



Ordinary Council Meeting Minutes

Tuesday 13 August 2019

Council Chamber
Hobsons Bay Civic Centre
115 Civic Parade, Altona

**HOBSONS
BAY CITY
COUNCIL**



8.3.3 New Residential Zones: consideration for adoption

Directorate: Sustainable Communities

Councillor Portfolio: Planning - Cr Tony Briffa and Cr Michael Grech

Appendices:

- 1 Appendix 1 - Summary of Submissions and Responses
- 2 Appendix 2 - Post Exhibition Changes to Housing Framework Plan
- 3 Appendix 3 - Final Housing Framework Plan
- 4 Appendix 4 - Housing Strategy 2019 - Track Changes
- 5 Appendix 5 - Activity Centre Strategy 2019 - Track Changes
- 6 Appendix 6 - Activity Centre Brochures - Changes explained
- 7 Appendix 7 - Neighbourhood Character Study 2019 - Track Changes
- 8 Appendix 8 - Neighbourhood Character Brochures - Changes explained
- 9 Appendix 9 - Existing Neighbourhood Character Descriptions

Cr Tony Briffa returned to the Council Chamber at 8:08 pm.

Purpose

To adopt the New Residential Zones suite of policies (attached), including the Housing Framework Plan (HFP), Housing Strategy (HS), Neighbourhood Character Study (NCS) and Activity Centres Strategy (ACS), following extensive community consultation, to strengthen the controls in place to support appropriate growth and development in Hobsons Bay.

Motion

Moved Cr Colleen Gates, seconded Cr Peter Hemphill:

That Council:

- 1. Adopts the New Residential Zones, including the Housing Framework Plan, the Housing Strategy, the Neighbourhood Character Study and the Activity Centres Strategy.**
- 2. Notes that the Newport Structure Plan boundary has been excised from the New Residential Zones and that the zones in this location will be updated through the Newport Structure Plan process.**
- 3. Resolves to progress the preparation of a Planning Scheme Amendment to translate the Housing Framework Plan, the Housing Strategy, the Neighbourhood Character Study and the Activity Centres Strategy into the Hobsons Bay Planning Scheme.**
- 4. Once the Amendment is prepared, request that the Minister for Planning to grant authorisation under Section 8A of the Planning and Environment Act 1987 to prepare and exhibit an Amendment to the Hobsons Bay Planning Scheme.**
- 5. Council resolves to notify submitters of Council's decision, and of the opportunity to participate in the further consultation that will form part of the**

forthcoming Planning Scheme Amendment process.

Carried

Summary

This report recommends Council's adoption of the New Residential Zones for Hobsons Bay. These New Residential Zones represents an essential step in updating the Hobsons Bay Planning Scheme, and ensures development is appropriate across the many different areas throughout the municipality.

Given the parallel development of the Newport Structure Plan and supporting heritage study is well progressed, it is recommended that the area encompassed within the Newport Structure Plan be excised from the New Residential Zones. This will avoid the possibility of two planning changes in a short timeframe, and ensure that there is consistency in heritage and development planning treatment until the Newport Structure Plan has been adopted by Council and implemented.

The New Residential Zones are a foundational "layer" in our Planning Scheme, and will be complemented by an ongoing program of work such as future Precinct Structure Plans, heritage studies, flood mapping, changes in Major Hazards Facilities buffer zones, and other updates that will continue to be made to the Planning Scheme as Hobsons Bay develops and evolves.

In July 2013, the Victorian Government introduced the New Residential Zones, with three zones to be applied in different metropolitan settings. As a transitional step, in June 2014 the State Government applied one of the three new zones, the General Residential Zone (GRZ), to one hundred per cent of residential land in Hobsons Bay. This interim arrangement was applied for many councils while they developed the necessary strategic planning material to inform the application of the three new zones.

The GRZ has a three storey height limit, and has been applied to all residential development across the municipality since June 2014. The current residential zoning, and a heat map of recent residential development, is provided below. See Figure 1. Current General Residential Zone in Hobsons Bay

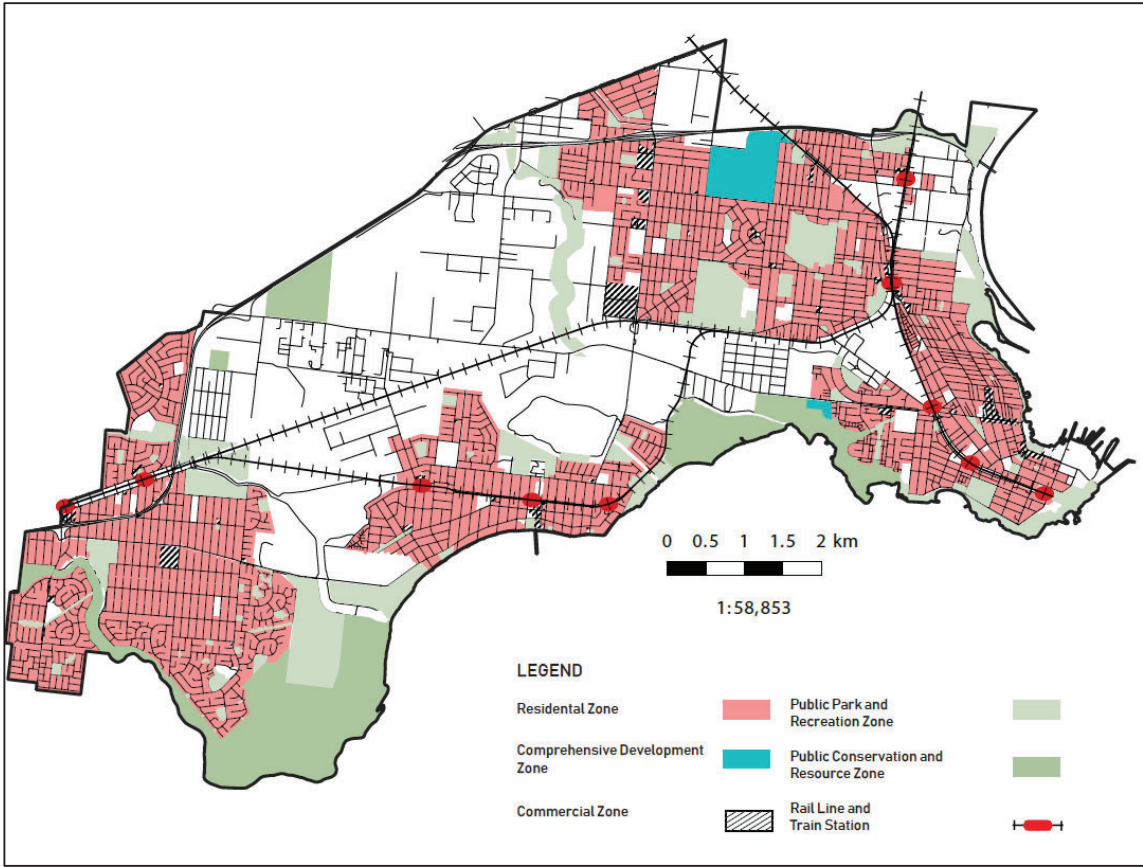


Figure 1. Current General Residential Zone in Hobsons Bay

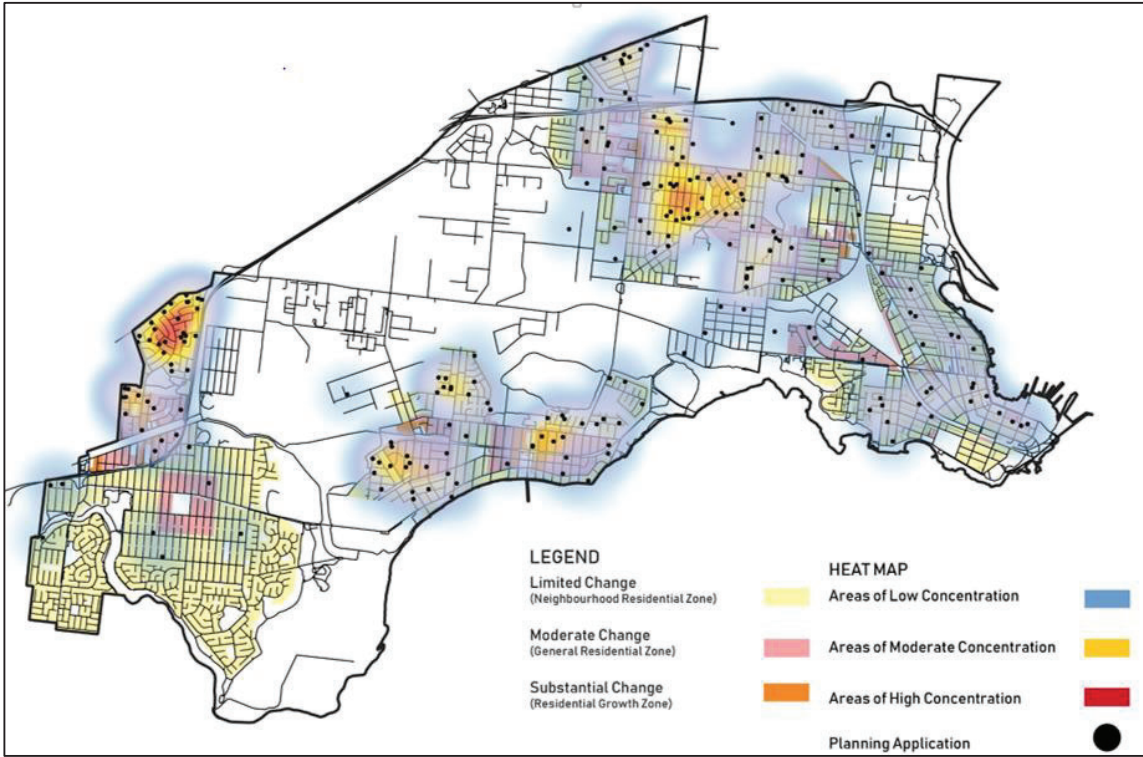


Figure 2: Recent Permit Applications: 2 or more dwellings (Sept 2018 - May 2019)

The three New Residential Zones reflect changing urban development across Melbourne and provide strong controls for councils to direct development. They will establish an up-to-date decision making framework for Council to make decisions on residential development to meet the housing needs of existing and future residents, while also respecting highly valued neighbourhood character. Their adoption will ensure appropriate residential development occurs in appropriate locations in Hobsons Bay, consistent with the expectations of Council and community.

The proposed New Zones package is supported by extensive strategic work which informs which zone to be used and where to apply them across the municipality. The feedback incorporated into the strategic work as part of extensive community consultation is detailed in the Appendices to this report. It includes the Housing Strategy (HS), the Neighbourhood Character Study (NCS), and the Activity Centre Strategy (ACS), which underpin the New Residential Zones, and establish a balanced, consistent and considered application of the zones across the municipality.

The New Zones package proposes the current application of the GRZ to 100 per cent of the municipality to be amended as follows (note the below does not account for the excision of the Newport Structure Plan area):

- the GRZ, which has a three storey height limit, to apply to 21 per cent of the municipality
- the Neighbourhood Residential Zone (NRZ), which has a two storey height limit, to apply to 77 per cent of all residentially zoned land
- the Residential Growth Zone (RGZ), with a default height limit of 13.5m (four storey equivalent), to apply to two per cent of all residentially zoned land

The package incorporates feedback (including 57 submissions) received during the public consultation period when the Draft New Residential Zones were exhibited from 17 September to 9 November 2018. This feedback was considered at the Ordinary Council Meeting on 11 December 2018. The feedback period led to the application of the NRZ to more of the municipality than the original Draft had proposed. A summary of the proposed application of the New Residential Zones is detailed in Figure 3 Proposed Residential Zones following Consultation.

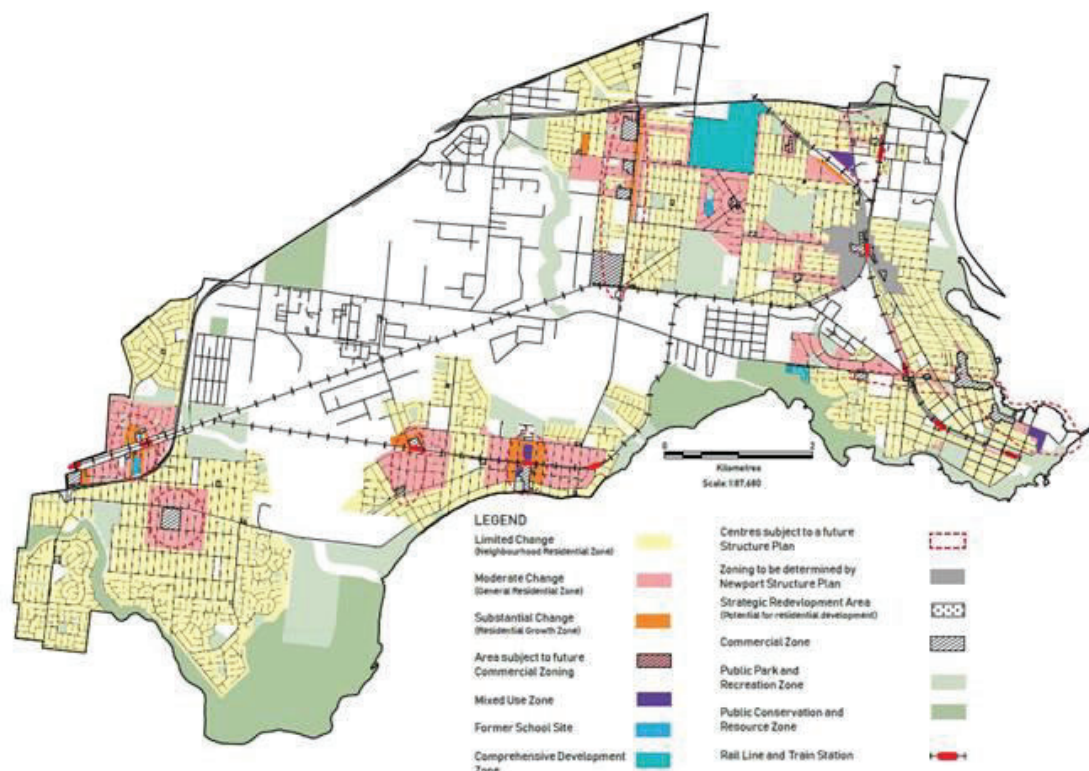


Figure 3: Proposed Residential Zones following Consultation

Once adopted by Council, officers will commence translating the New Zones and supporting policy documents into a Planning Scheme Amendment, for exhibition in early 2020. The Planning Scheme Amendment process will provide the community with an opportunity for further input, and to present to an independent planning panel. The Planning Panel will scrutinise the strategic work undertaken to date.

Background

The Victorian Government introduced the New Residential Zones into the Victorian Planning Provisions in July 2013. On 13 June 2014 the Victorian Government applied the GRZ to 100 per cent of residential land in Hobsons Bay, as a transitional arrangement while strategic work was undertaken. This extensive work has now been undertaken in three supporting strategies: the HS, a new NCS and the ACS. These supporting strategies have been informed by a range of community consultations including formal consultation in late 2014 and 2017-18.

The application of the New Residential Zones represents a major land use planning policy change for Hobsons Bay. This change enables Council to strategically consider and direct where new development should be located based on a range of important factors (discussed in Volume Two of the HS). For example, balancing the need for development near a train station with preserving intact heritage, or limiting density due to proximity to a Major Hazard Facility.

Housing Framework Plan (HFP)

The HFP applies the three New Residential Zones, considering land use opportunities and constraints. The purposes of the New Residential Zones are summarised below:

Residential Growth Zone

- provide housing at increased densities in buildings up to and including four storey buildings
- encourage a diversity of housing types in locations offering good access to services and transport including activity centres and town centres
- encourage a scale of development that provides a transition between areas of more intensive use and development and other residential areas
- ensure residential development achieves design objectives specified in a schedule to this zone

General Residential Zone

- encourage development that respects the neighbourhood character of the area
- encourage a diversity of housing types and housing growth particularly in locations offering good access to services and transport

Neighbourhood Residential Zone

- recognise areas of predominantly single and double storey residential development
- manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics

Activity Centres Strategy (ACS)

Activity Centres vary significantly in terms of size, character and function. Plan Melbourne uses a three tiered network of activity centres ranging from the larger Metropolitan Activity Centres to Major Activity Centres and then smaller Neighbourhood Activity Centres. Hobsons Bay currently has both Major Activity Centres and Neighbourhood Activity Centres.

A tailored approach to local activity centre planning and decision-making is required at the municipal level. A networked approach, which groups comparable activity centre types based on a range of criteria, greatly improves the effectiveness of planning and decision-making, advocacy, attraction of investment as well as on the ground action.

The ACS translates Plan Melbourne's typologies to the Hobsons Bay context and further refines the activity centres network by:






- refining the Neighbourhood Activity Centre typology to reflect local variations in size (Large, Medium and Small)
- identifying a new typology of 'Micro Centres' which fall outside the scope of Plan Melbourne
- defining a new typology of 'Enterprise Area' which primarily comprises large format homemaker and bulky goods retailing
- identifying one Future Major Activity Centre (Central Square) and three Future Large Neighbourhood Activity Centres (Precinct 15: Altona North Strategic Site; Spotswood including the proposed McLister Street mixed use development, and Aviation Road Laverton). Structure plans will confirm the role of these centres in the Local Activity Centres Network.


The ACS outlines a vision for Hobsons Bay's activity centres network, and sets out 11 directions, each of which is supported by policies that apply generally to whole-of Council planning, decision making and advocacy. A set of 13 brochures with guidelines have been designed for individual activity centres within the Hobsons Bay activity centres network.

Neighbourhood Character Study (NCS)

Neighbourhood character is the relationship between the built-form, landscaping and topographic conditions present in the private and public realm. The Hobsons Bay NCS has been updated (last released in 2002). It describes neighbourhood character and the existing policy and statutory context, and through consultation identifies established valued neighbourhood character elements.

Hobsons Bay has a diverse range of neighbourhoods and comprises six main character types. Each character type is created by the different elements including building form, vegetation, colours and materials that contribute to the character of the area.

Type	Description	Example
Garden Court	Generally spacious residential areas located in a garden setting and developed through a curvilinear subdivision. Developed generally between the 1960s–90s. Dwellings are typically double fronted and constructed of brick.	
Garden Suburban	Spacious residential areas located in a garden setting, based on a grid layout. Usually developed in the immediate post-war decades, between 1950s-70s. Dwellings are typically double or triple fronted and constructed of brick.	
Inner Urban	Built form-dominated or compact older residential areas. Dwellings are generally constructed boundary to boundary with minimal front setbacks.	
Urban Contemporary	Residential areas with minimal garden space often related to large infill sites with development providing a positive interface to public open space. Development generally consists of attached townhouses and apartments.	
Waterfront Suburban	Building design is influenced by proximity to the sea. They consist of large, contemporary-styled dwellings which take advantage of waterfront views through upper level balconies and large areas of windows at upper levels. Buildings in these areas use a mix of materials and colours and often have unusual dwelling forms.	

Type	Description	Example
Inner Urban/ Garden Suburban	Display characteristics of both types and character elements can switch between streets.	

The new NCS also identifies special character areas that display strong and consistent character elements. For these areas, investigation of a Neighbourhood Character Overlay could be beneficial, especially to allow control over demolition that cannot be prevented through other neighbourhood character tools. A Neighbourhood Character Overlay would form part of a Planning Scheme Amendment to introduce the new NCS into the Planning Scheme.

The new NCS identifies 28 character precincts across Hobsons Bay, a reduction from the current 42 precincts. Detailed brochures for each precinct provide development guidelines including siting, building form, landscaping, front fencing, colours and material and subdivision for each precinct.

Discussion – community feedback during exhibition

In response to the 2018 consultation, a total of 57 submissions were received. Two main themes emerged:

- concern about over-development – including concerns about the effect of increased housing growth on infrastructure perceived to already be under pressure. The majority of respondents with objections in regards to over-development and building height were from Altona and Newport (west)
- concern about under-development – including concerns around limiting future development opportunities, potential impact on property values and where the preferred neighbourhood character has already been lost to more recent contemporary development. Concerns with underdevelopment were raised by several respondents in Altona, Altona North, South Kingsville, Newport, Williamstown, Spotswood, Laverton and Altona Meadows

The key issues are summarised below.

Over-development

Level of GRZ proposed for Altona

In general, submitters understood the rationale for concentrating residential growth in and around the Pier Street Major Activity Centre (through proposed application of RGZ around the Mixed Use Zone). However, submitters felt that the GRZ has been too widely applied across Altona, disproportionate to the spread of GRZ elsewhere across Hobsons Bay.

Concerns were expressed that the widespread application of the GRZ would result in too many three storey apartments and townhouses which may impact the village feel of Altona, exacerbate parking and traffic congestion issues, and put further strain on drainage and sewerage infrastructure.

Response

The application of the GRZ in Altona was based on a number of criteria including accessibility to train stations and activity centre services, and the availability of land suited to redevelopment opportunities. Concerns regarding the potential for blanket over-development of three storey apartments/townhouses across the suburb is noted. The boundaries of the GRZ were reviewed to identify any opportunities to concentrate density more around the activity centres with train stations.

Changes made

As a result of the review, the following changes have been made to the HFP (see **Appendix 2**):

- GRZ has been generally reduced in Altona to focus more tightly around the Altona Beach Major Activity Centre and Harrington Square Neighbourhood Activity Centre.
- NRZ has been expanded between Harrington Square and Altona.
- GRZ has been changed to NRZ to the south of Blyth Street in proximity of Harrington Square to more tightly reflect walkable catchments.

The GRZ is now proposed to be applied to only 21 per cent of all residentially zoned land within the municipality (3 per cent less than the exhibited plan) and the NRZ, with its two storey height limit, to 77 per cent of all residentially zoned land.

i. Proposed RGZ in Newport west (Durkin/Mirls/Derwent Streets)

There is concern in relation to the proposed application of the RGZ in the pocket of residential development adjacent to the Newport Activity Centre.

Submitters believe that this location is not suited to higher density development because of the heritage value of properties, neighbourhood character, narrow streets, and existing parking issues. In general, submitters understand the need to provide opportunities for medium and higher density development, but consider there are other areas better suited to accommodate new growth than in Durkin/Mirls/Derwent Streets. This is consistent with feedback on the draft Newport Structure Plan, which was exhibited during July and August 2018.

Response

The exhibited draft HS identifies three housing change areas (limited, moderate and substantial) to manage future housing growth and to guide the application of the new residential zones. Proposed housing densities are based on a number of factors, including heritage and neighbourhood character encumbrances and a need to provide more diverse housing near public transport and services. These factors align with the criteria used to determine the application of the New Residential Zones across Hobsons Bay, including what was recommended for Durkin/Mirls/Derwent Streets. In light of the progressed status of the Newport Structure Plan, including a current heritage gap study being undertaken for the study area, it is proposed that the Newport Structure Plan Study Area be excised from the Housing Framework Plan. This will enable Council to consider the detailed planning for Newport, and appropriately apply the new residential zones in accordance with the Structure Plan recommendations.

The planning scheme amendment that will implement the Newport Structure Plan into the Planning Scheme therefore ultimately determine the residential zoning for Durkin/Mirls/Derwent Streets.

Changes made

That the Newport Structure Plan Study Area be excised from the Housing Framework Plan to allow for the detailed planning (including heritage and structure planning) to inform the appropriate suite of new residential zones applicable to the area.

iii. Public infrastructure constraints

Submissions cited concerns regarding the impact of increased housing growth on traffic, car parking and drainage infrastructure, already perceived to be at or over capacity in many parts of the municipality.

Submitters are concerned that upgrades to existing community infrastructure have not been considered when planning for increased housing growth. A particular concern is how the key arterial roads in and out of Hobsons Bay will cope with an increase in residents given current public transport services in the municipality are unreliable and not regular enough.

There is concern that the number of on-site car parking spaces provided for medium and high density developments is inadequate.

Response

Hobsons Bay's population is forecast to increase from 95,395 people in 2018 to 112,642 in 2036. One of the key strategic directions of Plan Melbourne 2050, considered in the policy documents underpinning the New Residential Zones, is the creation of 20-minute neighbourhoods to increase walkability and reduce reliance on vehicles. This includes increasing population density in appropriate locations.

Council will continue to work with the State Government and public authorities to identify and respond to capacity issues. The HFP enables Council to advocate for specific services in areas identified for future growth. Car parking is considered in the statutory assessment of individual development applications, which is informed by the Victoria Planning Provisions.

Council has been developing a range of long term strategic plans for our infrastructure to ensure it meets the needs of the current and future communities. These include an Open Space Strategy, Sports Needs Analysis and the Community Services Infrastructure Plan Council is currently finalising, which looks at community infrastructure needs. Council also has a Capital Works Program to implement a series of plans that considers drainage, roads, footpaths, and open space needs into the future.

Changes made

No changes have been made to the HFP that directly respond to this concern. However, the HS has been amended to include a recommended action relating to Council's role in advocating for better sequencing of infrastructure and housing.

Under-development

Objections due to under-development primarily relate to concerns around property owners feeling like they will not be able to develop their property and/or that a lack of future development potential will impact on their property values adversely.

Under-development was raised as a concern particularly in Altona, Altona North, South Kingsville, Newport, Williamstown, Spotswood, Laverton and Altona Meadows.

Response

There is no pattern in the locations of the lots where submitters were objecting on the grounds of under-development. In many cases, the submitters had property proposed for the NRZ, however this zone does not limit development opportunities.

The application of the New Residential Zones has followed a set of objective criteria applied consistently across Hobsons Bay. The value of property has a number of influences. The proposed application of the New Residential Zones has been developed in accordance with the zone purpose and policies as directed by the Victorian Government.

Changes made

As part of tightening opportunity for increased housing around the activity centres in Altona, additional RGZ has been applied in close proximity to both Altona Beach Major Activity Centre and Harrington Square Medium Neighbourhood Activity Centre (see **Appendix 2**).

The RGZ is proposed to apply to only two per cent of all residentially zoned land within the municipality.

Additional Changes

In addition to changes outlined above, other improvements have been made to strengthen the strategies supporting the new residential zones. These include correcting mapping anomalies, ensuring consistency across all documents, and retaining GRZ immediately surrounding Vernon Street Neighbourhood Activity Centre in South Kingsville to reflect the ACS principle to diversify housing types in this location.

During the review, corrections and updates were also made to the suite of policies supporting the New Residential Zones. This includes amendments to reflect recent changes to the Hobsons Bay Planning Scheme and to recalibrate the Housing Capacity Assessment in the context of changes to the HFP. The latter recalibration still confirms that, under the application of the new zones, Hobsons Bay has adequate supply to meet forecast dwelling demand over the next 20 years.

The NCS has been updated to reflect the changes to the HFP and Housing Capacity Assessment (**Appendix 7**). Individual NCS Precinct Brochures have been streamlined in terms of format and consolidation of design guidelines. Alterations to design guidelines for each precinct improve the clarity of the guidelines. All changes are documented in **Appendix 8**.

The precinct brochures for all 28 NCS precincts have also been redesigned, incorporating the previously separate Design Guidelines for Substantial Change Areas into the brochures for Limited and Moderate Change Areas. These changes will help to consolidate the Design Guidelines for each precinct and improve their transparency. The revised Neighbourhood Character Design Guidelines were modified with input from Council's Statutory Planning Unit to ensure clarity and useability, and are in **Appendix 8**.

The existing characteristics descriptions for each NCS precinct that were included in the exhibited brochures have been partially modified and separated into new standalone documents (see **Appendix 9**). These new documents also explain the local policy history of each precinct area and the changes to precinct boundaries that were originally defined in the 2002 NCS Study and inserted into planning scheme local policy in 2005.

The ACS has been finalised with a couple of minor changes including recognition of 107-115 Blackshaws Rd, Newport as a Micro Centre. The Rifle Range and Williamstown North Activity Centres have been separated out as they were previously presented as one centre. Williamstown North has now been categorised as a Small NAC. The ACS is at **Appendix 5**.

Next steps

Once adopted by Council, officers will commence translating the HFP, HS, NCS and ACS into a planning scheme amendment. Following Authorisation by the Minister for Planning it is envisaged that this evidence based strategic work will be exhibited early 2020. This will provide the opportunity not only for the community to have further input and present to an independent planning panel, but also for the planning panel to scrutinise the strategic work undertaken to date.