

## 9. A PREFERRED GROWTH STRATEGY FOR YARRA

The Yarra Housing Strategy provides direction on key issues such as housing diversity and adaptability, affordable housing, and apartments that are suitable for larger household groups to ensure there will be more housing choice to support Yarra's diverse community. The strategy has been informed by the issues and actions identified by the Liveable Yarra panel, a group of residents selected to represent the broader Yarra community.

Four strategic directions articulate Yarra's preferred growth strategy, which responds to the unique context of Yarra and provides a strategic approach to where and how Council will guide future housing growth.

**Strategic direction 1:** Monitor population growth and evolving development trends in Yarra to plan for future housing growth and needs.

**Strategic direction 2:** Direct housing growth to appropriate location.

**Strategic direction 3:** To plan for more housing choice to support Yarra's diverse community.

**Strategic direction 4:** Facilitate the provision of more affordable housing in Yarra.



## Strategic directions

### Strategic directions 1 (SD1): Monitor population growth, land capacity, and evolving development trends in Yarra to plan for future housing growth and needs.

SD1 will be implemented through the following strategies:

- SD1.1** Monitor population growth forecasts and demographic changes in Yarra;
- SD1.2** Monitor housing delivery trends;
- SD1.3** Maintain the Yarra housing capacity model to reflect residential land available for development, the density of development and development realisation; and
- SD1.4** Monitor the outputs of the Yarra housing capacity model to maintain an adequate supply of residential land for future housing and population growth.

#### Rationale

Monitoring changes to population and housing growth forecasts will enable Council to more accurately plan for an adequate supply of housing land. Projections are important in assisting Council to plan for anticipated growth more effectively. Monitoring development trends and demographic changes will be necessary to respond to any major shifts in population and housing growth projections,

ensuring the ongoing currency of the strategy.

The UDP2017 indicates that Yarra's dwelling supply is mostly available through projects that are being considered, likely to occur or already under construction. Yarra's residential capacity model provides estimates of the potential of Yarra's activity centres to provide additional housing supply above the forecasts included in the UDP2017.

As shown by the assessment of the Yarra's activity centres to accommodate future housing growth, Yarra can rely on existing capacity and does not need to make significant changes to rezone other land at this time to provide additional housing supply. If housing delivery trends continue to be strong in Yarra, within the next 5 to 10 years it will be important to identify key precincts to undertake further strategic planning to identify long term housing land availability.

#### What will this achieve?

- Certainty to the community that Council is actively planning for future housing growth and has an understanding of changing housing needs in Yarra;
- Certainty to the Victorian Government that Yarra can provide a 15 year supply of housing land; and
- A clear plan for ensuring forecast population and housing growth can be accommodated appropriately in Yarra.



## Strategic direction 2 (SD2): Direct housing growth to appropriate locations.

SD2 will be implemented through the following strategies:

- SD2.1** Develop a hierarchy of housing change areas and apply them to all residential land in Yarra;
- SD2.2** Introduce the hierarchy of housing change areas as a strategic housing framework plan into the Yarra Planning Scheme; and
- SD2.3** Develop policy objectives and strategies to guide and direct the appropriate level of change on all housing land in Yarra.

### Rationale

The strategy seeks to direct new housing to areas within or close to activity areas that have good access to public transport, open space, and other services and limit housing growth in established residential areas, consistent with Plan Melbourne, state and regional policy, and also community feedback.

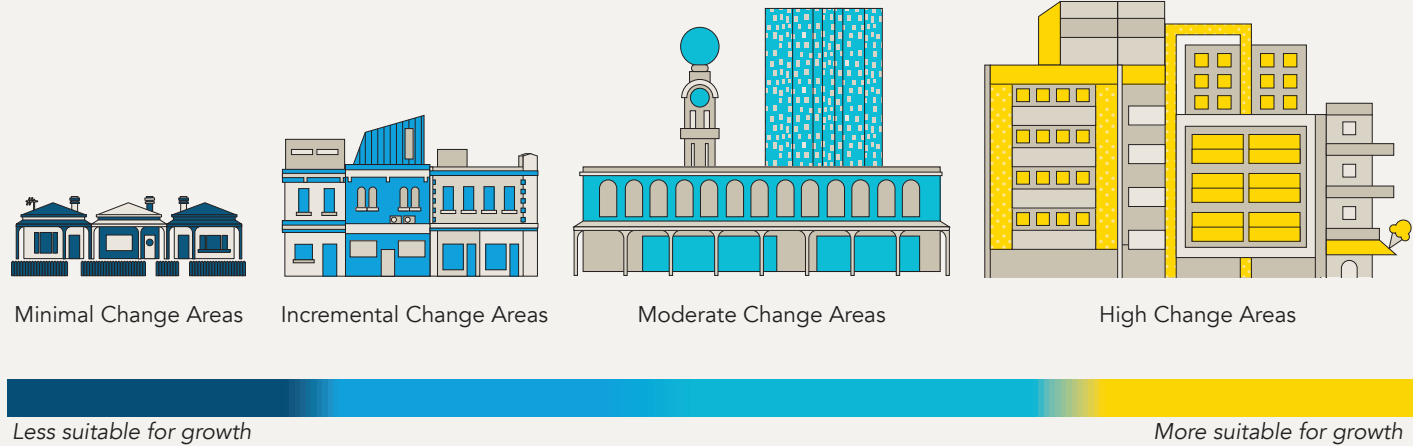
Further to this, the strategy categorises all residential land into four distinct housing change areas to provide more clarity and certainty to the community about the level of growth anticipated across the municipality.

The housing change areas differentiate between those that have the capacity to accommodate minimal, incremental, moderate, and high change housing growth.

The housing change areas are based the following:

- **Current and proposed zone and overlay requirements:** Types of use and development allowed in each zone;
- **Context:** Walking distance and access to services, public transport and employment centres, proximity to activity centres;
- **Land attributes:** Land constraints (including sensitive interfaces), lot size, development activity and emerging character;
- **Strategic planning work:** Areas subject to structure plans, built form frameworks and proposed built form controls;
- **Capacity:** Amount of growth that is likely to occur in an area, given a set of assumptions; and
- **Community feedback:** Where growth is acceptable to the community and where it isn't.

### HOUSING CHANGE AREAS





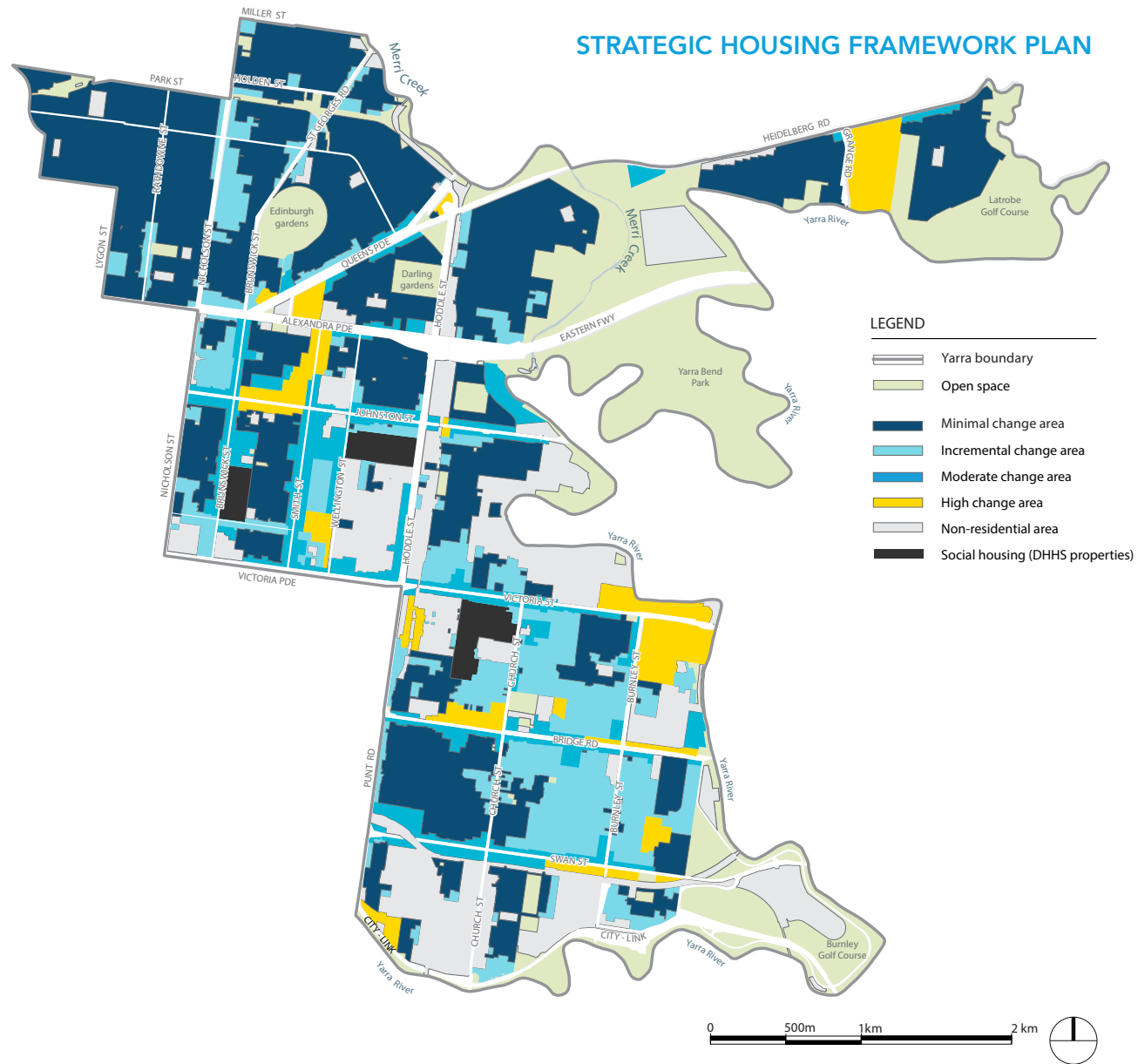
### Strategic housing framework plan

The housing change areas are shown on the strategic housing framework plan to visually represent the level of growth anticipated across the municipality. This is a common approach implemented by other metropolitan councils in their planning schemes. Yarra is currently rewriting its planning scheme and it is intended that the framework plan will be included in the revised planning scheme.

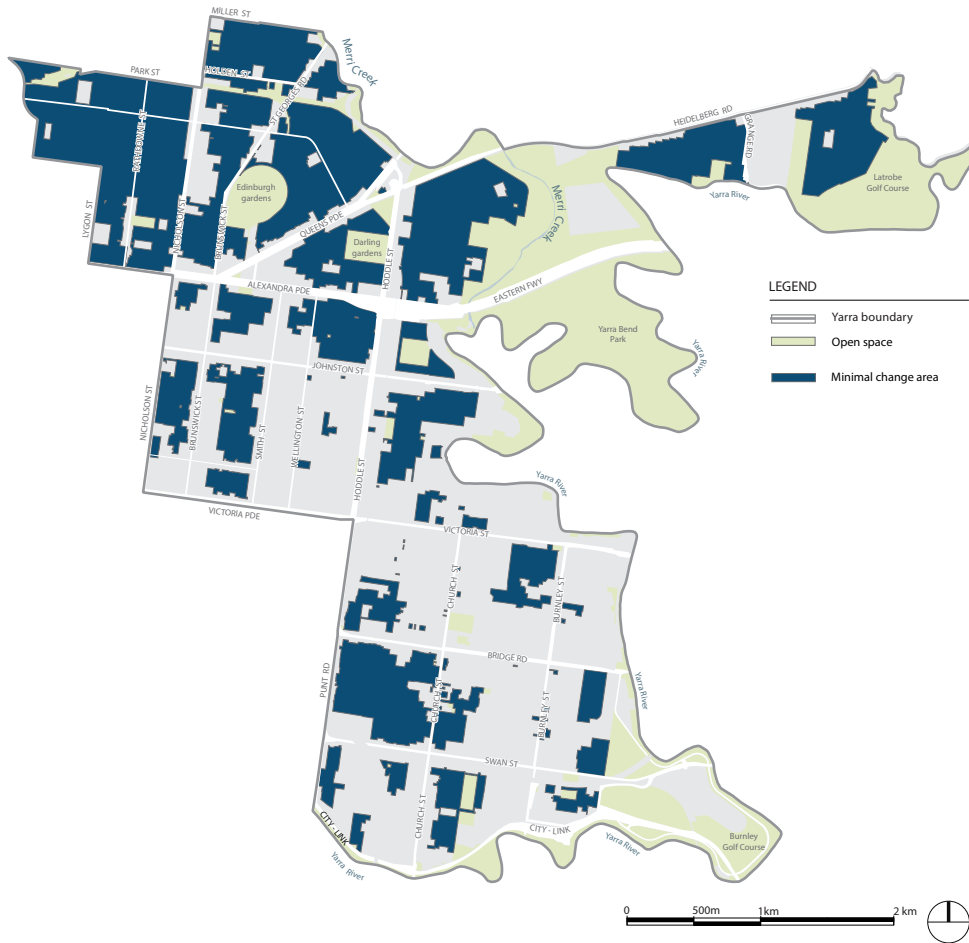
The four housing change areas have been applied to the strategic housing framework plan based on a set of categories. Some sites within these areas may have been recently developed. The scale and form of residential growth may differ across a change area and development proposals will need to appropriately respond to their context and the capacity of an individual site to accommodate housing growth.

### What will this achieve?

- A clear policy framework for Yarra to guide and direct housing growth;
- Certainty for land owners, developers and the community about the level of housing growth expected in each neighbourhood and activity centre;
- Clarity over the areas that are most suitable for accommodating substantial residential growth over the next 15 years.



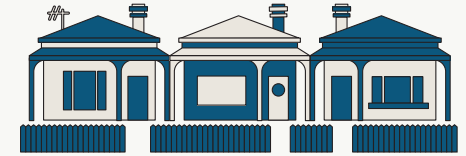
MINIMAL CHANGE AREAS



Minimal change areas

Level of growth:

- Residential areas that have limited capacity to accommodate future housing growth over time.



Minimal change areas generally display one or more of the following characteristics:

- Within established residential areas (Neighbourhood Residential Zone) that have heritage significance;
- Have consistent fine-grain subdivision pattern and small lots sizes; and/or
- Have detached and dual occupancy dwellings.

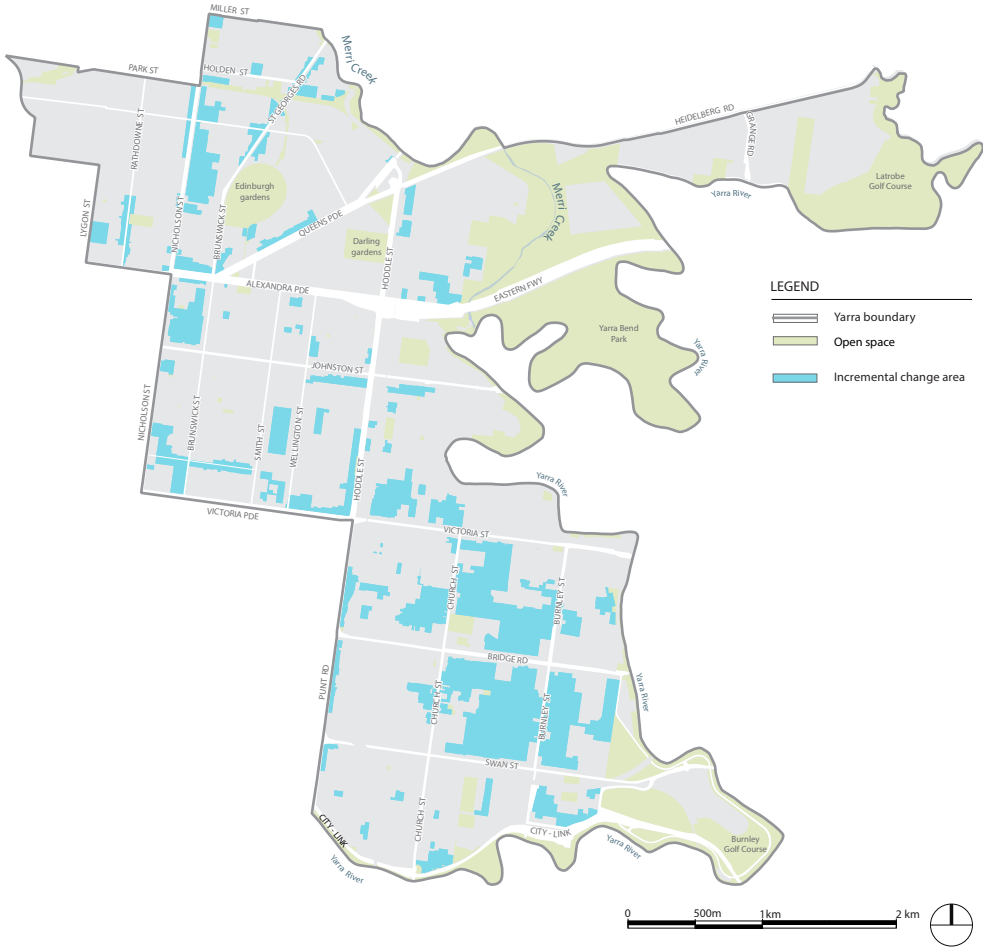
Minimal change areas are proposed to apply to over 58% of Yarra’s residential land.

What type of development is likely in minimal change areas?

Minimal change areas are not proposed to prohibit additional residential development, but allow a level of development that respects the type, scale, and prevailing character of the area. It is expected that development of one or two dwellings on typically small individual lots (including alterations and additions to existing dwellings) will continue.

The provisions of the zone and/or Heritage Overlay in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas.

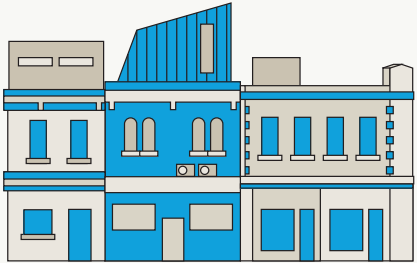
# INCREMENTAL CHANGE AREAS



## Incremental change areas

### Level of growth:

- Residential, mixed use and commercial areas that have the capacity to accommodate a more modest level of housing growth over time.



### Incremental change areas generally display one or more of the following characteristics:

- Within established residential areas (General Residential Zone);
- Within mixed use and commercial areas that have heritage significance, including cohesive and highly intact heritage streetscapes and buildings;
- Have consistent fine-grain subdivision pattern and small lots sizes; and/or
- Have detached, dual occupancy and smaller scale apartment dwellings.

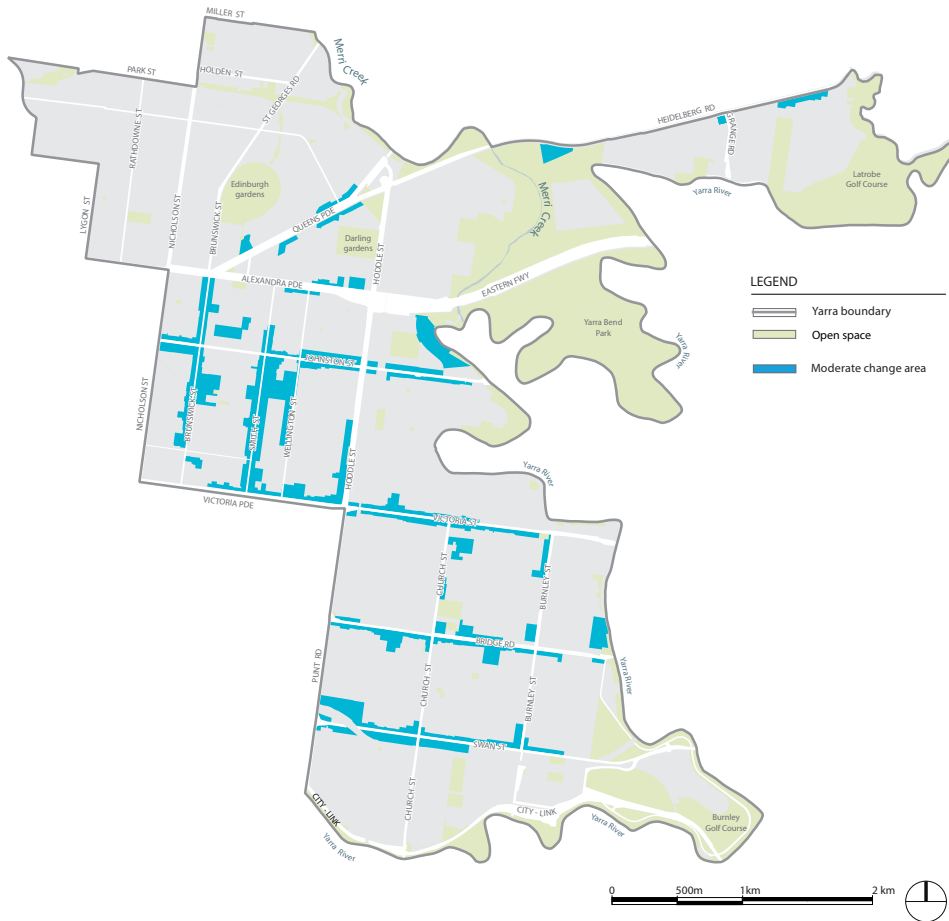
Incremental change areas are proposed to apply to over 21% of Yarra’s residential land.

### What type of development is likely in incremental change areas?

It is expected that incremental change areas will gradually evolve over time as development of one; two or more dwellings on individual lots (including smaller scale apartment developments and alterations additions to existing dwellings) will continue.

The provisions of the zone and/or Heritage Overlay in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas.

**MODERATE CHANGE AREAS**



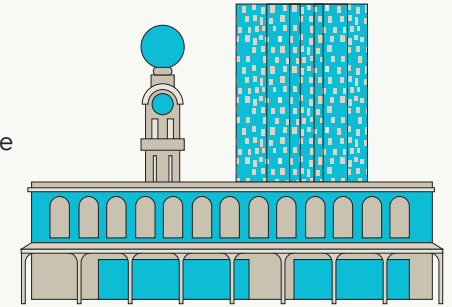
Moderate change areas

Level of growth:

- Mixed use and commercial areas that have the capacity to accommodate moderate housing growth over time.

Moderate change areas generally display one or more of the following characteristics:

- Within or close to activity centres that have heritage significance, sensitive interfaces and other site constraints;
- Have excellent access to services, open space and public transport; and/or
- Have mixed lot sizes.



Moderate change areas are proposed to apply to over 12% of Yarra’s residential land.

What type of development is likely in moderate change areas?

It is expected that moderate change areas will support increased residential densities and housing diversity through mixed use, infill and shop-top apartment development on individual and consolidated lots that respond to existing heritage character of streetscapes.

The provisions of heritage and/or built form overlays in the Yarra Planning Scheme will determine the scale and form of residential growth in these areas. In those areas where no overlays apply, urban design and/or heritage local planning policies will determine built form outcomes for the areas.





### **Strategic direction 3 (SD3): To plan for more housing choice to support Yarra's diverse community.**

SD3 will be implemented through the following strategies:

- SD3.1** Support flexible housing design that allows for adaptations to support changing housing needs over time;
- SD3.2** Introduce a requirement in the Yarra Planning Scheme for housing diversity to be demonstrated in applications for residential rezoning and major residential developments (50 or more dwellings), based on available demographic information;
- SD3.3** Encourage the development of aged care, student accommodation and key worker housing within or close to activity centres, health and education precincts;
- SD3.4** Encourage more family-friendly design of communal open spaces in apartment developments;
- SD3.5** Support additions to existing houses to provide accommodation for larger household types;
- SD3.6** Encourage apartment development that includes the provision of sufficient internal common space; and
- SD3.7** Provide policy support for cohousing development in Yarra.

#### **Rationale**

As more housing is constructed in Yarra, it is important to ensure that it is designed to meet the changing needs of the population over their lifetimes. Providing a diverse mix of housing options for all residents in Yarra also helps support social inclusion and diversity within neighbourhoods, and allows people to age in place.

As most of the new housing being delivered in Yarra is in the form of apartments there is a need to ensure high density development can accommodate different housing needs, including design considerations to make higher-density living more attractive for larger household groups, students, and people with disabilities and older people in Yarra.

Specific needs for larger household groups include providing sufficient internal and outdoor space and also a diversity of apartment types and sizes. Larger apartments, for families in particular, are best located together, over-looking communal open space.

The specific needs of older people and people living with a disability include dwellings that have adequate storage space, are close to shops, transport and other services, have an accessible layout and are also easy and cost-effective to adapt. These issues are best dealt with at the design and planning stage.

Introducing a requirement into the Yarra Planning Scheme for housing diversity to be demonstrated would complement the new apartment design requirements. Housing diversity could be demonstrated by including the expected demographic mix, to enable consideration of particular housing needs in a planning application for a major redevelopment or rezoning. Early consideration of these issues will help ensure that future housing stock is suitable for a wider range of households.

While Yarra supports and encourages people remaining in their home for as long as possible, it is sometimes necessary for a person to relocate to a residential aged care facility or retirement village to receive adequate support. To meet future demand from an ageing population, more aged care facilities and retirement villages will be required to assist residents to age in place in Yarra. Supporting this type of housing development within and close to activity centres and health precincts will help residents receive adequate support and maintain connections with their community.

### What will this achieve?

- More housing choice for our diverse community to support social inclusion and maintain Yarra's vibrant community;
- Better alignment between the design of new developments and housing needs in Yarra;
- Allowing more residents to age in place;
- More family friendly apartments; and
- Better communal open and internal space within apartment developments that cater to the needs of a wider range of households.





## Strategic direction 4 (SD4): Facilitate the provision of more affordable housing in Yarra.

SD4 will be implemented by:

- SD4.1** Foster effective partnerships between registered housing associations or providers and the property development industry to deliver more affordable housing;
- SD4.2** Introduce requirements into the Yarra Planning Scheme for all rezonings to residential use, and in significant developments of 50 or more dwellings, to provide at least 10% affordable housing;
- SD4.3** Support opportunities to allow for shared equity schemes and other emerging affordable housing models;
- SD4.4** Advocate for policy and legislative changes that enable Council to introduce inclusionary zoning or an alternative mechanism to secure affordable housing; and
- SD4.5** Support the improvement and retention of social housing in Yarra.

### Rationale

Yarra has experienced rapid growth in house prices in recent years, consistent with other parts of the IMAP area. As a result, many households cannot afford to rent or purchase a home in the municipality. Yarra aims to address this through the provision of affordable housing that is appropriate for the needs of very low, low and moderate-income households.

The provision of affordable housing will maintain Yarra's diversity and support the economy by providing greater housing choice for those working or starting businesses in the municipality. It will also enable key workers, who are employed in occupations important to the functioning of the municipality, to live closer to their workplaces.

The Victorian planning system provides an opportunity to secure a percentage of affordable housing when sites are being rezoned or redeveloped. In 2017, Council adopted the *Policy Guidance Note: Affordable Housing Outcomes at Significant Redevelopments*. It outlines Yarra's expectations relating to affordable housing at significant redevelopment sites. With significant rezoning of commercial and industrial land to residential use, developers are expected to provide at least 5% affordable housing at sites yielding 50 dwellings or more, and work with a registered housing association or provider to deliver affordable housing.

This strategy strengthens and builds upon the note by recommending the introduction of requirements into the Yarra Planning Scheme for all rezonings to residential use, and in significant developments of 50 or more dwellings, to provide at least 10% affordable housing. This will communicate a clear expectation to developers about their obligation to provide affordable housing stock as part of significant new developments, and reduce the need for this to be negotiated on a case by case basis.

There is also a need to support the improvement and retention of social housing in Yarra to ensure the needs of existing and future residents in need of this type of accommodation are supported.

### What will this achieve?

- An increase in affordable housing will help maintain and support a socially, economically and culturally diverse community; and
- Reduce the need for complex negotiations between Council and developers about providing affordable housing stock as part of significant new developments and rezonings.



