

Community Alliance Port Phillip and unChain Inc

Mayor and Councillors
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30 June 2014

Re: New Residential Zones

Executive Summary

- Our preferred position is to use the General Residential Zone as the default zoning like the City of Melbourne has done
- If this is not accepted by Council, we support the proposals for Stage 2 with two amendments
 - Include areas that are proximate to the bus routes
 - Include an exemption for housing for the aged
- Council should also consider whether it would be advantageous to ask for advice from the Residential Zones Standing Advisory Committee
- Council should bring forward the 2017 Housing Strategy review.

Introduction

In our previous submissions on the new residential zoning, CAPP and unChain have raised concerns about the impact the proposed zonings could have on housing affordability, housing choice and good housing design.

In February 2014 Council released a 'Consultation proposal' on the new neighbourhood zones. In May 2014 Council resolved to implement a 2 Stage process.

Stage 1 requested the Minister to approve an amendment to the Planning Scheme that was based on Council's Consultation proposal. We acknowledge that there were significant changes to the original proposal that took into account our concerns. In particular there were more generous density limits in the Neighbourhood Residential Zones (NRZ), special provision for social housing and a reduction to 2,500 sq m. for large sites to be zoned RGZ.

Council also resolved that Stage 2 would investigate additional sites and precincts for inclusion in the General Residential Zone (GRZ) and Residential Growth Zone (RGZ).

The officers' recommendation for Stage 2 involves an increase in the extent of the GRZ (from the NRZ) and in the extent of the RGZ (from GRZ).

The criteria used for increasing the extent of the GRZ are:

- Applying the GRZ to arterial or collector roads with bus routes (excluding intact low scale Heritage Overlay areas)
- Applying the GRZ to arterial or collector roads where development is predominantly 2-3 storeys
- Applying the GRZ to precincts along main roads which have existing DDO controls which allow for 3 storeys or more
- Applying the GRZ to heritage precincts close to large activity centres with existing higher scale developments.

The criteria used for increasing the extent of the RGZ are:

- Applying the RGZ to precincts/sites with existing DDOs at 4 stories or more
- Applying the RGZ to precincts/sites which already have residential developments at 4 stories or more

The result of these considerations is that the NRZs in Port Phillip would be reduced from 80% of our residential land to 70%.

Our preferred position is still that Council should make much greater use of the GRZ. However our fall-back position is to support the officers' recommendations for Stage 2.

Our Preferred Position: the 'Melbourne model'.

The COPP Housing Strategy is found in two documents, the Housing Strategy (2007) and its enactment in the Clause 21.04-1 of the Planning Scheme. It should be noted that the Housing Strategy was developed in 2007 with a 'use-by' date of 2017. Since 2007 there have been two important developments, the new metropolitan planning strategy and the new zoning system.

Council's vision in the Housing Strategy is:

"To direct residential growth to locations which offer the greatest access to shops, public transport and other services, and provide housing diversity by facilitating the development of affordable, accessible and suitable housing which meets the needs of all current and future residents, including the disadvantaged and those who are unable to adequately access the private housing market."

We believe that the appropriate way to translate this into the new neighbourhood zones is to zone appropriate areas close to shops, public transport and other services as RGZ. A 'policy-neutral' translation of the COPP housing policy would apply the GRZ as the 'default' zoning for the rest of the municipality. This zoning is closest to the existing Residential 1 zone. However in areas where it is important to protect heritage and neighbourhood character, the more restrictive NRZ may be the appropriate zoning.

Furthermore it may be argued, on principle, that heritage should not be protected by the NRZs; that it should be protected by heritage protection. Heritage protection should not extend beyond the limits of what is actually considered and defined as important by the heritage policy itself. Applying a vast generic blanket makes a mockery of any careful and reasoned negotiation of the limits of what can and can't fairly be built. The Statement of Significance of every heritage place is what appropriately sets the limits of the protection needed. Can it ever be "appropriate" (or productive, or optimal or clever or fair) just to drop a huge, additional blanket prohibition on top of that? Generic, mandatory NRZ zones have no idea of what they are "protecting" or why, and are an affront to good site-responsive design and enlightened urban planning.

We believe that the approach of using the GRZ as the 'default' zoning is more suited to inner city suburbs with significantly greater population density than middle and outer suburbs. It is similar to the approach being taken by the City of Melbourne.

Applying the GRZ to a significant amount of the residential land in our municipality would not allow developers 'open slather'. Existing controls (such as heritage overlays, neighbourhood character overlays, design and development overlays, planning overlays) still apply under the GRZ.

We believe that this approach is in keeping with the original intent of the new neighbourhood zones. Planning Practice Note 78 (December 2013) says that the 'General Residential Zone (GRZ) enables moderate housing growth and diversity while respecting urban character' and the 'Neighbourhood Residential Zone (NRZ) restricts housing growth in areas identified for urban preservation'

However it appears that the Planning Minister, succumbing to pressure from 'nimbys' in the middle suburbs, is prepared to approve the 'locking up' of a significantly greater amount of residential land in Melbourne. The precedent was set when the Minister allowed the Glen Eira Council to zone 84% of its residential land as NRZ.

Despite this change in approach by the Planning Minister, our preferred position remains for a significantly greater use of the GRZ than under the 'Glen Eira' model. As a guide, we suggest that 50% of our residential land should be zoned GRZ. This is consistent with early statements from the state government about the coverage of the NRZs and GRZs across the whole of Melbourne.

This is also the approach taken by the City of Melbourne. The different approaches that have been taken by the other inner city Councils is shown in the table below (note that these figures are indicative only, they are based on early figures in April/May).

% Breakdown of residentially zoned land in inner city Councils

Council	NRZ	GRZ	RGZ
Melbourne*	23	72	.04
Darebin	33	53	
Stonnington	38	58	5
Moreland	66	31	5
Yarra	74	23	4
Moonee Valley	75	25	0.2

Source: Report to the Future Melbourne (Planning Committee) 3 June 2014 p. 321-332.

*Telephone conversation

It is clear that the 'Melbourne' model (23% NRZ) makes less use of the NRZ than is proposed for Port Phillip under both Stage 1 (80% NRZ) and Stage 2 (70% NRZ). However the impact on housing affordability and housing choice in the two municipalities will be less different than appears on paper.

Councils have the right to vary the minimum height and density controls in their NRZs. Melbourne City Council has not varied the default mandatory two dwellings per lot in its NRZ. In contrast in Port Phillip there is a sliding scale which permits more development than in the NRZs in the City of Melbourne.

Density scale for NRZ in Port Phillip

Area	Number of dwellings
0-499 sq m	2 dwellings
450-599 sq m	3 dwellings
600-799 sq m	4 dwellings
800-999 sq m	5 dwellings
1000- 1199 sq m	6 dwellings
1200 sq m +	7 dwellings plus 1 per additional 150 Sq m

Similar areas may be zoned NRZ in Port Phillip but zoned GRZ in Melbourne.. Though liberalised, the density requirements in Port Phillip’s NRZ still severely restrict the capacity to provide new affordable, well-designed accommodation. For example 19 Ruskin St Elwood won a Council award in the 2011 for Best Sustainable Development. It delivered five environmentally sustainable townhouses with no loss of amenity to the surrounding area. It replaced a 99-year old weatherboard house in very poor condition that housed just one adult and one child. This project was on a site of 429 sq m. It would be therefore be banned under the new zoning. In contrast, it could be permitted under the ‘Melbourne’ model. It is bizarre that Port Phillip is proposing to prohibit developments that it awarded prizes to just three years ago.

Our preferred position is, therefore, that Port Phillip should be adopting a zoning similar to that of the City of Melbourne. However, if Council is unwilling to do so, we would then support the expanded GRZ and NGZ in Stage 2 as proposed in the officers’ report.

Support for Stage 2

The officers’ report is proposing to apply the GRZ to arterial or collectors roads with bus routes (excluding intact low scale Heritage Overlay areas). We support this extension of the GRZ. It is in accord with Plan Melbourne, our new metropolitan planning strategy.

Plan Melbourne says that it is policy to ‘support growing areas of the inner city by strengthening bus services to and around central Melbourne’. (Initiative 3.1.4). It says that it will ‘examine options to progressively upgrade the inner-city bus network, with a focus on increased frequency and reliability, and improved travel times and connectivity.’ The Chair of the Advisory Panel on the new metropolitan strategy, Professor Roz Hansen, has emphasised the importance of the bus network in Melbourne’s future.

However, it is submitted that the GRZ should cover not just the roads, but also the hinterland areas serviced by the arterial or collector roads with bus routes. This is a logical extension as the key concept is proximity to public transport for medium density housing. There may be other reasons of neighbourhood character, heritage or residential amenity for zoning some hinterland areas NRZ rather than GRZ, but there should not be an a priori exclusion.

It is also submitted that there should be an exemption for housing for the aged that is similar to the exemption for social housing. It accords with Council's Housing Policy and the state government's metropolitan planning strategy to develop an exemption for housing.

The COPP Housing Policy states:

'As a part of housing growth, provision must be made for a variety of dwellings to target the needs of diverse households, lifestyles, income levels and lifecycle stages.'

Plan Melbourne says:

'not only will our metropolitan population grow over coming decades, but it will change in terms of structure. The demand for new housing will also be influenced by an ageing population and a desire for people to downsize and age in place.'

Residential Zones Standing Advisory Committee

The Minister for Planning has established to a Residential Zones Standing Advisory Committee (RZSAC) to consider submissions and provide advice about amendments to implement the residential zones. Councils may ask the RZSAC to review their proposed zones. All the other inner city Councils (except Stonnington) have requested a RZAC review.

Initially fourteen Councils asked the RZSAC to review their proposed residential zones. Those reviews have now been completed. They are currently with the Minister. These reviews include the inner city Councils of Darebin, Moonee Valley, and Moreland. The government has set up a second stage of reviews. Four Councils have requested a review of their proposed zones to date, namely Bayside, Brimbank, Melbourne and Yarra. The deadline for this is 30 June.

The Council should consider whether it would be advantageous to ask for a RZSAC review. One reason is the fundamentally different approaches being taken by various inner city Councils. We may benefit from having a 'bird's eye' view of the application of the neighbourhood zones through the whole of the inner city. This was not possible previously, while the other inner City zones were still being formulated.

Even if Port Phillip has missed the 30 June deadline it is still possible for it to ask the Minister to allow the Residential Zones Standing Advisory Committee to review our proposed zoning. If Council decides not to request a RZSAC review, it would still be useful for officers to prepare a report for Councillors and the general public on the advice that the RZSAC has provided on the zoning proposals of the other inner city Councils.

Review of the Housing Strategy in Port Phillip

The Port Phillip Housing Strategy was adopted in 2007 with a ten-year time frame. Since then there have been two important developments, the new metropolitan planning strategy and the new zoning system. There is also the massive development proposed for Fishermans Bend. It is submitted that Council should bring forward its review of the Housing Strategy.

The review of the Housing Strategy could include a consideration of the policy of the new Planning Minister (Liberal or Labor) after the November elections, the approach of other inner-city Councils and the deliberations of the Residential Zones Standing Advisory Committee (RZSAC). For example the City of Moreland applies the GRZ to areas within approx. 800 m of Activity Centres. Would it be appropriate for Port Phillip to consider a similar provision?

It would be consistent with the government's intention for Port Phillip to bring forward its review of the Housing Strategy. Planning Practice Note 78 states:

The reforms made to the residential zones in July 2013 provide more flexibility and discretion allowing permit applications for a broad range of uses. Councils may wish to create or amend existing local policies to assist in the exercise of this discretion and fully implement their strategic objectives.

Conclusion

- Our preferred position is to use the General Residential Zone as the default zoning like the City of Melbourne has done
- If this is not accepted by Council, we support the proposals for Stage 2 with two amendments
 - Include areas that are proximate to the bus routes
 - Include an exemption for housing for the aged
- Council should also consider whether it would be advantageous to ask for advice from the Residential Zones Standing Advisory Committee
- Council should bring forward its review of the 2007-2017 Housing Strategy.

Yours Sincerely

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