

8. HOUSING CAPACITY

Future housing growth in Yarra's activity centres

The Planning Policy Framework seeks to direct housing growth to major and neighbourhood activity centres. Yarra's activity centres vary in size, catchment and function, and each has a different capacity for development and change. Assessing the ability of Yarra's activity centres to accommodate future housing growth is critical to plan for the spatial distribution of housing growth in Yarra.

Housing capacity model assumptions

SGS Economics and Planning have created an interactive model to allow Council to estimate housing capacity within our major and neighbourhood activity centres over the coming 15 years.

Importantly, the model's estimates are based on the following assumptions for available land, capacity and take-up (eventual development realisation):

- All available land is included;
- All unavailable land is excluded, such as:
 - Multiple dwelling sites;
 - Recently developed sites;
 - Social housing housing sites; and
 - Community facilities.
- Building height limits, informed by current strategic work for the centres, assuming:
 - 4 metres per storey for non-residential; and

- 3 metres per storey for residential.

- 1 or 2 storeys for non-residential, based on the Yarra Spatial Economic and Employment Strategy;
- 85% site coverage;
- 90% building efficiency;
- 70m² average dwelling size; and
- Future take up rate of residential development based on UDP2017 data (in the short term) and housing trends from the last 5 years to estimate the medium and long term.

Housing capacity analysis

An analysis of Yarra's activity centres indicate that the centres, alone, can supply approximately 14,300 dwellings by 2031 (greater than the 13,341 new dwellings required by VIF2016 for the whole of the municipality). The total amount of available land and estimated supply of new dwellings for the major and neighbourhood centres in Yarra are shown in Table 3.

TABLE 3

	TOTAL AVAILABLE LAND (HECTARES)	ESTIMATED SUPPLY OF NEW DWELLINGS (2016-2031)
MAJOR ACTIVITY CENTRES	96 ha	9,900
NEIGHBOURHOOD ACTIVITY CENTRE	41 ha	4,400
ESTIMATED TOTAL	137 ha	14,300

Source: SGSEP, 2018

The capacity analysis shows that the level of housing growth is expected to differ across and also within the activity centres, due to the varying amount of land available for residential development.

The major activity centres have the most available land to supply new dwellings in Yarra. Of these centres, it is expected that Bridge Road and Victoria Street will accommodate a greater share of housing growth. A large amount of development is already occurring along the western end of Bridge Road and the eastern end of Victoria Street, which has influenced the estimated supply of net new dwellings in the centres.

It is expected that Queens Parade and Heidelberg Road will supply the most new housing of the neighbourhood centres. These centres include three large strategic redevelopment sites within their centre boundaries, which will accommodate over half of the estimated supply of new dwellings. In Queens Parade, the sites at 111 Queen Street and 433 Smith Street, Fitzroy North (former Gasworks site) and at 26-52 Queens Parade, Fitzroy North will supply approximately 1350 new dwellings. The site at 626 Heidelberg Road, Alphington (former Alphington Paper Mill site) is anticipated to supply approximately 850 new dwellings within the centre boundary. The supply of new dwellings across the remainder of the two centres is expected to be moderate.

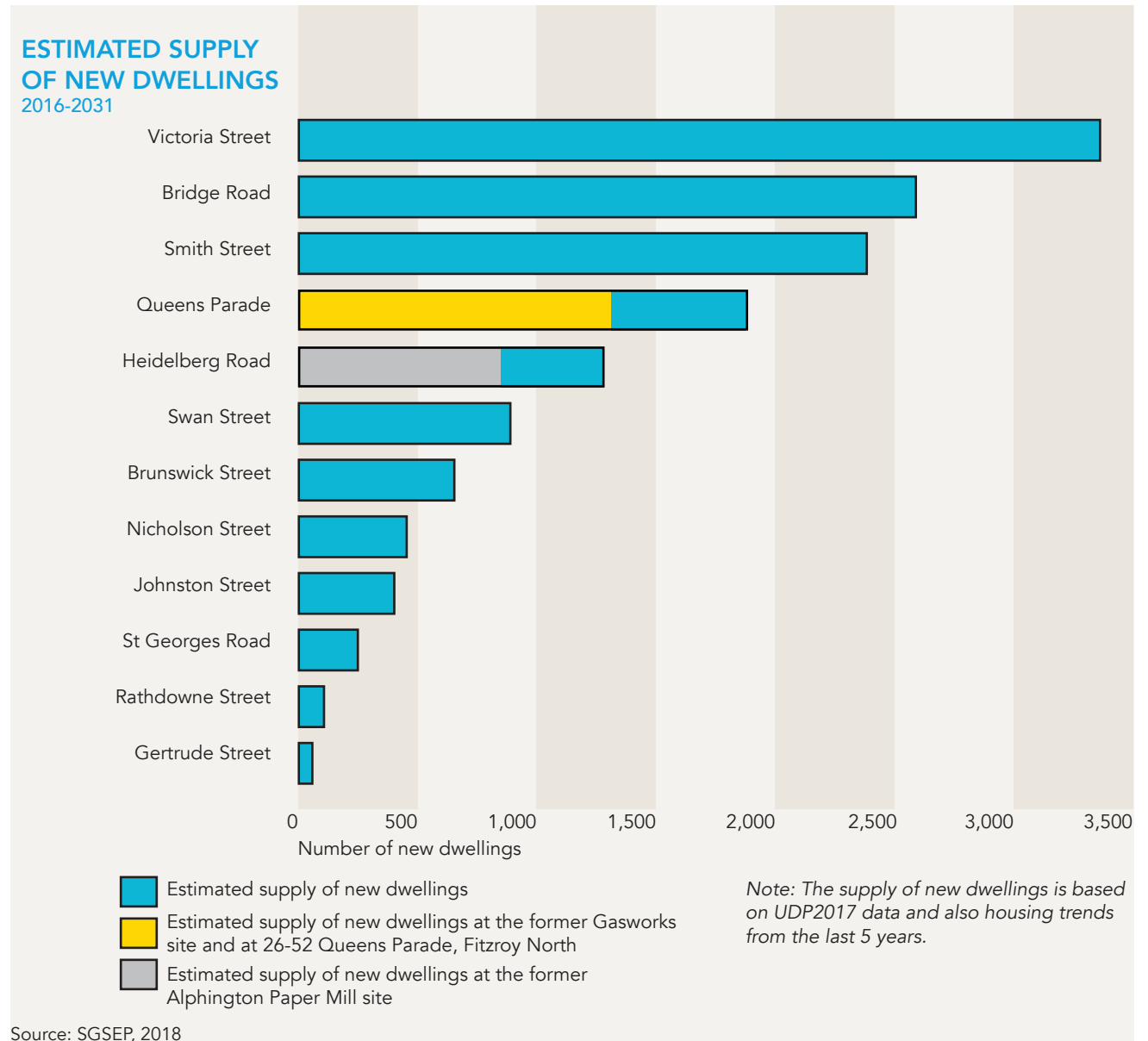
The Johnston Street and Swan Street activity centres appear to have a low estimated supply of new dwellings. This may change as the C2Z land within the centre boundaries (which does not permit residential uses), is rezoned as part of the current Yarra Planning Scheme Amendments C220 (Johnston Street) and C191(Swan Street). It is proposed to maintain the capacity model to accurately reflect land available for residential development, the density of development and eventual development realisation.

Implications for the Yarra Housing Strategy

The housing capacity analysis indicates there is enough capacity within Yarra’s activity centres to accommodate sufficient housing growth. The analysis confirms that, while Yarra’s established residential neighbourhoods will continue to accommodate some housing growth, Yarra does not need to rely on these areas to supply projected housing growth.

The capacity analysis also demonstrates that the application of building height controls to the activity centres will not limit the supply of dwellings, but will provide more certainty for residents and developers and maintain the mid-rise character of Yarra.

The capacity model will be used to monitor housing delivery over time and assess implications of built form controls on housing capacity figures. The model will be a reliable source for understanding long-term housing capacity in Yarra.



Source: SGSEP, 2018