriate size and space is provided for approach, reach, manipulation, and use regardless of user's body size, posture, or mobility.

Gold Level Liveable Housing Design standards

Council acknowledge and welcomes the work of the National Construction Codes Board in amending the National Construction Code (**NCC**) to adopt the Silver Level Liveable Housing Design standards for all new dwellings. However, Council advocates for amending the NCC to help achieve a Gold Level Liveable Housing Design standards for all housing, including affordable and social housing. Gold Level standards will ensure that kitchens and laundries are accessible and adaptable, there is a bedroom space on the ground level, light switches and power points are accessible, and doors are easily openable for persons with a disability.

Currently, universal access in the design of apartment developments over four storeys is encouraged by the Planning Scheme for new apartments through Clause 58.05. However, the minimum standards for design construction of all types of dwellings are provided by the National Construction Code. As planning approval for a development is sought prior to building approval, there is an opportunity for Council to promote accessible dwellings by encouraging applicants to incorporate accessibility into the early stages of

design for all dwelling types that require a planning permit, through the Planning Scheme.

Planning for an ageing population

Ageing in place in secure housing or other accommodation is fundamental for health and wellbeing. In addition, people prefer to remain in their local community as they age.

Compared to Greater Melbourne, older residents in Port Phillip are more likely to be renting, living in a flat or apartment and living alone. A person may choose to relocate to an apartment for many reasons including financial factors, health issues, experiences of family violence, death of a spouse, lifestyle change or wanting to downsize.

Being able to age in place was a key theme identified by the City of Port Phillip *Positive Ageing Policy* survey respondents. As such, a key goal of the *Positive Ageing Policy* is to enable secure, affordable, and accessible housing enables people to 'age in place'. This means creating housing that is appropriate for every day needs and close to transport, shops and services allows older residents to live independently. To support this, new housing in our city will need to be easy to navigate, capable of cost-effective adaptation, and responsive to the changing needs of occupants.

Local Residential Aged Care Facilities

While we support and encourage more housing that allows people to grow old at home, we also recognise that it can be necessary for a person to relocate to a residential aged care facility to receive adequate care and support when independent living is no longer possible. As our ageing population continues to grow, there will be an increasing need for residential aged care facilities. Additionally, it is also important to facilitate an increase in the diversity of aged care models so there is a greater range of options available.

In Port Phillip, five residential aged care facilities currently provide 370 beds or 'places'. It is expected that Port Phillip will have a substantial shortfall of places by 2036 (based on the Federal Government target of 78 aged care places per 1,000 people aged 70 years or over) unless more facilities are developed. The local planning policy relating to aged care facilities can be further reviewed to strengthen and facilitate the delivery of more residential aged care facilities.

Residential aged care facilities in inner Melbourne typically take the form of taller apartment buildings, given high land values and the sectors' standard operating model. The use of land for residential aged care is supported in all residential zones and the Commercial 1 Zone as well as the Comprehensive Development Zone. Currently, the Port Phillip Planning Scheme encourages locating and designing residential aged care facilities and older persons housing to integrate with local communities.

Draft Strategies & Actions

Draft Strategy 1- Encourage residential development with a range of dwelling typologies and sizes (bedroom mix).

Draft Strategy 2 – Encourage all residential development to incorporate design features that provide accessibility and adaptability to people of all ability.

| | Draft Action | Role | Timeframe | Lead | Business impact |
|-------|---|---------|----------------|---------|--|
| 4.1 | Encourage residential development with a range of dwelling typologies and sizes (bedroom mix) | | | | |
| 4.1.1 | Implement the <i>Residential Development Framework Plan</i> to achieve a diverse range of housing options. | Deliver | Short-medium | Council | Operating budget/ Business as usual |
| 4.1.2 | Introduce minimum bedroom number ratios for major housing developments (of 10 dwellings or more). | Deliver | Short – medium | Lead | Operating budget/ Business as usual |
| 4.1.3 | Support extensions to existing dwellings to provide accommodation for larger household types and multigenerational households. | Deliver | On-going | Lead | Operating budget/ Business as usual |
| 4.1.4 | Support the provision of residential aged care facilities within or close to services, jobs, public transport and activity centres and precincts. | Deliver | On-going | Lead | Operating budget/ Business as usual |
| 4.2 | Encourage all residential development to incorporate design features that provide accessibility and adaptability to people of all ability | | | | |

| | | | | | |
|-------|---|----------|----------------------|------|--|
| 4.2.1 | Advocate for State Government to amend the National Construction Code to require Gold Level accessibility standards for all new residential development. | Advocacy | On-going | Lead | Operating budget/ Business as usual |
| 4.2.2 | Advocate for State Government to address the following gaps in <i>Apartment Design Guidelines for Victoria</i> to improve the liveability and design of apartments: <ul style="list-style-type: none"> Additional Gold Level¹⁹ universal design standards (beyond mobility) to ensure apartments are safer and easier to enter, move around and live in. Additional adaptable apartment design standards (beyond adaptable bathroom) to allow buildings to accommodate a diverse range of lifestyle needs. | Advocacy | On-going | Lead | Operating budget/ Business as usual |
| 4.2.3 | Develop a design guideline document and supporting factsheets based on <i>Liveable Housing Design Guidelines (2012)</i> to promote accessible design, for use by the private sector and Council officers. | Deliver | Short to Medium term | Lead | Subject to future budget bid |

¹⁹ As specified in Gold Level Liveable Housing Design Standards

Objective 5: Support new housing that is well-designed and resilient to the impacts of climate change

Relevant housing need:

Access to housing choices that are well-designed, consider the environment as well as health and wellbeing of occupants.

Key messages:

- There is an opportunity to encourage low, medium, and high-density development, which achieves good quality, amenity, and sustainability outcomes.

What the community told us

Housing design quality (access to well-designed and energy-efficient housing) was identified as the most significant housing need.

‘It is mostly apartment living, and the new ones are really small. It is also quite expensive. In saying that, there are some very nice places to live in Port Phillip’ – Community member

‘An increase in the supply of quality infill / medium density housing. This can be done as build to sell or built to rent – quality and sustainability is important and ensures that adaptive, diverse housing options are priced...’ – Community member

Discussion

Design quality

Good design is important to achieving sustainable, high amenity and quality housing that meets the needs of our community and contributes to the vibrancy of our neighbourhoods.

The lack of land available for development of new separate houses means that apartments will continue to be the predominant housing type in Port Phillip. Therefore, it is important that they are well-designed, liveable and provide high level of internal and external amenity to improve the occupant’s health, wellbeing, and overall quality of life.

The Victorian Government’s *Apartment Design Guidelines for Victoria*²⁰ (the Guidelines) provides standards to improve apartment design in Victoria. The standards address building design elements such as siting and building arrangement, building performance (noise impacts, energy efficiency etc.) and dwelling amenity. These standards are in the *Victoria Planning Provisions* and the Port Phillip Planning Scheme at Clauses 55.07 and Clause 58. To improve the quality and liveability of future apartments in Port Phillip, additional guidance is required to:

- Ensure that small apartments have a high standard of amenity through minimum sizes and/or

²⁰ *Apartment Design Guidelines for Victoria* (Department of Land, Water and Planning, 2021)

Recent planning policy changes

Future Homes

The Future Homes project makes designs for high-quality three storey apartment developments developed by the Department of Transport and Planning with the Office of the Victorian Architect available for purchase by development proponents. To use the designs, applications must meet certain criteria. (Future Homes , 2023)

In September 2023, the Victorian Government implemented the Future Homes project across Victoria by introducing a new clause 53.24 (Future Homes) into the Victoria Planning Provisions (VPP) and all planning schemes via amendment VC243. The provision applies to all General Residential Zoned (GRZ) land within 800 metres of a train station, or 800 metres of a designated activity centre. The purpose of the new provision is to facilitate apartment developments that incorporate exemplar designs, increase density and diversity of housing, and are exemplary in their design, liveability and sustainability.

Clause 53.24 includes development standards which specifies (among other things):

- environmentally sustainable design requirements for new development
- requirements for accessibility standards
- minimum requirements for bedroom and living area dimensions.

layouts.

- Provide a clear and quantifiable definition of adequate daylight in apartments and guidance to maximise sunlight access.
- Provide a minimum interface distance between buildings.

Support quality design in Build to Rent products

With almost half our City (49 per cent) being renters, it is important that there are also diverse housing choices available for rent. This may include housing models such as build-to-rent (BTR) housing. BTR is an emerging approach to residential housing where properties in a residential development are specifically designed and built for the purpose to hold for rental over the long term, generally facilitated by having a corporation as a landlord for the development. It has the potential to increase rental supply, the diversity of housing choice and mix and provide for an increase in long-term rental options²¹

While BTR products have the potential to provide housing diversity, an emerging issue in this field is the provision (or lack of) for internal amenity (small apartment sizes, no balconies, poor internal layout etc) associated with this type of housing where dispensation is offered due to communal amenities provided. One of the reasons for this is due to the lack of clarity in the planning scheme around the parameters that need to be considered when assessing BTR applications. It is important to recognise that BTR developments are a type of dwelling and therefore the same set of considerations that apply to other residential development should apply.

²¹ Build to Rent Working Group – Report to the Treasurer and Minister for Planning, Department of Treasury and Finance Victoria, pg 2 ([Microsoft Word - For DTF Website -131021 - BTR Working Group - Report to Treasurer and Minister for Planning - Final.DOCX](#))

If BTR development is being considered, it is important to ensure that there is a strong focus on quality of construction, design and amenity. In particular, the same set of the apartment design standards (this being Apartment Design Guidelines for Victoria) should be applied to BTR development to facilitate a potential future change of tenure, such as rent to buy.



Sustainable Housing

In 2020, a third of emissions in our City came from residential uses (a combination of electricity, gas, and waste)²². Attaining 'zero-net emissions' across Port Phillip is a key part of our climate change mitigation response.

The current suite of Environmentally Sustainable Development (ESD) requirements in the Port Phillip Planning Scheme do not reflect the urgency needed to tackle climate change. Port Phillip is working with the Council Alliance for a Sustainable Built Environment (CASBE) and 23 other interested councils to introduce new planning policy that elevates ESD for development and encourages a move towards net zero carbon development. Council's sustainable environment strategy *Act and Adapt: Sustainable Environment Strategy 2023-28* includes a goal for a City with lower carbon emissions by committing to a

zero-net carbon emissions target by 2028. Additionally, the updated *City of Port Phillip Sustainable Design Strategy* will also address Council's commitment to achieving zero-net emissions.

The early integration of net zero-carbon elements into the design of a new building, when the opportunities are greatest, will most effectively reduce the emissions of housing development. New ESD requirements will support improvements in the energy and water efficiency of new buildings and the performance of new subdivisions. This will contribute to more affordable living through a reduction on reliance on gas and electricity to power homes, reduce greenhouse gas emissions, and reduce detrimental stormwater discharges into our rivers and bays.

The quality of life for residents will be enhanced by building design and subdivision features that make it easier to recycle, support more walking, bike-riding, public and shared transport options and minimise the exposure of air pollution and noise.

There is a high proportion of existing housing stock in Port Phillip that will not significantly change over the term of the Housing Strategy. Given this, Council will investigate ways to support residents to retrofit their homes through improvements to thermal comfort and air quality in their homes and to implement climate change adaptation strategies. Whilst this can be challenging in the context of the heritage overlay which applies extensively in Port Phillip, it does not prevent sustainable measures being incorporated.

This will include investigating ways of ensuring the planning framework supports these retrofitting measures, rather than creating barriers to adaptation. Additionally, it is important to encourage applicants to consider integrating sustainable design measures when making additions and extensions to dwellings.

Increase greening and permeability in housing development

The Port Phillip community has consistently raised greening as a major priority for the city. This emphasis is driven not only by the aesthetic value of green spaces and their contribution to local neighbourhood character but also by their role in supporting biodiversity and mitigating the impacts of a changing climate.

However, despite this emphasis, over the past 10 years, as the city has continued to grow and densify, tree canopy cover on private land has decreased by about 1%, while the canopy cover in the public realm has slightly increased²³. Some of the most notable canopy loss has occurred along St Kilda Road and in the suburbs of St Kilda, Balaclava, Ripponlea and Elwood. This loss can be partly attributed to development pressure and the lack of vegetation protection such as Environmental Significance Overlays (ESOs) or Vegetation Protection Orders (VPOs).²⁴

Loss of permeable surface is another challenging issue the city is facing. Permeable Surfaces, include garden beds, lawn, green roofs and other unsealed surfaces, allow water to be absorbed into the soil and either returned to the atmosphere through evaporation and plant transpiration or infiltrated into groundwater. These surfaces provide a multitude of social, economic, and environmental benefits for our city, from flood protection and stormwater quality improvement to greening, cooling, and habitat preservation.

Improving permeability outcomes within private space is particularly important for a highly urbanised environment such as Port Phillip where permeability in the private realm is already very low²⁵, and where

²² Snapshot, Port Phillip 2020 (online) [Port Phillip, VIC :: Snapshot \(snapshotclimate.com.au\)](https://snapshotclimate.com.au) accessed 21 September 2023

²³ City of Port Phillip, 2023, Urban Forest Strategy 2024 Background and Benchmarking Report Executive Summary, [Executive Summary Background and Benchmarking Report.pdf \(amazonaws.com\)](https://www.amazonaws.com)

²⁴ City of Port Phillip, 2022, Protecting Vegetation in the private realm Discussion Paper and Options.

²⁵ City of Port Phillip, 2022, Permeability in the private realm final report.

flooding is a major threat. The planning scheme already outlines strategies and controls to retain and protect significant trees and require landscaping treatment measures such as permeable landscaping and alternative greens. In addition, the housing strategy proposes actions aligned with other new council strategies, such as the draft Urban Forest Strategy 2024 and the Act and Adapt Sustainable Environment Strategy 2023-28, to encourage the provision of canopy trees, deep soil, and overall greening as important means to increase permeability and greening in private development.

Draft Strategies & Actions

Draft Strategy 1 Encourage new apartment buildings to be well-designed, liveable and provide high level of internal and external amenity.

Draft Strategy 2 Encourage the sustainable design and construction of new housing

| | Draft Action | Role | Timeframe | Lead | Business Impact |
|-------|--|----------|-------------|---------|--|
| 5.1 | Encourage new apartment buildings to be well-designed, liveable and provide high level of internal and external amenity. | | | | |
| 5.1.1 | Advocate for the State Government for improvements to <i>Apartment Design Guidelines for Victoria</i> to address known gaps in the areas of climate resilience and sustainable design. | Advocacy | Ongoing | Lead | Operating budget/ Business as usual |
| 5.1.2 | Review local planning policy on building design, including for built-to-rent. | Deliver | Medium term | Lead | Operating budget/ Business as usual |
| 5.1.3 | Continue Council's Good Design Program including: <ul style="list-style-type: none"> Annual Design and Development Awards Developing guidance on good design to improve design quality of low, medium, and higher density housing development. | Deliver | Ongoing | Lead | Subject to future budget bid |
| 5.2 | Encourage the sustainable design and construction of new housing | | | | |
| 5.2.1 | Support ongoing improvements to Environmentally Sustainable Development (ESD) standards and sustainability outcomes, including continued advocacy to the State Government to authorise the | Advocacy | Ongoing | Partner | Operating budget/ Business as usual |

| | | | | | |
|-------|--|---------|-------------|------|--|
| | preparation of the Elevating ESD Targets Planning Scheme amendment. | | | | |
| 5.2.2 | Facilitate increase of canopy trees, and other type of innovative and resilient urban greenery in private developments via planning tools. | Deliver | Medium term | Lead | Subject to annual plan and budget |
| 5.2.3 | Develop new guidelines to assist implementation of new ESD planning provisions. | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 5.2.4 | Investigate new permeability requirements for residential development. | Deliver | Medium term | Lead | Subject to annual plan and budget |

Objective 6: Facilitate the provision of more affordable housing

Relevant housing need:

Access to housing choices that are affordable to live in regardless of changing social or economic status (affordable housing)

Key messages

- Affordable housing is essential for sustainable, inclusive, and productive communities. Any person could become homeless or need affordable rental housing at different periods during their lifetime.
- The City of Port Phillip has a long history of commitment to increasing the level of affordable housing available in the municipality.
- The *In Our Backyard – Growing Affordable Housing In Port Phillip 2015-2025 (IOBY)*²⁶ strategy represents Council's overall vision for Affordable Housing. The Housing Strategy will help implement the In Our Backyard Strategy through planning tools.
- To facilitate the provision of affordable housing in Port Phillip, the draft Housing strategy proposes an affordable housing policy that contains:
 - 10 per cent of new dwellings in future developments should be affordable housing.
 - The proposed target aligns with Housing Assistance Need: 10 per cent of all households in Port Phillip are in severe or moderate rental housing stress.
 - The 10 per cent target is not a mandatory requirement. This is because local government cannot impose mandatory affordable housing target under the current state policy framework.

Helping implement *In Our Backyard*

The Affordable Housing Study (through the new Housing Strategy) will help implement *In Our Backyard – Growing Affordable Housing in Port Phillip 2015 – 2025*.

This aims to increase the supply of social and affordable housing, and does this through:

- Policy 1: Contribution of cash and land / air space
- Policy 2: Divesting surplus Council property assets
- Policy 3: Facilitating partnerships with the Victorian Government and facilitating partnerships for the renewal of other social housing assets
- Policy 4: Facilitating leverage of existing Port Phillip Housing Trust assets by HousingFirst.
- **Policy 5: More effective use of the Victorian Planning System**
- Policy 6 - Facilitation and brokerage of projects proposed by others
- Policy 7 - Applied research - investigation of new housing models to address broadened housing need and more effectively support the delivery of social and affordable housing.

Review of In Our Backyard will be a separate process.

What the community told us?

Members of the community, via phase 1 & 2 engagement told us:

- Finding suitable and affordable housing in Port Phillip becomes increasingly difficult as years pass. This is a common experience for both homeowners and renters.
- The Housing Strategy should place a greater emphasis on both affordable and social housing.
- The City of Port Phillip has the potential to be a leader in providing community and affordable housing, building on its strong history in this area.
- Council should explore innovative solutions to facilitate more affordable housing that also contributes to preferred neighbourhood character.

"I have lived here for over 40 years and seen housing in Port Phillip become less and less affordable." Anonymous community member

Discussion

Housing affordability and affordable housing

'Affordable housing' is a concept related, but different, to 'housing affordability'.

Housing affordability is relative to income level and focusses on the relationship between expenditure on housing (prices, mortgage payments or rents) and household incomes. In other words, the same house can be affordable to one household but not to another.

Affordable housing, on the other hand, is a more narrowly defined term. In Victoria, affordable housing is defined by the *Planning and Environment Act 1987*, referring to housing needed by anyone who is part of a very low, low, or moderate-income household.

In Our Backyard is underpinned by the following goal:

'Grow the supply and diversity of affordable housing in the City of Port Phillip to address priority local housing needs, including for the most disadvantaged and marginalised.'

**Affordable Housing Study
Port Phillip Housing
Strategy**

²⁶ Note that Council's 'Think & Act' Homelessness Action Strategy finished in 2020. However, its status and implementation are continuing. During the implementation of the IOBY, Council strengthened its role in homelessness by establishing Port Phillip Zero, and making direct cash and property contributions to the Wellington St Common

The income ranges for affordable housing (that is not social housing) are determined by the Victoria Government and reviewed yearly. The 2023 income ranges for each household are articulated in Table x below.

Many families, older people, and early career workers in healthcare, hospitality, and creative industries would fall under the affordable housing income ranges.

Figure 17 outlines the spectrum of housing models and which ones are considered affordable housing.

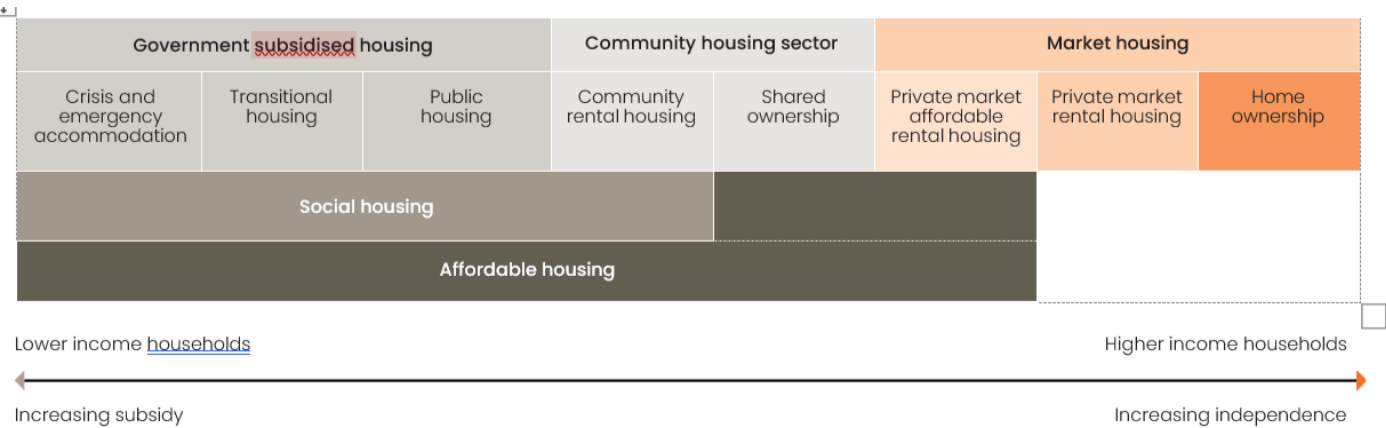


Figure 17 The spectrum of housing models ²⁷ (Source: diagram adapted based on SGS Planning and Economics 2021 initial diagram)

| Household | Very low-income range (annual) | Low-income range (annual) | Moderate income range (annual) |
|---|--------------------------------|---------------------------|--------------------------------|
| Single adult | Up to \$29,770 | \$29,771 to \$47,630 | \$47,631 to \$71,450 |
| Couple, no dependant | Up to \$44,650 | \$44,651 to \$71,450 | \$71,451 to \$107,170 |
| Family (with one or two parents) and dependent children | Up to \$62,510 | \$ 62,511to \$100,030 | \$100,031 to \$150,030 |

Table 4: Income ranges for affordable housing (Greater capital city statistical area of Melbourne), June 2023 Source: Victorian Government Gazette, 2023, Planning and Environment Act 1987, Section 3AB – Specification of income ranges

Housing Need and Shortfall of Affordable Housing in Port Phillip

Known for its vibrant neighbourhoods and cultural diversity, Port Phillip has seen a significant increase in housing prices in recent years. The surge in property values has led to a growing disparity between the cost of housing and income levels of community who live or wish to live here.

Based on ABS 2021 census data²⁸, approximately one in every four households in Port Phillip (lowest household income quartile) earn less than \$881 per week. About 12,882 individuals aged 15+ (16 per cent) are in the lowest income quartile, earning less than \$375 per week. For these individuals and households, finding affordable rental housing in CoPP would be extremely difficult.

In 2021, about 20 per cent of all households need housing assistance. Among those 10,500 households are in need, half of them are in severe or moderate rental stress (spending more than 30% of their income on housing). Another half are either homeless or living in social housing.

By 2041, the total number of households in Port Phillip is forecast to grow to 83,675. If the current supply of social housing dwellings does not change²⁹, the need for housing assistance is forecast to increase to 17,300 households by 2041, indicating an estimated shortfall of 12,600 affordable dwellings³⁰.

| Household type ¹ | Port Phillip LGA Total | | Port Phillip LGA excluding Fishermans Bend | | Fishermans Bend* | |
|-----------------------------|------------------------|---------------|--|---------------|------------------|--------------|
| | 2021 | 2041 | 2021 | 2041 | 2021 | 2041 |
| Homeless | 1,200 2% | 1,900 2% | 1,200 2% | 1,900 3% | 0 | 0 |
| Severe rental stress | 2,500 5% | 5,400 6% | 2,500 5% | 4,300 6% | 0 | 1,100 9% |
| Moderate rental stress | 2,900 6% | 5,300 6% | 2,900 6% | 4,200 6% | 0 | 1,000 8% |
| Living in social housing | 3,900 7% | 4,700† 6% | 3,900 7% | 3,900 6% | 0 | 800† 6% |
| TOTAL need for assistance | 10,500 20% | 17,300 21% | 10,500 20% | 14,400 20% | 0 | 2,900 23% |

²⁷ Shared equity housing escribes types of housing made affordable for low to moderate income earners through a shared-equity mortgage model, where the home buyer shares the capital cost of purchasing a home with an equity partner such as a not-for-profit trust or a community housing provider.

²⁸ SGS Economics and Planning, Port Phillip Affordable Housing Need Report, July 2023

²⁹ There is a 6 per cent affordable housing target apply to future residential development in Fishermans Bend Urban Renewal Area. It is project that this will add additional 800 affordable housing dwellings.

³⁰ SGS Economics and Planning, Port Phillip Affordable Housing Need Report, July 2023

| | | | | | | |
|-------------------------------------|-------|--------|-------|--------|---|-------|
| Affordable housing shortfall | 6,600 | 12,600 | 6,400 | 10,500 | 0 | 2,100 |
|-------------------------------------|-------|--------|-------|--------|---|-------|

Table 5 : Need of housing assistance and affordable housing shortfall, 2021-2041 (2021¹ data)

¹Rental stress includes very low to moderate income households spending more than 30 per cent of their income on housing. Numbers have been rounded to the nearest 100 and totals may not add.

*Port Phillip portion to the south – Fishermans Bend Urban Renewal Area

†Assumes an additional 800 Affordable housing from Fishermans bend based on assumption that the 6% affordable housing target would be fully implemented.

Notes: Percentages (%) are a share of all households. The count of social housing comprises long-term accommodation (not temporary accommodation), source: Department of Families, Fairness and Housing.

Source: SGS Economics and Planning 2023, Housing Assistance Demand Model (based on 2021 Census)

Background facts:

In Australia, the largest cohort experiencing homeless is single men. However, women over the age of 45 are the fastest-growing cohort of the population experiencing homelessness. An estimated 7,000 women over the age of 50 were homeless in 2016, reflecting a 31 per cent increase since 2011³¹. The number would be bigger if it included those who resort to couch surfing or living in cars, who are often not included in statistics related to homelessness.

The impact of short stay rental accommodation on housing affordability

The rise of platforms like Airbnb has made it easier for property owners to rent out their homes or units as Short Stay Accommodations (SSA). In Port Phillip, about 1-3% ³² of all dwellings are used for SSA.

The impact of SSA on housing affordability is not well established. Research done in 2018 indicated that Short-Term Letting platforms like AirBnB are not significantly worsening rental affordability across Melbourne as a whole³³. However, the impact on availability of rental properties is clearer. The same report acknowledges that SSA are having an impact on the availability of rental properties in specific high-demand inner city areas - areas such as St Kilda.

The availability issues might have been exacerbated by Covid 19. According to the ABS 2021 data, average household size has dropped overall in Metropolitan Melbourne since the pandemic, meaning less people choose to live in shared housing, putting more pressure on rental supply. From April 2022 to April 2023, the City of Port Phillip's property vacancy rate fell 1.5 percentage points, to 0.9 per cent.³⁴

During consultation on the Housing Strategy Discussion Paper, some community members expressed that Council should engage with the State Government and implement local measures to address the impacts of short-term rentals and find ways to incentivise regular rentals.

Important to note though, SSA is not a defined use in the planning scheme, and there is no planning tool that can directly regulate the SSA market. Where SSA might cause amenity impacts on the neighbouring properties, Council would consider using existing legislation and its Local Laws, to address amenity concerns.

In September 2023, the State Government announced its intention to introduce a new 7.5% levy on short term accommodation³⁵. At the time of writing, the timing for introduction of the new levy is unknown and it is unclear whether the State Government is considering any further levies or regulation of SSA. In this regard, the draft Housing Strategy recommends to continuously monitor the short-term accommodation market in CoPP and its impact on rental vacancies and housing affordability.

Council investment in community housing

Historically, Council has had a long-standing commitment to affordable housing provision prior to and since its creation in 1994 following council amalgamations. It is one of the first councils in Victoria to develop a community housing program between 1985 and 2006 (under the former City of St Kilda), and to set up a housing reserve to directly fund social housing after 2005.

From 2005 - 2015, Council contributed \$4 million from this reserve to the Port Phillip Housing Trust (PPHT), which was used by the PPHT's trustee company, HousingFirst, to purchase land for social housing projects. Since 2015, with the adoption of Council's *In Our Backyard - Growing Affordable Housing Strategy 2015 - 2025* (IOBY), Council has allocated \$5 million over a 10m year period (\$500,000 per year) into a housing reserve - the IOBY Reserve. The IOBY Reserve can be allocated to a range of partners for their delivery of social housing in Port Phillip.

To date, \$4.755 M of the IOBY Reserve has been allocated to the 28 Wellington Street Common Ground project, in addition to an adjoining surplus lane valued at \$365,000. This project will house people who have been homeless (rough sleeping) under a partnership with St Kilda Community Housing and Homes Victoria.

Council also makes property contributions from time to time. Under the IOBY strategy, Council has contributed a 1,800 m² public car park site in Marlborough St, Balaclava to the Port Phillip Housing Trust. This site has been developed by Housing First as a 46-unit community housing project for families, older persons, and persons with a disability, and replacement car park.

³¹ Australian Human Rights Commission (AHRC), (2019), Women over the age of 45 are currently the fastest-growing population of people experiencing homelessness in Australia, Exploring a growing problem, April 2019, <https://humanrights.gov.au/our-work/age-discrimination/publications/older-womens-riskhomelessness-background-paper-2019>

³² A Council officer review in June 2023 identified 744 short stay accommodation properties in Port Phillip. However, a September 2023 report developed by the Real Estate Institute of Australia quote 1,498 SSA in Port Phillip.

³³ 2018 AHURI report: Technological disruption in private housing markets: the case of Airbnb | AHURI)

³⁴ (Data source: AirDNA, Domain, cited in the Age article , <https://www.theage.com.au/property/news/the-melbourne-suburbs-flush-with-holiday-rentals-but-homes-are-hard-to-find-20230510-p5d796.html>)

³⁵ Victoria's Housing Statement the decade ahead, 2024-2034, [DTP0424 Housing Statement v6 FA WEB.pdf \(content.vic.gov.au\)](https://www.dtp0424.vic.gov.au/content/vic.gov.au)



Marlborough Street community housing, Balaclava
(Source: HousingFirst)



Kyme Place community housing,
Port Melbourne (Source: City of Port Phillip)

New beginnings: Anisha and Serenity

Imagine what it would be like to be pregnant, escaping a destructive relationship, essentially homeless and with no friends or family nearby.

This is exactly the situation that Anisha found herself in when she turned up for a pre-natal appointment at the Royal Women’s Hospital.

Referred to Cornelia Program, a ground-breaking partnership between Housing First, the Royal Women’s and Launch Housing, she was able to bring her baby home to a lovely studio apartment in St Kilda.

The Cornelia Program aims to break the cycle of homelessness for vulnerable women and their babies and is the first such collaboration in Australia between a hospital, a housing provider and a homelessness service that focuses on this cohort of at-risk women.

Over the nine months she spent there, Anisha received the practical support and counselling she needed to start getting her life back together and to look after her precious new daughter, Serenity.

Showing just how determined she is to make a new life for herself and now her daughter, Anisha and Serenity have now transitioned out of the Cornelia Program and are living independently.

Anisha is determined to get back to work. She has a Certificate 2 & 3 in food and dreams one day of having her own food truck – serving food that reflects the real taste of the Torres Strait Islands, the food she grew up with. Anisha and daughter Serenity

(Source: **Housing First**)



Affordable housing on State Government land

IOBY and the *Port Phillip Council Plan 2022 - 31* recognize the benefits and opportunities for Council to support the renewal of existing public housing sites to increase the yield, diversity and/or quality of housing in existing estates, where there is a clear social benefit.

The Big Housing Build, announced in 2020 by the Victorian Government as a stimulus response to the COVID-19 pandemic, allocated a \$5.3 billion over four years to build over 12,000 new social housing dwellings.

Within the City of Port Phillip, the Big Housing Build has funded the delivery of seven projects with 260 units (net 182 units), of which five have been completed and two are committed or under construction. Notable examples of these developments include the Marlborough St community housing development in Balaclava by Housing First, which comprises 46 units, and the Wellington St Common Ground project in St Kilda by St Kilda Community Housing, featuring 26 units.

The most recent affordable housing initiative from the state government is the Housing Statement, announced in September 2023. It proposed a multitude of government initiatives, including:³⁶

- Invest \$1 billion in the Affordable Housing Investment Partnership that aims to provide government low interest loans and government guarantees are available in Victoria for affordable housing as well as social housing. (Housing Statement, p.36)
- redevelopment of all 44 public housing high rise towers across Melbourne by 2051, with a guarantee of at least a 10 per cent uplift in the number of social housing units at these sites, as well as additional affordable and market homes. p.36
- streamline the planning process for medium to high density residential developments that meet set criteria. For projects in metropolitan Melbourne worth at least \$50 million, the inclusion of at least ten per cent affordable housing will cut application timeframes from more than twelve months down to four. P11

Council supports the retention and delivery of new social housing built under such Victorian government initiatives and will continue to proactively advocate for outcomes expressed in the Council adopted *City of Port Phillip Guiding Principles*, which aims to provide overarching guidance to all state government public housing project within the municipality. This includes outcomes around a net increase in social housing dwellings, dwelling diversity, high quality and sustainable design, and engagement with community through the stages of development. The full list is contained in Table 6.

Table 6

| City of Port Phillip Guiding Principles for Victorian Government public housing projects within the municipality (adopted by Council on 19 October 2022) | |
|--|---|
| Strategic alignment | Projects reflect the values of social equity, diversity and inclusion and have alignment with Council strategic policy directions. |
| Social housing yield | Projects deliver a net increase in social (public and community) housing dwellings and do not reduce the overall number of new bedrooms provided. The people accommodated on the site are increased, resulting in a reduction in the public housing waitlist. Projects are retained in public ownership |
| Dwelling mix | Projects deliver a mix of housing types, sizes and tenures that meet the needs of existing and future residents and diverse households and needs groups, including families. Projects ensure that different housing types are integrated |

| | |
|--|---|
| | and visually indistinguishable, with all residents benefitting from equitable access to residential amenity. |
| Holistic consideration of resident needs | Projects integrate health and wellbeing into design, provide opportunities for social connections, include measures to minimise the cost of living, maintain or improve access to public transport, local services and employment and provide potential for on-site resident support services and social enterprises. |
| Design excellence | Projects deliver a high-quality built environment, universal housing design outcomes and high amenity within buildings and outdoor spaces. |
| Sustainability | Projects incorporate best-practice environmentally sustainable design and respond to climate change impacts, including minimising operating costs for residents. |
| Neighbourhood integration | Projects integrate with the surrounding community and public realm, retain valued vegetation and features, prioritise walking and cycling and manage potential impacts on the surrounding community, including amenity, traffic and parking. |
| Broader public benefit | Projects provide quantifiable benefits to the surrounding community, such as public open space, community facilities and/or spaces for not-for-profit organisations and service organisations that support the local community |
| Council jurisdiction | Projects manage demand and impacts on Council infrastructure, facilities and services including open space. |
| Community engagement | Projects provide inclusive and effective Council, resident and community engagement through all stages of development, that provides opportunities for meaningful input that influences outcomes. |

Increase affordable housing on private land

In Victoria, affordable housing can only be facilitated by the planning system through voluntary agreements with a private developer or landowner. This approach has led to uncertainties for both local councils and landowners.

The draft Housing Strategy provides clarity by proposing a clear framework for voluntary negotiations between Council and developers / landowners. This includes a proposed affordable housing target (% of dwellings), and a development threshold which triggers the delivery of affordable housing as part of the development application process.

10% Affordable Housing Target

³⁶ [DTP0424_Housing_Statement_v6_FA_WEB.pdf \(content.vic.gov.au\)](#)

To facilitate the provision of crucial affordable housing in Port Phillip, the strategy proposes an aspirational target that 10% of housing within the new housing developments on private land (excluding Fishermans Bend³⁷) should be affordable housing.

It's important to note that, given the voluntary framework in Victoria, the 10 per cent target should not be understood as requiring developers to provide 10 per cent of housing units as affordable housing for free (though it might be appropriate under specific circumstance especially where rezoning land is involved).

Rather, it suggests that for each private development past a certain development threshold, that a proportion of the housing units should be reserved for individuals and families falling within the affordable housing income ranges. The percentage of the costs related to affordable housing paid by any party will be decided via voluntary negotiations on a case-by-case approach. The voluntary negotiation would consider factors such as development feasibility, government subsidies available, and preferences of the community housing sector. This approach ensures a flexible and nuanced consideration based on each unique case.

The proposed target is influenced by several factors:

- **Align with Housing Assistance Need:** About 10 per cent of all households in Port Phillip are in severe or moderate rental housing stress.
- **Progressive increase of social housing stock:** 6.5 per cent of the housing stock in Port Phillip is classified as social (public and community) housing. In 2015, the same figure was 7.2 per cent. The proposed 10 per cent target aims not only to maintain the current proportion of social housing stock, but also to gradually increase the proportion of affordable housing units in Port Phillip over time.
- **Align with Victoria Housing Statement:** At least 10 per cent Affordable Housing is encouraged though the Victorian Governments development facilitation program & surplus public land development. This is already included in the Port Phillip Planning Scheme (at clause 53.23 Significant Residential Development with Affordable Housing)
- **Align with existing target in Structure Plans:** both the Council adopted Bay Street Activity Centre Structure Plan (2014) and Carlisle Street Activity Centre Structure Plan (2009) seek 10% of new dwellings to be affordable.
- **Consistent with recent strategies by other Councils.** (e.g., Yarra, Maribyrnong)
- **Government Efforts:** Both the Federal and State Governments are working to address the affordable housing needs. This could involve various policies, initiatives, and funding to support the development of affordable housing.
- **Private Sector Involvement:** There has been a significant increase in private capital invested into social bonds that focus on social issues (including affordable housing). In Australia, superannuation funds have already shown appetite to invest into housing, including projects on social and affordable housing³⁸.
- **Cash contributions:** Landowners or developers can provide a cash contribution instead of affordable housing units. However, the preferred option is to have affordable housing dwellings delivered by private developers in situ, so that the affordable housing is more evenly distributed.

Overall, the draft Housing Strategy aims to address the shortage of affordable housing by involving the private sector and leveraging multiple government efforts. The proposed target range aims to balance the housing needs of the community and create a sustainable and equitable approach to increasing affordable housing availability in Port Phillip.

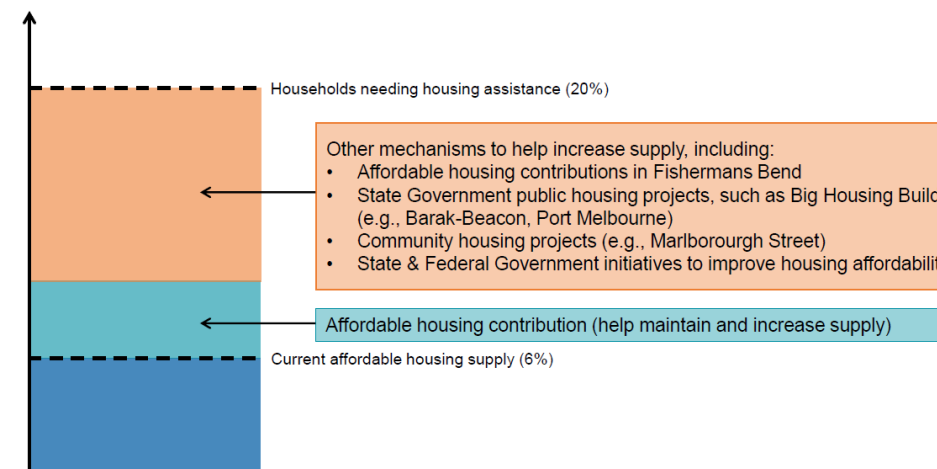


Figure 18: Housing need diagram – how contribution rate helps address housing need

Diverse and innovative affordable housing models

As developers and the private sector increasingly respond to the issue of housing affordability, we need to be receptive to diverse and innovative housing models as they arise. This also heightens the need to establish a central system to register those affordable housing units and ensure these homes stay affordable in the life cycle.

By supporting the take-up of diverse and emerging housing models by the private sector, we are more likely to achieve a broader range of affordable housing in Port Phillip. The Housing Strategy should encourage a greater diversity and choice of private affordable housing models, such as:

- shared equity schemes.
- Community Land Trusts.
- Specialist Disability Accommodation for persons on National Disability Insurance Scheme (NDIS) packages.
- affordable build to rent.
- affordable rent to buy.
- collaborative development projects for key workers.

³⁷ Fishermans Bend already has a target of 6% in the Port Phillip Planning Scheme (Clause 11.03-6L-04 Fishermans Bend Urban Renewal Area). Note the 6% is proposed by the State government which is the planning authority for the renewal area. The rationale was a 6% affordable housing target is consistent with the level of contribution required in relevant decisions of VCAT and Planning Panels which generally range between 5 and 10%. At the time, Council

submission supported the provision of 20% affordable housing across Fishermans Bend. The 20% is the target proposed in the IOBY Strategy which in turn reflects the overall Housing assistance need at the time.

³⁸ <https://www.afr.com/chanticleer/why-super-funds-will-turbocharge-social-housing-20221024-p5bsdm>

For moderate-income households that can sustain a reasonable level of assured financial capacity, entering a shared equity arrangement offers a unique pathway to buying a first home in Port Phillip. A shared equity scheme is an arrangement where a homebuyer shares the capital cost of purchasing a home with an equity partner, usually a not-for-profit organization or government entity. Shared equity schemes can reduce pressures on supported housing programs and return modest profits to equity partners.

Frontline workers in essential public services like healthcare, education, policing, emergency services, transport, and community welfare play a vital role in our city's functioning and safety. Yet, it is hard for them to afford median rents in Port Phillip.

Between 2016 and 2021, there has been a loss of essential workers in many regions of Melbourne, with the Inner East (-11%) and Inner Melbourne (-9%) experiencing the greatest net losses of essential workers.

In comparison to the overall labour force, essential workers in Melbourne are more likely to live in outer suburbs and nearby regional cities. The concentration of essential workers living within 15 kilometres of the Melbourne CBD has decreased since 2011, due to a lack of housing affordability in these areas, while there has been an increase in essential worker residents in outer suburbs and adjacent regional areas.

This creates labour supply problems for inner urban businesses, impacting business efficiency and viability. Recent disruptions and crises, particularly the COVID-19 pandemic, have further highlighted the dependence of our cities and their populations on these workers, as well as the risks for overall resilience when services are inadequately staffed.

There is a critical need for intervention and innovation across the housing system to improve access to housing for essential workers if the Port Phillip economy is to function effectively as a city into the future.

Draft strategies & actions

Draft Strategy 6.1 Facilitate the provision of more affordable housing in Port Phillip.

| Strategies & Actions | | Role | Timeframe | Lead / Partner | Business impact |
|----------------------|--|---------|---------------------|----------------|-----------------------------------|
| 6.1 | Facilitate the provision of more affordable housing in Port Phillip | | | | |
| 6.1.1 | Introduce requirements into the Planning Scheme for areas outside Fishermans Bend, for all rezonings to residential use, and in major developments to provide at least 10% affordable housing. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 6.1.2 | Support emerging affordable housing models, including but not limited to affordable “Build to Rent” and affordable “Rent to Buy”, shared equity housing and Community Land Trusts. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |

| | | | | | |
|-------|--|----------|---------------------|----------------|-------------------------------------|
| 6.1.3 | Support the retention of and delivery of new social and affordable housing on public land, including through the redevelopment of public housing sites. | Partner | Ongoing | Lead | Operating budget/ Business as usual |
| 6.1.4 | Identify opportunities for social and affordable housing on Council land or strategic sites in or near activity centres. | Partner | Ongoing | Lead / Partner | Operating budget/ Business as usual |
| 6.1.5 | Incorporate ‘City of Port Phillip Guiding Principles for Victorian Government public housing projects’ into the planning scheme to apply to public housing projects. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 6.1.6 | Explore targeted incentives to support affordable housing, including innovative affordable housing models (such as the fast tracking of planning permits.) | Deliver | Short – Medium term | Lead | Operating budget/ Business as usual |
| 6.1.7 | Develop non-statutory toolkits to support the take-up and application of emerging housing models by the private sector. | Deliver | Short – Medium term | Lead | Operating budget/ Business as usual |
| 6.1.8 | Support the development of a State-wide affordable housing register to record voluntary agreements (via section 173 of the P&E Act) with the private sector. | Deliver | Short – Medium term | Lead / Partner | Operating budget/ Business as usual |
| 6.1.9 | Continue to advocate for planning reforms to introduce a mandatory requirement for affordable housing. | Advocacy | Ongoing | Lead / Partner | Operating budget/ Business as usual |

Part 4: Residential Development Framework Plan

4.1 What is a Residential Development Framework Plan?

All neighbourhoods will evolve as the population grows and circumstances change. A Residential Development Framework Plan provides certainty by identifying areas where varying levels of housing growth and change are anticipated and encouraged. Together with the preferred Neighbourhood Character Statements, it provides certainty to the community as to how housing growth will be distributed and ensures future development respects existing character and contributes towards preferred future character.

The Framework Plan in particular considers the importance of valued attributes such as heritage and neighbourhood character, where new development is to be carefully managed.

4.2 How was the Draft Residential Development Framework Plan prepared?

The Assumptions

Previous strategic and planning policy work has been undertaken which has provided the basis for the framework plan, including:

- Residential land capacity analysis (undertaken by Urban Enterprise), which indicates there is sufficient capacity within existing planning zones and controls for residential development within the municipality.
- The majority of the residential zones applied in Port Phillip are fit for purpose. Amendment C123 (2017) introduced the new residential zones into the Port Phillip Planning Scheme and followed a robust methodology endorsed by the Residential Zones Standing Advisory Committee. Thus, the area for detailed investigation is well defined, and consists mainly of the 'Review Areas' identified in Amendment C123³⁹ and areas where there are inconsistencies between the current planning zone and controls (i.e. height differentiation between residential zone and design and development overlay).

The Factors Considered

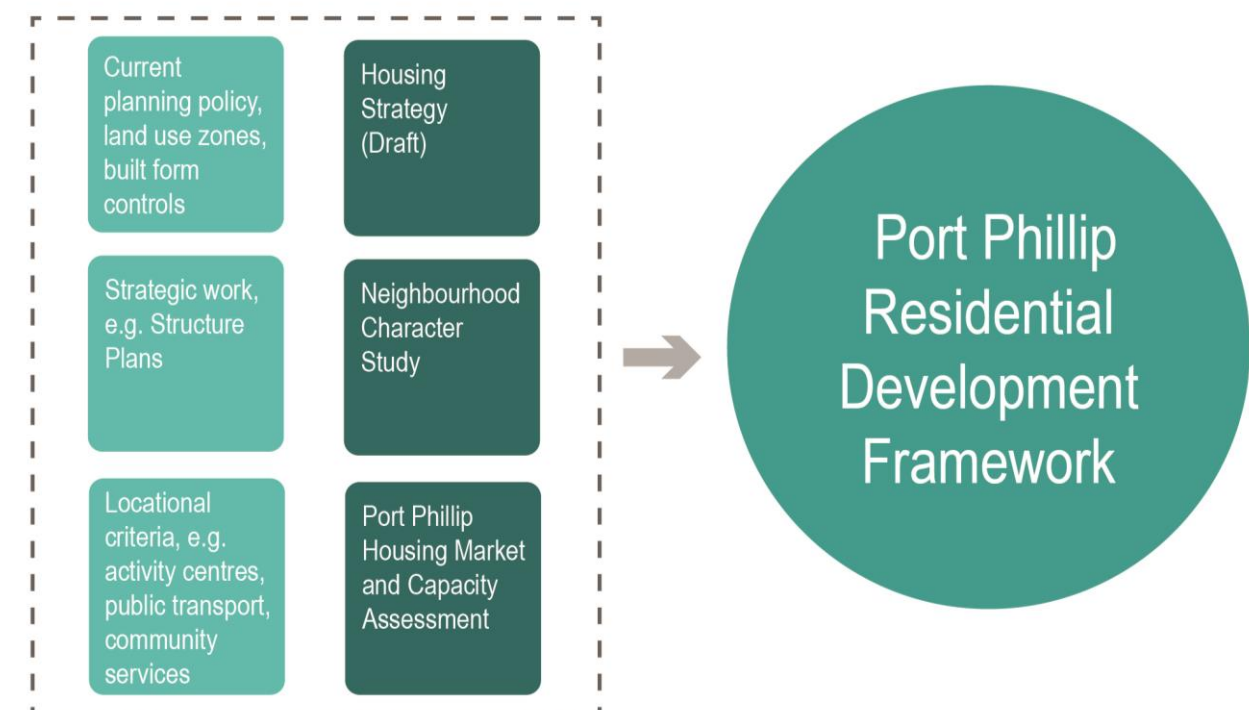
The plan has been developed using existing residential areas with consistent character and heritage protection as a base, and further building on these layers through contextual analysis. Following the advice in *Planning Practice Note 90 Planning for Housing*, the Residential Framework Plan has been prepared and informed further by:

- Current planning policies, land use zones, and built form controls (e.g DDOs, NCO)

³⁹ The 'Review Areas' were identified by locational criteria which included areas proximate to the PPTN, activity centres, areas with main road frontage (forming part of the PPTN) and areas where established built form character is already 3+ storeys and/or where there is an existing schedule in the DDO allowing for 3+ development.

- Key objectives, strategies and actions identified in the Housing Strategy (draft document), including:
 - Directing housing growth to preferred locations with capacity for change.
 - Implementing 10-20 minute neighbourhoods through reviewing areas with proximity to major and neighbourhood activity centres, and train stations
- Assessing demographic and housing/land capacity projections and needs over the next 15 years (and beyond).
- *Port Phillip Housing Market and Capacity Assessment* - Urban Enterprise Report 2022.
- Relevant outputs of the Neighbourhood Character Study (LAT Studio). Note while the study considered current zones and potential future changes, it also proposes a dynamic approach that the character guidance proposed as part of the study can and should be adaptable enough to allow for future changes in the underlying zone, and ensure valued character features transcend zoning as much as possible.
- The *Draft Spatial Economic and Employment Framework (SEEF)*, which provides spatial land use recommendations for employment and housing.
- Previously identified strategic sites for development in Structure Plans, Framework Plans and other strategic work.
- The location of 'Review Areas' identified in Amendment C123 for consideration.
- Considering natural hazards and climate change impacts (including flood and tidal inundation).
- Engaging with the community about housing opportunities and issues (Phase 1 & 2 engagement).

Figure 19: Residential Development Framework Plan inputs



4.3 Housing Change Areas

Residential land within Port Phillip is categorised by the following change areas to indicate the level of growth anticipated and encouraged in those areas:

- 1. Minimal
- 2. Incremental
- 3. Moderate
- 4. Substantial

Four change categories have been identified as a result of detailed neighbourhood analysis in the context of the potential for housing growth. This analysis identified a need to be able to differentiate between the levels of change between established residential areas (where existing neighbourhood character is capable of evolving and changing over time), and within activity centres where new housing is encouraged but must respond to existing built form and heritage attributes. The *incremental* change category captures these evolving areas and applies spatial thinking when considering where this level of change is appropriate. *Substantial* growth is proposed within significant urban renewal areas and strategic sites.

The designation of *minimal* change areas does not preclude housing development and some development will still occur in these areas. The Victorian planning system seeks a balance between population growth, new development, retention of heritage fabric and improved livability.

Determining levels of change

It is important to note that the level of proposed change will be relative to its context. The existing built form characteristics of an area should always be the base starting point when considering how much change can feasibly occur in that area, and what built form outcome may be visualised as a result. Future residential building typologies will differ between neighbourhoods as the level of change is specific to that area's characteristics and built form.

The Housing Change Areas table provides a broad definition and locational criteria for minimal, incremental, moderate and substantial change.

It is important to note that in applying the change area criteria, the assessment is undertaken at a block scale. This ensures that the housing framework plan is not making recommendations on a site by site basis, instead providing clear and suitable locations for new development at the varying intensities described in the table. Not all individual sites will meet all criteria, however their location will be within broader areas where a specific level of change is envisaged.

Where necessary the street level is considered to ensure consistency, for example in evaluating what level of change is proposed both sides of the same street. Adjustments to the change areas are then made where appropriate.

Key considerations

Through block scale analysis, the following key factors are considered in relation to one other:

- The presence of a Heritage Overlay (HO). Heritage can impact the capacity for housing growth and change, particularly where lot sizes are small and development is constrained. However, areas covered by a HO does not mean new development can not occur by default. Through block by block analysis, the prevalence of a HO is considered and where less than 50% of the block area is covered by a HO, development capacity specific to that block is then taken into account (see below).
- Residential land capacity analysis (undertaken by Urban Enterprise) identifies sites with development capacity based on a range of factors, including land use zone, built form controls, lot/site size, and site accessibility. A spatial layer showing the location of these sites has been mapped and overlaid with the other spatial layers to ensure new development is being directed to locations with feasible development capacity.
- The land use zone within which this analysis is being taken into account in terms of maximum height limits (where relevant), whether DDO controls are applicable and integration with other policy (for example, NRZ areas largely covered by HO are to be classed as minimal change).

Future built form

The desired built form outcomes for each change area will be guided by either existing built form controls (HO, DDO, NCO) or by new preferred character statements which have been developed through a neighbourhood character assessment of select residential areas as part of the NCS. The assessment has considered the existing and evolving character of areas, including elements to be reflected in new developments, and ways to guide growth to support quality neighbourhoods across Port Phillip.

The preferred character statements will be used to prepare revised residential zone schedules for inclusion in the Port Phillip Planning Scheme, including character objectives and variations to the residential particular provisions at Clause 54 and 55.

A high-level description of the indicated built form typology is included in the Housing Change Areas table overleaf to help us visualise the level of intensity of new development and change, and these built form outcomes will vary across neighbourhoods.

| Housing Change Areas | Minimal change | Incremental change | Moderate Change | Substantial Change |
|----------------------|--|---|---|---|
| Zones | Neighbourhood Residential Zone (NRZ) | Neighbourhood Residential Zone (NRZ) General Residential Zone (GRZ) Residential Growth Zone (RGZ) Commercial 1 Zone (C1Z) Mixed Use Zone (MUZ) | Commercial 1 Zone (C1Z) Mixed Use Zone (MUZ) Residential Growth Zone (RGZ) | Residential Growth Zone (RGZ) Commercial 1 Zone (C1Z) Mixed Use Zone (MUZ) Capital City Zone (CCZ) |
| Description | <ul style="list-style-type: none"> Established residential areas with special and valued neighbourhood and/or heritage characteristics where new housing will be limited. | <ul style="list-style-type: none"> Areas that have the capacity to accommodate an incremental level of housing growth over time, and Within established residential areas where existing neighbourhood character is diverse and capable of evolving and changing over time, or Heritage overlay areas where infill development is encouraged and where there is capacity for some additional housing growth. | <ul style="list-style-type: none"> Activity centres that have the capacity to accommodate moderate housing growth over time as part of (or directly adjacent to) the established retail / commercial strip. | <ul style="list-style-type: none"> Designated strategic sites and renewal precincts that have the capacity to accommodate a significant amount of housing growth and change over time. |
| Location | <ul style="list-style-type: none"> Established residential areas where Heritage Overlay or Neighbourhood Character Overlays are predominant. | <ul style="list-style-type: none"> Established residential areas predominately outside of a Heritage Overlay where there is an existing diverse character. On sites with frontage to an Arterial or Main Road (as designated on the Residential Development Framework Plan) or adjacent to the PPTN. Along Collector roads that are already characterised by medium-density (2 to 3 storey) development. Heritage areas close to the St Kilda Activity Centre that are generally characterised by existing 3 storey development. Within areas proximate to a Major Activity Centre, Neighbourhood Activity Centre or Train Station where there is capacity for change. Within Smaller Neighbourhood and Local activity centres. | <ul style="list-style-type: none"> Within the established retail/commercial strips of Major Activity Centres and Large Neighbourhood Activity Centre at Ormond Road, Elwood. Within the established commercial strip in St Kilda Road South Precinct. | <ul style="list-style-type: none"> Fishermans Bend Urban Renewal Area and strategic redevelopment precincts including St Kilda Road North Precinct and Port Melbourne Mixed Use Area. Within strategic sites (identified by a structure plan) located within or proximate to a Major Activity Centre and/or the Principal Public Transport Network (PPTN). Public housing renewal sites (including Park Towers, Emerald Hill Housing Estate and Barack Beacon Estate). |

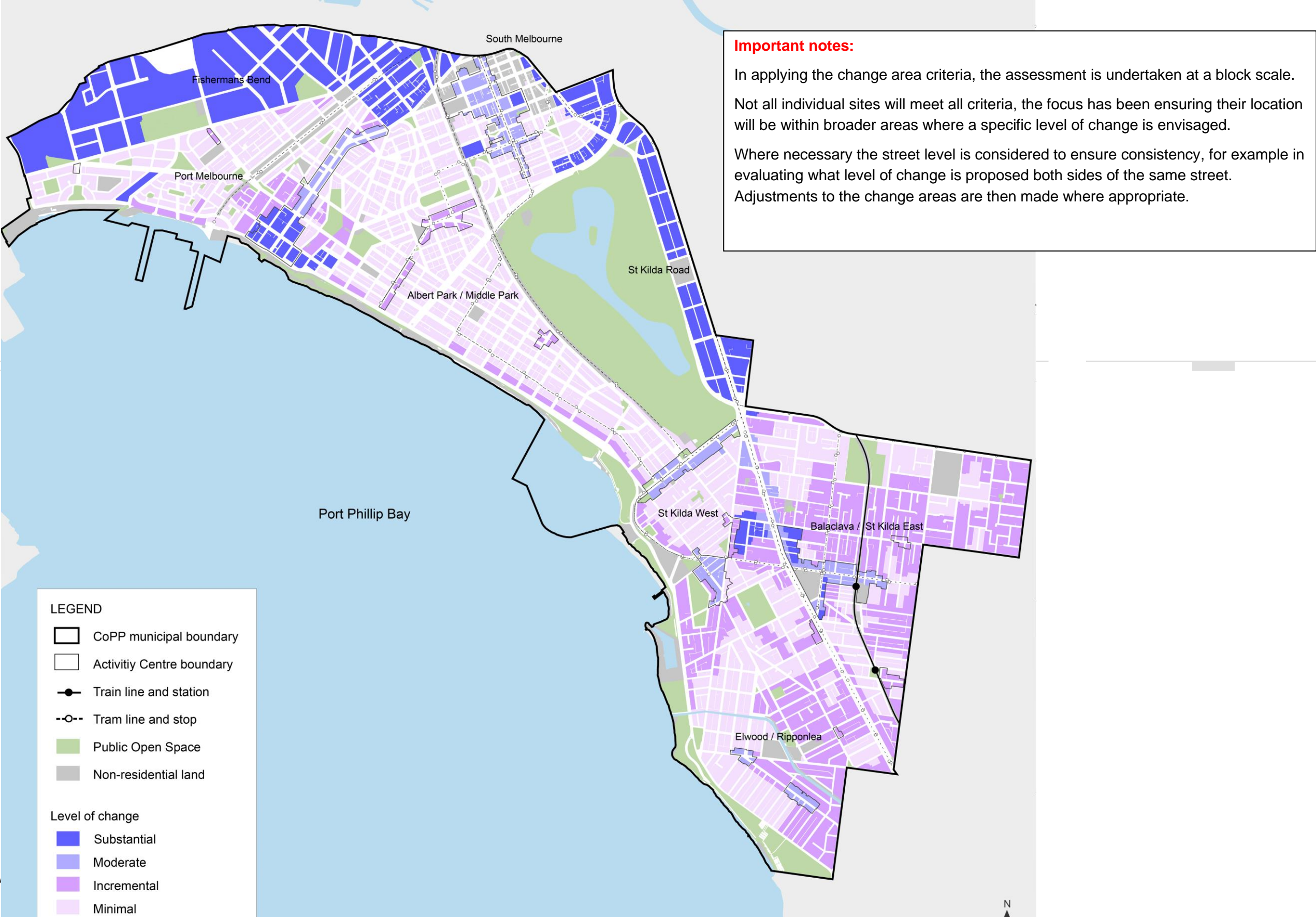
| | | | | |
|-----------------------------|--|--|--|--|
| Development typology | <ul style="list-style-type: none">• Typically low-rise (predominately single and double storey) dwellings and low-rise (up to three storeys) apartments..• New development should respect existing valued neighbourhood character and/or heritage attributes. | <ul style="list-style-type: none">• Typically low-rise (up to three storey) dwellings and smaller scale apartment buildings.• New development should respect existing valued neighbourhood character and/or heritage attributes.• New development should respond to key neighbourhood attributes identified in current local policy and through the Neighbourhood Character Study. | <ul style="list-style-type: none">• Typically mid-rise development generally sited above or to the rear of retail/commercial premises is appropriate in these areas.• New development should be of an intensity and scale that keeps with the existing streetscape and heritage context, and does not compromise the economic function of the centre. | <ul style="list-style-type: none">• Typically mid and high-rise apartment dwellings and mixed use development is generally appropriate in these areas.• A new character in these areas is expected to emerge.• New development capacity should be of height, scale and massing that respects the surrounding built form context. |
|-----------------------------|--|--|--|--|



4.4 Residential Framework Plans

Housing Change Areas




This map shows the four level of change areas applied across the City of Port Phillip using the criteria outlined in the previous table. The following pages focus on the change areas at the neighbourhood scale for further clarity.







Context

-  Neighbourhood Boundary
-  Activity Centre
-  Open Space
-  Non-residential land

Principal Public Transport Network (PPTN)

-  Rail line and station
-  Tram line and stops
-  High frequency bus route and stops

Level of change

-  Minimal
-  Incremental
-  Moderate
-  Substantial






Neighbourhood 1 Elwood/Ripponlea - Level of Change Areas Map (Draft)





Context

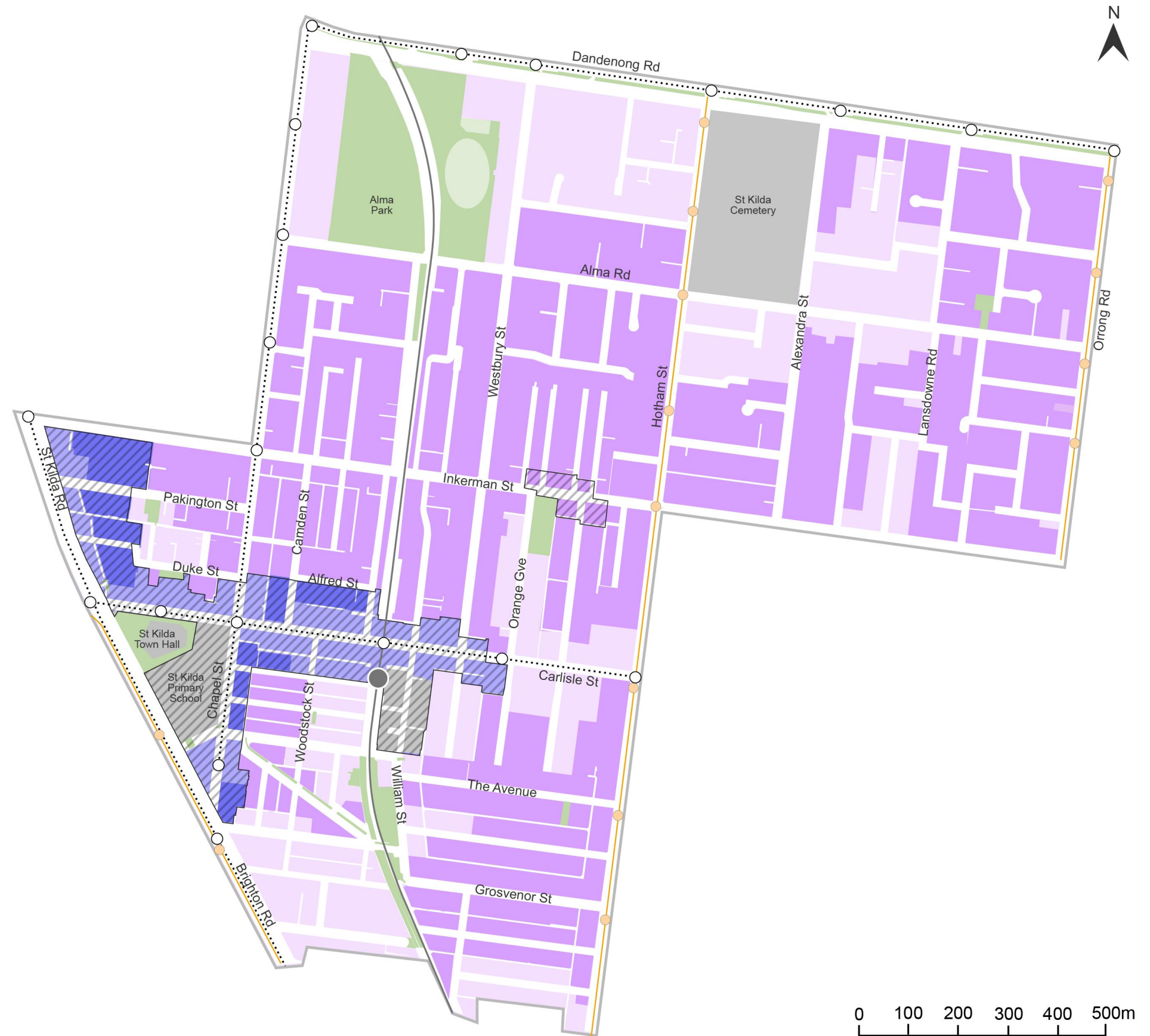
-  Neighbourhood Boundary
-  Activity Centre
-  Open Space
-  Non-residential land

Principal Public Transport Network (PPTN)

-  Rail line and station
-  Tram line and stops
-  High frequency bus route and stops

Level of change

-  Minimal
-  Incremental
-  Moderate
-  Substantial






Neighbourhood 2 Balaclava/St Kilda East - Level of Change Areas Map (Draft)





Context

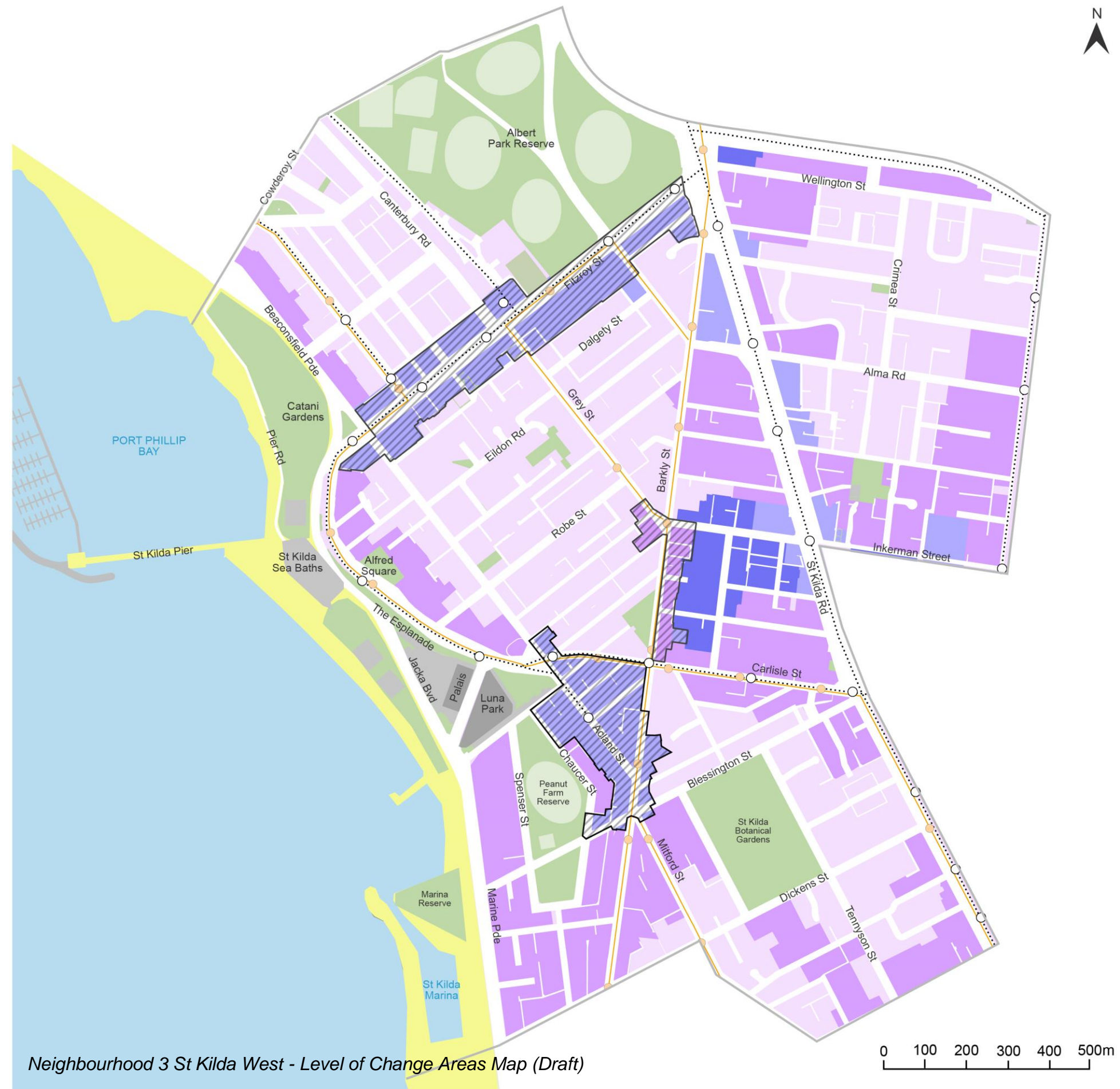
-  Neighbourhood Boundary
-  Activity Centre
-  Open Space
-  Non-residential land

Principal Public Transport Network (PPTN)

-  Rail line and station
-  Tram line and stops
-  High frequency bus route and stops

Level of change

-  Minimal
-  Incremental
-  Moderate
-  Substantial






Neighbourhood 3 St Kilda West - Level of Change Areas Map (Draft)

Context

-  Neighbourhood Boundary
-  Activity Centre
-  Open Space
-  Non-residential land

Principal Public Transport Network (PPTN)

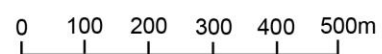
-  Rail line and station
-  Tram line and stops
-  High frequency bus route and stops

Level of change

-  Minimal
-  Incremental
-  Moderate
-  Substantial






Neighbourhood 4 St Kilda Road - Level of Change Areas Map (Draft)







Context

-  Neighbourhood Boundary
-  Activity Centre
-  Open Space
-  Non-residential land

Principal Public Transport Network (PPTN)

-  Rail line and station
-  Tram line and stops
-  High frequency bus route and stops

Level of change

-  Minimal
-  Incremental
-  Moderate
-  Substantial






Neighbourhood 5 Albert Park / Middle Park - Level of Change Areas Map (Draft)

Context

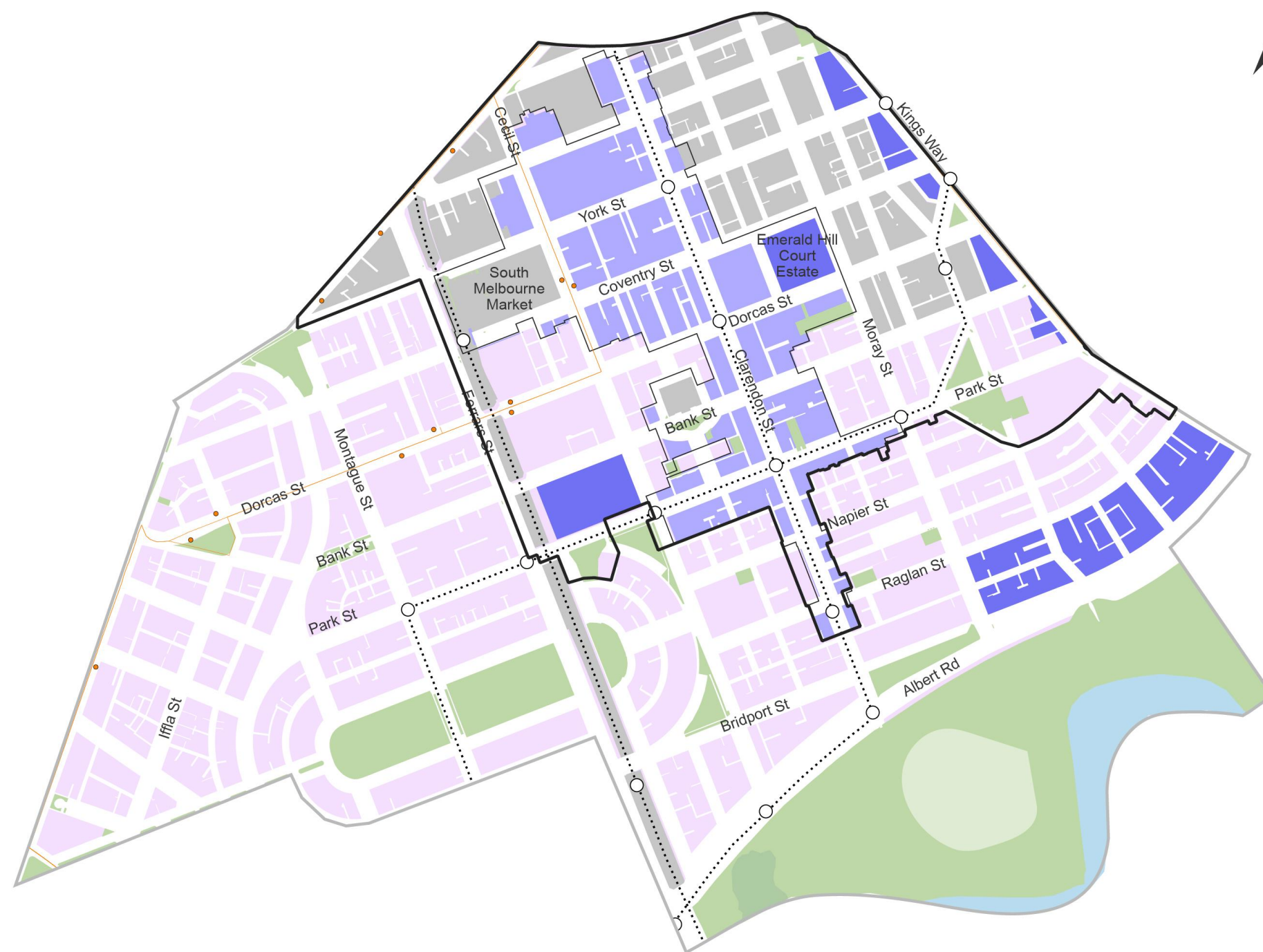
-  Neighbourhood Boundary
-  Activity Centre
-  Open Space
-  Non-residential land

Principal Public Transport Network (PPTN)

-  Rail line and station
-  Tram line and stops
-  High frequency bus route and stops

Level of change

-  Minimal
-  Incremental
-  Moderate
-  Substantial

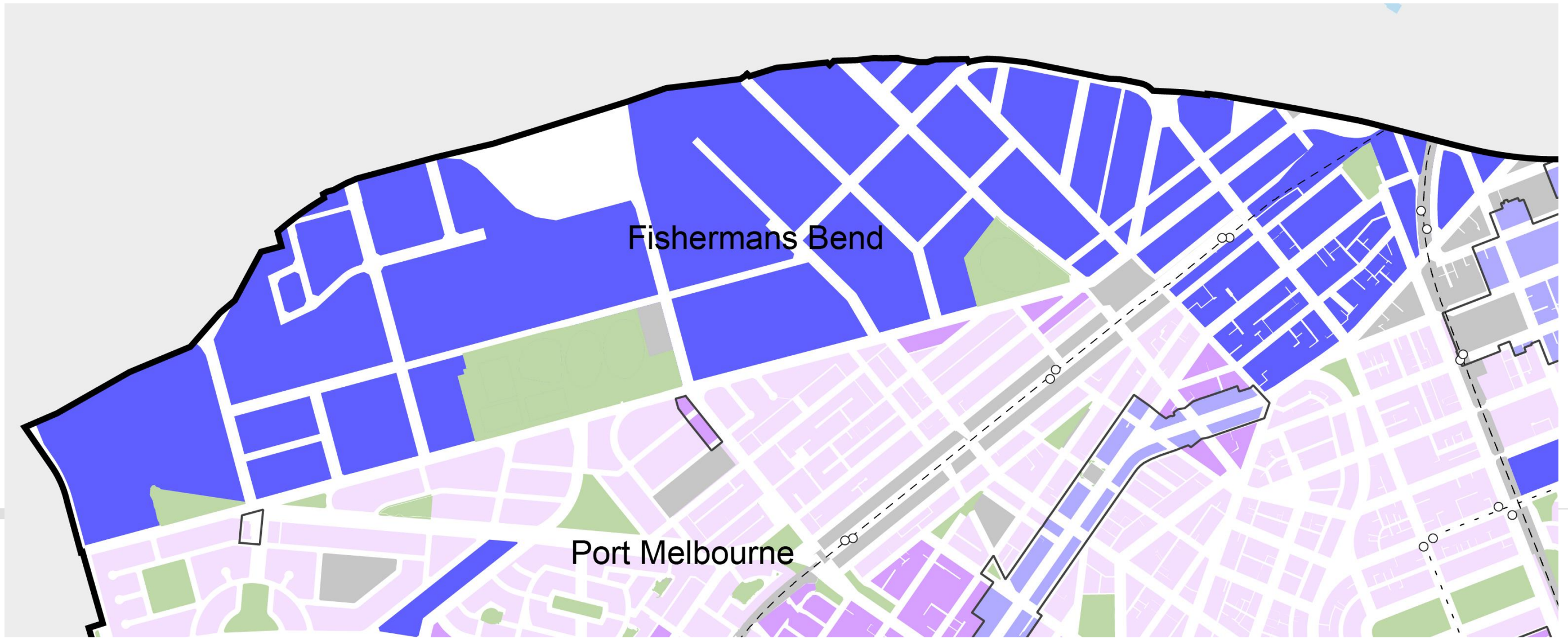


Neighbourhood 6 South Melbourne - Level of Change Areas Map (Draft)

0 100 200 300 400 500m



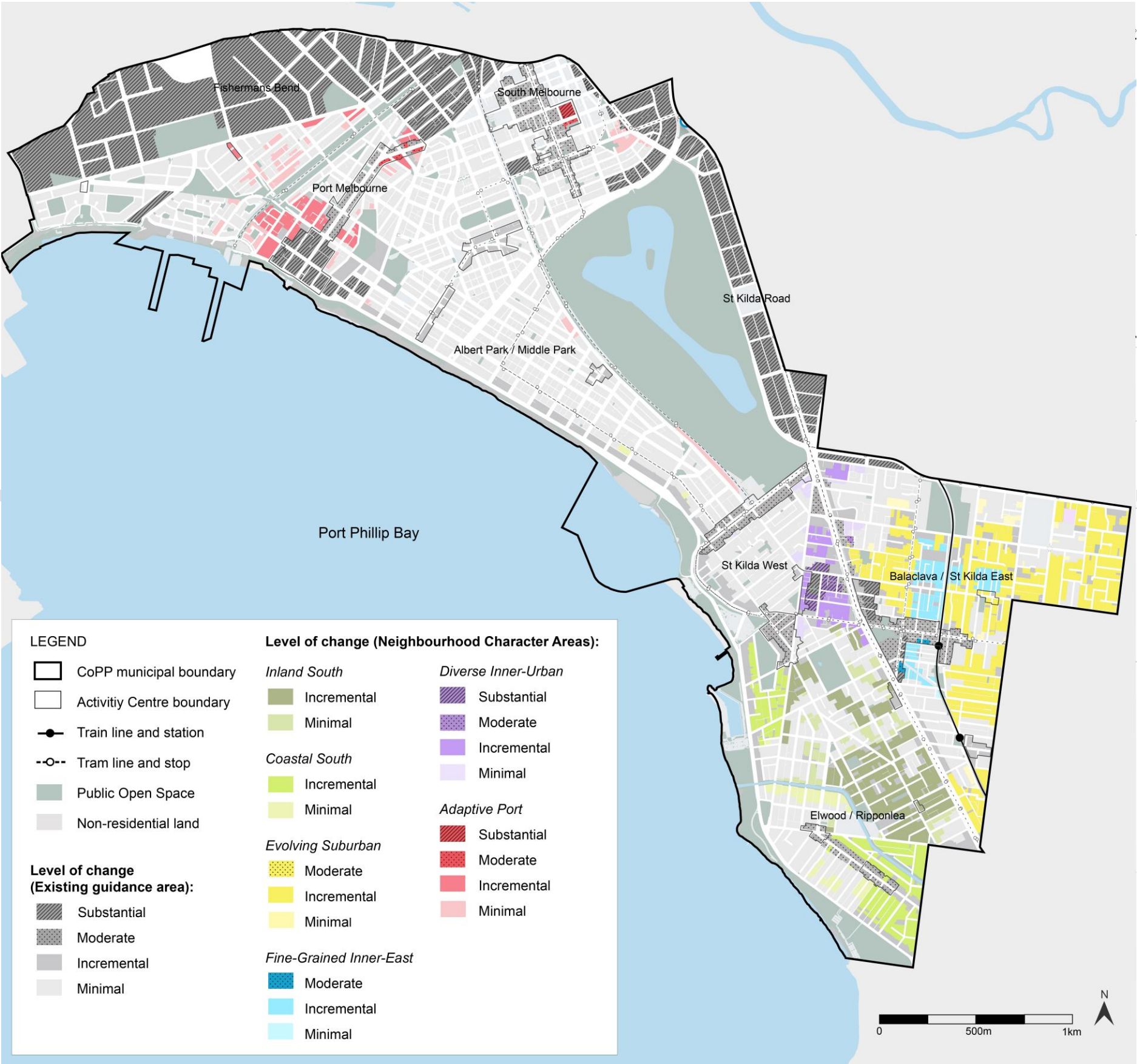
Neighbourhood 7 Port Melbourne - Level of Change Areas Map (Draft)



Neighbourhood 8 and 9 Fishermans Bend (Montague, Sandridge and Wirraway)
- Level of Change Areas Map (Draft)

Neighbourhood character areas and level of change

In addition to level of housing changes, this map shows the six preferred character areas applied across the City of Port Phillip in locations where there is no existing guidance.



| | Action | Role for Council | Timeframe | Lead / Partner | Business Impact |
|--|--|------------------|------------|----------------|---|
| 1.1 Balance the need to accommodate housing growth with adequately supporting employment land to accommodate growth in businesses and jobs. | | | | | |
| 1.1.1 | Continue to ensure there is sufficient housing capacity and supply available across different parts of the municipality to reduce pressure to convert employment land to be used for residential purposes. | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 1.1.2 | Review local planning policy to ensure it balances the need to accommodate housing growth with the need to accommodate adequate employment land to accommodate growth in businesses and jobs. | Deliver | Short-term | Lead | Subject to annual plan and budget |
| 1.2 Monitor population growth, land capacity, and evolving development trends in Port Phillip to plan for future housing growth and needs. | | | | | |
| 1.2.1 | <p>Establish a housing monitoring system that would identify and regularly track key indicators to inform strategic planning projects. For example, it might include but not limited to:</p> <ul style="list-style-type: none"> • Maintain the housing capacity study • Review population forecast • Review current housing stock • Review proposed housing stock • Review available rental housing accommodation • Correlate yearly forecast population to current and proposed Port Phillip housing stock • Identifying the proposed shortfall in housing capacity • Identify area's which could be suitable for future residential development data captured from both planning permit stage and building occupancy stage | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 1.1.2 | <p>(1.1.2a) Report on the residential housing patterns.</p> <p>(1.1.2b) Provide biennial updates to Council on the Port Phillip Housing Strategy to monitor its delivery of actions and to ensure an adequate supply of residential land for future housing and population growth</p> | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 2.1 Direct new housing to appropriate locations | | | | | |
| 2.1.1 | Designate land suitable for substantial, moderate, incremental, and minimal change in a Residential Development Framework Plan. | Deliver | Short-term | Lead | Operating budget/ Business as usual |
| 2.1.2 | Implement the Residential Framework Plan by including it in the Port Phillip Planning Scheme, updating local planning policy to provide guidance on the appropriate location for new housing, and update residential zones and schedules. | Deliver | Short-term | Lead | Subject to budget in Planning Scheme Amendments Program |
| 2.1.3 | Undertake a program of structure planning for Port Phillip's Major Activity Centres (prioritizing St Kilda – Fitzroy Street and Acland Street) and Neighbourhood Activity Centres to guide the appropriate location and form of new housing. | Deliver | Ongoing | Lead | Subject to annual plan and budget |

| | | | | | |
|------------|---|----------|---------------------|---------|-------------------------------------|
| 2.1.4 | Investigate opportunities for new 'infill' housing within established residential areas proximate (within 800m) to major activity centres, neighbourhood activity centres and existing and future train stations. | Deliver | Medium term | Lead | Operating budget/ Business as usual |
| 2.1.5 | Review local planning policy to manage land use conflicts between residential and commercial uses in mixed use environments. | Deliver | Medium | Lead | Operating budget/ Business as usual |
| 2.1.6 | Advocate for changes to the on-site parking rates mandated through Clause 52.06 of the Planning Scheme for residential developments in appropriate locations. | Advocacy | Ongoing | Lead | Operating budget/ Business as usual |
| 2.2 | Ensure the location of housing upholds direction from state and local overland flood management, foreshore management and coastal adaptation plans to reduce risk to population, infrastructure, ecosystems and property from sea level rise, storm surges, coastal erosion, tidal inundation, and groundwater intrusion | | | | |
| 2.2.1 | Advocate to the Minister for Planning to amend the Port Phillip Planning Scheme to update existing or introduce new planning overlays to ensure new development responds to increased risks associated with sea level rise and flooding impacts. | Advocacy | Ongoing | Lead | Operating budget/ Business as usual |
| 2.2.2 | Continue to monitor available flood data, work with Melbourne Water and seek their advice on flood risk areas in Port Phillip. | Deliver | Ongoing | Partner | Operating budget/ Business as usual |
| 2.2.3 | Update the Housing Framework Plan to reflect the latest 'best available data' for flooding as it becomes available. | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 3.1 | Reinforce highly valued existing neighbourhood character and heritage elements that contribute to Port Phillip's unique neighbourhood identity. | | | | |
| 3.1.1 | Review and update the Port Phillip Planning Scheme to implement the Neighbourhood Character Study and Preferred Character Statements by updating local planning policy and making changes to residential zone schedules. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 3.1.2 | Continue to review heritage controls to ensure application of the HO and relevant documentation is up to date. | Deliver | Ongoing | Lead | Subject to annual plan and budget |
| 3.1.3 | Protect significant trees and vegetations in private realm that are valued by communities via suitable planning tools | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 3.1.4 | Develop design (including vegetation) guidelines for developments for new residential developments to facilitate desirable built form outcomes, and innovative and resilient landscapes in the private realm. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 4.1 | Encourage residential development with a range of dwelling typologies and sizes (bedroom mix) | | | | |
| 4.1.1 | Implement the <i>Residential Development Framework Plan</i> to achieve a diverse range of housing options. | Deliver | Short-medium | Lead | Operating budget/ Business as usual |
| 4.1.2 | Introduce minimum bedroom number ratios for major housing developments (of 10 dwellings or more). | Deliver | Short – medium | Lead | Operating budget/ Business as usual |

| | | | | | |
|------------|--|----------|----------------------|---------|-------------------------------------|
| 4.1.3 | Support extensions to existing dwellings to provide accommodation for larger household types and multigenerational households. | Deliver | On-going | Lead | Operating budget/ Business as usual |
| 4.1.4 | Support the provision of residential aged care facilities within or close to services, jobs, public transport and activity centres and precincts. | Deliver | On-going | Lead | Operating budget/ Business as usual |
| 4.2 | Encourage all residential development to incorporate design features that provide accessibility and adaptability to people of all ability | | | | |
| 4.2.1 | Advocate for State Government to amend the National Construction Code to require Gold Level accessibility standards for all new residential development. | Advocacy | On-going | Lead | Operating budget/ Business as usual |
| 4.2.2 | Advocate for State Government to address the following gaps in <i>Apartment Design Guidelines for Victoria</i> to improve the liveability and design of apartments: <ul style="list-style-type: none"> Additional Gold Level⁴⁰ universal design standards (beyond mobility) to ensure apartments are safer and easier to enter, move around and live in. Additional adaptable apartment design standards (beyond adaptable bathroom) to allow buildings to accommodate a diverse range of lifestyle needs. | Advocacy | On-going | Lead | Operating budget/ Business as usual |
| 4.2.3 | Develop a design guideline document and supporting factsheets based on <i>Liveable Housing Design Guidelines (2012)</i> to promote accessible design, for use by the private sector and Council officers. | Deliver | Short to Medium term | Lead | Subject to future budget bid |
| 5.1 | Encourage new apartment buildings to be well-designed, liveable and provide high level of internal and external amenity. | | | | |
| 5.1.1 | Advocate for the State Government for improvements to <i>Apartment Design Guidelines for Victoria</i> to address known gaps in the areas of climate resilience and sustainable design. | Advocacy | Ongoing | Lead | Operating budget/ Business as usual |
| 5.1.2 | Review local planning policy on building design, including for built-to-rent. | Deliver | Medium term | Lead | Operating budget/ Business as usual |
| 5.1.3 | Continue Council's Good Design Program including: <ul style="list-style-type: none"> Annual Design and Development Awards Developing guidance on good design to improve design quality of low, medium, and higher density housing development. | Deliver | Ongoing | Lead | Subject to future budget bid |
| 5.2 | Encourage the sustainable design and construction of new housing | | | | |
| 5.2.1 | Support ongoing improvements to Environmentally Sustainable Development (ESD) standards and sustainability outcomes, including continued advocacy to the State Government to authorise the preparation of the Elevating ESD Targets Planning Scheme amendment. | Advocacy | Ongoing | Partner | Operating budget/ Business as usual |

⁴⁰ As specified in Gold Level Liveable Housing Design Standards

| | | | | | |
|------------|--|----------|---------------------|----------------|-------------------------------------|
| 5.2.2 | Facilitate increase of canopy trees, and other type of innovative and resilient urban greenery in private developments via planning tools. | Deliver | Medium term | Lead | Subject to annual plan and budget |
| 5.2.3 | Develop new guidelines to assist implementation of new ESD planning provisions. | Deliver | Ongoing | Lead | Operating budget/ Business as usual |
| 5.2.4 | Investigate and implement new permeability requirements for residential development. | Deliver | Medium term | Lead | Subject to annual plan and budget |
| 6.1 | Facilitate the provision of more affordable housing in Port Phillip | | | | |
| 6.1.1 | Introduce requirements into the Planning Scheme for areas outside Fishermans Bend, for all rezonings to residential use, and in major developments to provide at least 10% affordable housing. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 6.1.2 | Support emerging affordable housing models, including but not limited to affordable “Build to Rent” and affordable “Rent to Buy”, shared equity housing and Community Land Trusts. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 6.1.3 | Support the retention of and delivery of new social and affordable housing on public land, including through the redevelopment of public housing sites. | Partner | Ongoing | Lead | Operating budget/ Business as usual |
| 6.1.4 | Identify opportunities for social and affordable housing on Council land or strategic sites in or near activity centres. | Partner | Ongoing | Lead / Partner | Operating budget/ Business as usual |
| 6.1.5 | Incorporate ‘City of Port Phillip Guiding Principles for Victorian Government public housing projects’ into the planning scheme to apply to public housing projects. | Deliver | Short – Medium term | Lead | Subject to annual plan and budget |
| 6.1.6 | Explore targeted incentives to support affordable housing, including innovative affordable housing models (such as the fast tracking of planning permits.) | Deliver | Short – Medium term | Lead | Operating budget/ Business as usual |
| 6.1.7 | Develop non-statutory toolkits to support the take-up and application of emerging housing models by the private sector. | Deliver | Short – Medium term | Lead | Operating budget/ Business as usual |
| 6.1.8 | Support the development of a State-wide affordable housing register to record voluntary agreements (via section 173 of the P&E Act) with the private sector. | Deliver | Short – Medium term | Lead / Partner | Operating budget/ Business as usual |
| 6.1.9 | Continue to advocate for planning reforms to introduce a mandatory requirement for affordable housing. | Advocacy | Ongoing | Lead / Partner | Operating budget/ Business as usual |

Definition of terms

Activity centres

Activity centres serve as focal points for services, employment, housing, transportation, and social interaction. These centres encompass Port Phillip's traditional shopping streets. Port Phillip boasts four Major Activity Centres—Bay Street, South Melbourne, Fitzroy/Acland Street, and Carlisle Street—as well as a vibrant network of neighbourhood and local activity centres, often referred to as retail 'villages'

Affordable housing

Housing that is appropriate for the housing needs of very low-, low- and moderate-income households. (Planning and Environment Act 1987)

Affordable rental housing

Rental housing that is appropriate for the housing needs of very low-, low- and moderate-income households (within 30% of income). It includes public housing, community housing and may include some private rental housing.

Build-to-rent

For the purposes of this strategy, 'Build-to-rent' development is defined as an apartment development or other multi-dwelling housing development and any associated ancillary uses, in which a substantial number of dwelling units is held within a single ownership, operated by a single management entity and offered for long term private rent. (Planning. vic.gov.au, BTR Standing Advisory Committee)

Community housing

A form of social housing comprises various forms of rental housing which are owned and/or managed by community organisations such as housing associations, co-operatives, housing trusts, local government or a not-for-profit company.

Dwelling

A dwelling is a building that is used, or is intended, adapted or designed for use, as a separate residence (including kitchen bathroom and sanitary facilities) for an occupier who has a right to the exclusive use of it. (Planning and Environment Act 1987)

High density

Apartment buildings in block of 3 storeys or more.

Housing affordability

Housing affordability is relative to income level, it focusses on the relationship between housing cost (prices, mortgage payments or rents) and household incomes. A well-accept housing affordability benchmark is well located housing, appropriate to the needs of a given household, where the cost is no more than 30% of that household's income."

Housing capacity

The number of total dwellings that could be built on all sites which are available for development.

Housing stress

Housing stress is when people on moderate, low or very low incomes spend more than 30% of their gross household income on rent or mortgage repayments.

Social housing is made up of two types of housing, public housing and community housing.

Medium density

Semi-detached, row or terrace houses, townhouses, and flats or apartments in 1-2 storey block

Neighbourhood character

Neighbourhood character is essentially the combination of the public and private realms. Every property, public place or piece of infrastructure makes a contribution, whether great or small. It is the cumulative impact of all these contributions that establishes neighbourhood character. The following matters are considered: pattern of development, built form/scale, architectural and roof styles, other notable features or characteristics. (Planning Practice Note 43 DELWP)

Public housing

A form of social housing where the dwellings are financed, owned and managed by the State housing authority.

Rough sleeping

Refers to people living on the street, in parks, their car or any form of temporary shelter.

Social housing

Social housing is short and long-term rental housing that is owned and run by the government or not-for-profit agencies.

Transitional housing

Medium-term accommodation, which often includes support services for residents – provided by Victorian Government and community housing organisations.

Urban renewal

The large-scale restoration and/or redevelopment of under-utilised urban areas. (VPA glossary)

Urban heat island effect

The microclimate in urban areas which becomes significantly warmer than surrounding areas where there is less green cover and more hard surfaces which absorb, store and radiate heat. (NSW Government)

20-minute neighbourhood

The 20-minute neighbourhood is all about ‘living locally’ and enabling people to meet most of their daily needs within a 20-minute return walk from home. (VPA glossary)

