

Transforming Housing Partnership

December 1, 2015.

This is a joint submission on behalf of several organizations involved in the Transforming Housing partnership. Since July 2014, this partnership, which has included representatives from state and local government, private developers, community housing providers and both private and philanthropic investors, has developed an agenda for action to scale up the amount and quality of affordable housing in metropolitan Melbourne.

Our comments are based on an Options Paper developed in April 2015:

<http://msd.unimelb.edu.au/sites/default/files/docs/Affordable%20Housing%20Summit%20Options%20Paper%20or%20web.pdf>

which was discussed in a multi-sectoral Affordable Housing Summit at the end of that month:

<http://msd.unimelb.edu.au/sites/default/files/docs/Affordable%20housing%20summit%20report.pdf>

There were nine directions **discussed** at the Summit that are of specific relevance to the state government as it revises *Plan Melbourne*:

1. While in principle **a containment of the UGB boundary is agreed**, the concern still rests with the impact this might have on affordability without **a commensurate and affordable alternative supply of family friendly medium density developments, supported by changes to planning policy**.

The principle of containment should not override the focus on housing stock being affordable to average Australian families. However, the issue of *affordable living* must also be considered, and might involve housing in sufficient densities to support convenient access to employment, services, and public transport. Having affordable housing located along public transport routes was agreed unanimously.

2. For state government to **develop an integrated and financed affordable housing strategy**, involving the Departments of Treasury and Finance, Health and Human Services, and Environment, Planning, Land and Water; along with the Metropolitan Planning Authority, Places Victoria, the Office of the Victorian Government Architect, and VicTrack, that
 - defines a **continuum of affordable housing needs**;
 - creates and monitors **housing targets** (including affordable housing targets) at the local government area;
 - provides a **suite of mechanisms** that can enable creation of more affordable housing.

This strategy also needs to include **appropriate funding mechanisms** to ensure an ongoing supply of affordable housing.

3. One key mechanism (although not the sole answer) is **inclusionary zoning** on both

government-owned and private land, to be implemented by local governments working with developers, community housing organizations, and other key stakeholders

4. Another key mechanism is to facilitate a zoning system that enables **density bonuses** for affordable housing provision
5. A third key mechanism is to investigate **zoning reform** to allow small accessory units (such as laneway housing) on larger lots, reducing car parking requirements for affordable housing, and streamlining approvals processes including third party appeals.
6. Perhaps the most important mechanism to enable more and better affordable housing is a **consistent subsidy mechanism**. While recognizing the importance of the Commonwealth Government in direct funding (such as the Social Housing Initiative) and indirect funding (through tax incentives), the state government can assist by enabling social housing investment bonds, government guarantees for bond instruments and/or land trust and other shared equity schemes.
7. State, local and Commonwealth governments can also **utilize publicly owned and under-utilized land** to facilitate affordable housing development, whether through long term lease or sale of land to community housing organizations, including stock transfer of public housing.
8. State government should **support deliberative multi-sectoral planning partnerships** such as Transforming Housing to facilitate implementation of an Affordable Housing Strategy.
9. State government should facilitate high quality housing prototypes that showcase lifecycle affordability, adaptability and sustainability through a **Housing Exposition**.

Signatories

Transforming Housing

The Lord Mayor's Charitable Foundation

Frasers Property

Launch Housing

MGS Architects

The Brotherhood of St Laurence

Submission Template

Chapter 2: Growth, challenges, fundamental principles and key concepts

1. The discussion paper includes the option (option 5, page 16) that Plan Melbourne better define the key opportunities and challenges for developing Melbourne and outlines some key points for considerations in Box 1. *Are there any other opportunities or challenges that we should be aware of?*

We agree that 'housing affordability' is one of the key challenges for Melbourne, and we agree with the importance of ensuring 'more affordable housing' 'particularly in well serviced inner and middle suburbs with good access to jobs. We also agree with the linked challenge of 'low suburban density' and 'providing services and infrastructure for communities', with a goal of 'more diversity and choice in the housing sector, closer proximity to public transport and jobs', and early provision of 'health, education, public transport, retail and community facilities and services'.

We would recommend developing, either within Plan Melbourne or separately, a 20 year Affordable Housing Strategy in 2016 that would set out clear targets and funding streams to implement these goals, as well as monitoring indicators (such as the Portland Plan, which maps 'complete communities' containing affordable and diverse housing with proximity to transport, jobs and services and has a specific goal of increasing these complete communities from 45% of population in 2012 to 80% of population in 2035).

2. The discussion paper includes the option (option 6, page 18) that the United Nations Sustainable Development Goals be included in Plan Melbourne 2016. *Do you agree with this idea? If so, how should the goals be incorporated into Plan Melbourne 2016? Choose one option:*

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Please explain your response:

This is a very exciting opportunity and does have the possibility of placing Melbourne at the forefront of the international urban sustainability movement. There will be further development of a New Urban Agenda at Habitat Three in Quito Ecuador in October 2016, and it is hoped that a Melbourne contingent attends. There is also a Rockefeller Foundation funded urban resilience officer located at the City of Melbourne, but mandated to work with all local governments. This could be an important resource in incorporating Sustainable Development Goals, including housing, into Plan Melbourne 2016.

3. The discussion paper includes the option (option 7, page 18) to lock down the existing urban growth boundary and modify the action (i.e. the action under Initiative 6.1.1.1 in Plan Melbourne 2014) to reflect this. *Do you agree that there should be a permanent urban growth boundary based on the existing boundary? Choose one option:*

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Please explain your response:

This is a complex question which requires understanding of land and development economics, and how this affects pricing. As such, establishing a permanent urban growth boundary cannot occur without adequate measures to ensure that affordable housing is developed within the existing boundary. This means acknowledging that alternative supply must be available in terms of medium density development opportunities in established areas so that this boundary does not adversely affect affordability. Other issues, such as food security, must also be considered.

Developing the concept of a 20 minute city (or complete community), where daily needs can be met locally, primarily within a 20 minute walk is a design principle that is supported by all the members of Transforming Housing. This involves consideration of the issues of infrastructure provision and liveability. Both Portland and Vancouver have had solid growth boundaries since the 1970s and this has been major factor in their integrated planning success.

However, a greater understanding of the micro economic factors in relation to their supply and demand characteristics (including alternative supply of an affordable and suitable product) needs to be understood in order to better inform ourselves as to the ultimate secret of their success.

- 4. The discussion paper includes the option (option 8, page 18) that Plan Melbourne 2016 should more clearly articulate the values of green wedge and peri-urban areas to be protected and safeguarded. How can Plan Melbourne 2016 better articulate the values of green wedge and peri-urban areas?**

This is beyond the direct remit of our project, although the values of green space and agricultural preservation to meet the needs of a growing population affected by an increasing urban heat island effect should be self-evident. The recent release of the FoodPrint Melbourne report (Victorian Eco Innovation Lab, University of Melbourne) may be useful to consider in the context of a sustainable food system for Melbourne.

- 5. The discussion paper includes the option (option 9, page 18) to remove the concept of an Integrated Economic Triangle and replace it with a high-level 2050 concept map for Melbourne (i.e. a map that shows the Expanded Central City, National Employment Clusters, Metropolitan Activity Centres, State-Significant Industrial Precincts, Transport Gateways, Health and Education Precincts and Urban Renewal Precincts). What elements should be included in a 2050 concept map for Melbourne?**

Again, the 'concept map' should be organized around the principle of a 20 minute city, with activity centres connected by public transport and walkable/ cycle-able pathways.

- 6. The discussion paper includes the option (option 10, page 18) that the concept of Melbourne as a polycentric city (i.e. a city with many centres) with 20-minute neighbourhoods (i.e. the ability to meet your everyday (non-work) needs locally, primarily within a 20-minute walk) be better defined. Do the definitions adequately clarify the concepts? Choose one option:**

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Please explain your response:

Yes, this stronger definition would begin by mapping 20 minute walking access (1 km) at the suburb or precinct level to a 'market basket' of essential infrastructure. This would include adequate affordable housing (e.g. 15% of housing available to those at less than 30% of average median income, including aged care), reliable and frequent public transport (a stop with service no less

frequent than 5 times an hour, 18 hours a day, 7 days a week), low cost childcare, public education such as a primary school and associated kindergarten, public health care services such as a bulk-billing clinic, adequate green space that includes play spaces for younger and older children, as well as community gardens, walking and cycling paths (preferably along linear parkways), and local level shopping centres (preferably along streets and with some public gathering places, with access to fresh fruits and vegetables).

This can be mapped and infrastructure investment prioritized for poorly serviced areas. As state government is responsible for public transport, healthcare, education and childcare provision, as well as planning policy (including housing and open space policy), a more integrated planning system can be achieved using these principles.

7. The discussion paper includes options (options 11-17, pages 23 to 27) that identify housing, climate change, people place and identity and partnerships with local government as key concepts that need to be incorporated into Plan Melbourne 2016. Do you support the inclusion of these as key concepts in Plan Melbourne 2016?

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Please explain your response:

There is strong agreement that Plan Melbourne 2016 must include a stronger focus on mechanisms (both regulatory and funding) to achieve clear targets.

When it comes to the first option of housing, Plan Melbourne must be underpinned by an understanding of the total housing continuum, which should include emergency shelters to supportive housing (housing with associated services, housing for people with disabilities or shorter-term health issues), to subsidized rental housing for low income households, to inexpensive rental options for moderate income households (Vancouver offers a good model of the housing continuum).

There must also be a commitment to the capacity to age in place, through provision of a greater diversity of housing (in terms of size of units as well as price points and rental/ownership mix), and also supporting accessible and adaptable units so that older people can stay in their units.

8. Any other comments about chapter 2 (growth, challenges, fundamental principles and key concepts)?

We believe that any significant document like Plan Melbourne needs to include an understanding of the economic factors that affect land value and the creation and cost of alternative supply.

As mentioned under point 3, if the Urban Growth Boundary is to eventually be “locked down” then a real understanding of the alternatives available to people needs to be understood in terms of the cost to produce. Plan Melbourne 2016 needs to include mechanisms and incentives that will encourage the market to make decisions that support the goal of increasing the supply of affordable housing across Melbourne. At the same time, social and environmental objectives must also be considered.

If, for example, a stronger urban growth boundary resulted in the cost of a medium density alternative to be more expensive (as is currently the case due to the increased costs associated with planning delays, commercial construction of 5 storey dwellings, site decontamination costs, and brownfield sites being unavailable as they have not come to the end of their economic use) then

what have we really achieved in terms of affordability? Without a clear and concise understanding of the economic impacts of planning decision, it is no wonder that the market does not respond to what we consider “Good Planning Outcomes”.

This also applies to value capture opportunities; understanding how a residual land calculation is done is fundamental to knowing how much “uplift” is actually achieved and how much can be clawed back without disincentivising the market to participate.

The good news is that Melbourne is well positioned to achieve these outcomes with over 600 hectares of land to be redeveloped as part of urban renewal within 5km of the CBD, which is close to a high concentration of jobs, infrastructure and services. There is also scope for substantial redevelopment in relatively low cost areas such as Sunshine, Reservoir, Heidelberg West and Clayton, which are nevertheless close to good infrastructure and employment opportunities. The policy mechanisms arising from Plan Melbourne must proactively exploit these opportunities.

Chapter 3: Delivering jobs and investment

9. The discussion paper includes the option (option 20, page 30) to revise the Delivering Jobs and Investment chapter in Plan Melbourne 2014 to ensure the significance and roles of the National Employment Clusters as places of innovation and knowledge-based employment are clear. *How can Plan Melbourne 2016 better articulate the significance and roles of the National Employment Clusters as places of innovation and knowledge-based employment?*

We particularly support the emphasis on service jobs and health and education facilities. These can be easily influenced by state government policy (much more so than manufacturing or retail jobs). Providing more services near housing, and more housing, near services, is a good way to improve liveability throughout metro Melbourne.

10. The discussion paper includes two options (page 30) relating to National Employment Clusters, being:

Option 21A: Focus planning for National Employment Clusters on core institutions and businesses

Option 21B: Take a broader approach to planning for National Employment Clusters that looks beyond the core institutions and businesses

Which option do you prefer?

- Option 21A
 Option 21B

Please explain why you have chosen your preferred option:

11. The discussion paper includes the option (option 22, page 30) to broaden the East Werribee National Employment Cluster to call it the Werribee National Employment Cluster in order to encompass the full range of activities and employment activities that make up Werribee. This could include the Werribee Activity Centre and the Werribee Park Tourism Precinct. *Do you agree with broadening the East Werribee Cluster? Choose one option:*

- Strongly Disagree

- Disagree
- Agree
- Strongly Agree

Why?

12. The discussion paper includes the option (option 23, page 30) to broaden the Dandenong South National Employment Cluster to call it the Dandenong National Employment Cluster in order to encompass the full range of activities and employment activities that make up Dandenong. This could include the Dandenong Metropolitan Activity Centre and Chisholm Institute of TAFE. Do you agree with broadening the Dandenong South National Employment Cluster? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

13. The discussion paper includes options (options 24 to 30, pages 33 and 34) that consider the designation of activity centres and criteria for new activity centres. Do you have any comments on the designation of activity centres or the criteria for new activity centres as outlined in the discussion paper?

One of the weaknesses of Melbourne 2030 was an inadequate focus on transit-oriented design, for instance, in promoting activity centres near train stations. Plan Melbourne 2016 should emphasize the importance of the activity centre policy reinforcing the '20 minute neighbourhood' / complete community concept, with local services planned and provided in conjunction with public transport improvements to serve population increases. One of the resident frustrations with Melbourne 2030 was the failure of state government to link increased population growth with timely and adequate services, including public transport.

14. The discussion paper includes the option (option 31, page 35) to evaluate the range of planning mechanisms available to protect strategic agricultural land. What types of agricultural land and agricultural activities need to be protected and how could the planning system better protect them?

- 15. The discussion paper includes the option (option 32, page 36) to implement the outcomes of the Extractive Industries Taskforce through the planning scheme, including Regional Growth Plans, to affirm that extractive industries resources are protected to provide an economic supply of materials for construction and road industries. Do you have any comments in relation to extractive industries?**

- 16. Any other comments about chapter 3 (delivering jobs and investment)?**

There should be more explicit linkage to the concept of a 20 minute city. Not all jobs can be delivered within a 20 minute walk (or a bicycle or public transport commute of the same length). However, a greater commitment to health and education service provision within a walkable distance to all housing choices is a great way to provide local employment.

In addition, it should be recognized that the location of key public facilities such as schools and hospitals has the potential to stimulate the location of private businesses and therefore employment.

Chapter 4: A more connected Melbourne

17. The discussion paper includes the option (option 34, page 42) to include the Principal Public Transport Network in Plan Melbourne 2016. Do you agree that the Principal Public Transport Network should inform land use choices and decisions? Choose one option:

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Why?

Yes, this links planning policy with the Integrated Transport Act and is long overdue. Research undertaken by state and local government '(Transforming Australian Cities') indicates that building along transport corridors (tram, rail and high-frequency bus routes) would enable population growth without either areal sprawl or major disruption of residential areas. This approach is being taken by many cities around the world and provides much more certainty to developers, residents, and local governments.

Again, it would require changes to zoning and the strong involvement of VicTrack in relation to rail corridors. Again, an understanding of the market/construction economics will inform the housing types that are likely to be delivered by the market rather than assuming family homes will be the result of such planning changes.

18. The discussion paper includes the option (option 35, page 43) to incorporate references to Active Transport Victoria (which aims to increase participation and safety among cyclists and pedestrians) in Plan Melbourne 2016. How should walking and cycling networks influence and integrate with land use?

Walking and cycling are the basis of a 20 minute city. For instance, it is essential that local primary schools are within easy and safe walking and cycling catchments of the majority of their students, in order to reverse the trend of children being driven to school (which, in turn, leads to negative health and safety outcomes for children).

There are many exemplars of family-oriented medium density housing that can be integrated with walking and cycling routes, green spaces and local services, as well as access to other employment through good public transport networks. At present, many new master planned housing estates do not have timely delivery of schools, public transport and other services, which sets path dependency of car dependence for those people seeking these options. This is not 'affordable living'.

19. Any other comments about chapter 4 (a more connected Melbourne)?

There should be more linking back to the concept of a '20 minute city' in order to provide integrated housing, transport, and service policy.

Chapter 5: Housing

20. The discussion paper includes the option (option 36A, page 46) to establish a 70/30 target where established areas provide 70 per cent of Melbourne’s new housing supply and greenfield growth areas provide 30 per cent. Do you agree with establishing a 70/30 target for housing supply? Choose one option:

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Why?

Over the last several decades, the affordability of housing in growth areas (relative to that in established areas) has been a significant driver of Melbourne’s growth. However, this has caused issues such as difficulty in coordinating development with infrastructure provision in these areas, and has meant that much housing that is considered “affordable” has poor access to employment, infrastructure and services, and contributes to increased cost of living, longer commutes, etc.

We must acknowledge that people, as consumers of housing, make “trade-offs” with respect to price, location, size and other attributes relating to dwellings, and that while the government cannot tell people what they want or where they want it, it can use policy to guide decision making processes in order to increase housing options.

Bad planning decisions of the past made by governments have not been acknowledged nor understood. For example, when land was zoned from rural to residential in growth areas, huge value uplifts were made by a few farmers (and some speculators). Capturing a proportion of this uplift to contribute to the provision of badly needed infrastructure was not considered. This was not requested until the introduction of the GAIC. Due to speculation, this has caused the market for farmland on the edge of the urban growth boundary to escalate in price over the years and has contributed to the current scenario reflecting our high retail land pricing.

The target of 70/30 is reasonable. The state government needs to understand the market drivers that will direct consumers towards making appropriate decisions, and also realise that a social infrastructure gap exists in the greenfields and need to be appropriately funded to enable great communities to grow.

21. What, if any, planning reforms are necessary to achieve a 70/30 target?

There must be a new codified planning process based on

- (1) LGA housing targets, including diversity and affordability targets (with more affordable housing in areas well-served by infrastructure);
- (2) simplified zoning controls on height, density and mix (e.g. six storeys along major transport routes, encouraging vertical infrastructure like schools, health care centres and community centres in ground floors of residential developments, if there is appropriate adjacent green space);
- (3) encouragement of small scale redevelopment (e.g. as of right accessory units);
- (4) greater emphasis on community-based precinct structure planning that includes explicit state government commitments to sequence infrastructure to serve increased populations;
- (5) once the decisions have been made at the precinct scale, a restriction on third party rights if the proposed development meets the code. These planning reforms must be informed by an understanding of their economic and financial implications.

22. The discussion paper includes the option (option 36B, page 46) to investigate a mechanism to manage the sequence and density of the remaining Precinct Structure Plans based on land supply needs. Do you agree with this idea? Choose one option:

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Why?

As the discussion paper says, the state government needs to exercise greater control on the timing and sequencing of greenfield land release, as part of a commitment to complete communities.

Simply put, it is quicker and cheaper for the state government to encourage housing near where there is already infrastructure and employment, than to try and build new infrastructure and encourage employment centres that can keep pace with greenfield development. Again, we would argue that a clear understanding of land economics is central to the design of such a mechanism, in order to ensure the market delivers the expected outcomes, rather than requiring outcomes that are not economically viable to deliver.

23. The discussion paper includes the option (option 36C, page 46) to focus metropolitan planning on unlocking housing supply in established areas, particularly within areas specifically targeted for growth and intensification. Do you agree with this idea? Choose one option:

- Strongly Disagree
 Disagree
 Agree
 Strongly Agree

Why?

See above: Planners need to better understand land economics and encourage the market to respond within an appropriate policy framework. In the longer run, it is quicker and cheaper (when a whole of government costing is considered) for the state government to encourage housing, including affordable housing, proximate to where there is already infrastructure and employment, than to try and fund and then build new infrastructure and encourage employment centres that can keep pace with greenfield development.

The real issue facing the private sector in unlocking housing supply in established areas is where land aggregation is required, as it is usually cost prohibitive due to the holding costs. Government bodies such as Places Victoria could, for strategic reasons, become the entity that aggregates land and then sells the combined parcel (with a development plan) to the private sector for development, as occurred in the redevelopment of Freshwater Place in Southbank.

24. The discussion paper includes options (option 37, page 50) to better define and communicate Melbourne's housing needs by either:

Option 37A: Setting housing targets for metropolitan Melbourne and each sub-region relating to housing diversity, supply and affordability.

Option 37B: Developing a metropolitan Housing Strategy that includes a Housing Plan.

Which option do you prefer? Choose one option:

- Option 37A
 Option 37B

X Both

Why?

It is important in the context of a greater Melbourne that each LGA contributes to the housing supply and consequently has specific housing targets to achieve.

There is the need for local government and sub-regional targets within Plan Melbourne 2016, but there also needs to be a follow up integrated Housing Strategy that provides a strong set of Victorian and local government actions (including financing mechanisms, new zones, and ways to unlock government land – particularly VicTrack land but also ‘surplus’ schools, carparks, and possibly Commonwealth Department of National Defence land).

If strong financing or incentive mechanisms for affordable housing can be provided, it would be preferable to have a single document. This should include both a strategy with key mechanisms to address housing supply, affordability and quality across the housing continuum, as well as short term implementation plans with associated targets.

25. The discussion paper includes the option (option 38, page 52) to introduce a policy statement in Plan Melbourne 2016 to support population and housing growth in defined locations and acknowledge that some areas within defined locations will require planning protection based on their valued character. How could Plan Melbourne 2016 clarify those locations in which higher scales of change are supported?

Using the principles of Transit Oriented Design and 20 Minute Cities means that areas immediately adjacent to transit routes (and possibly, train stations themselves) should be identified for both employment/ services and higher density housing. The use of 400 metre and even 1 km catchments in some older suburbs means that higher density zoning spills out into heritage protected residential areas along side streets.

There also needs to be a community precinct based planning discussion in some areas about options for increased housing. The question is not ‘whether’ there will be increased housing but ‘what form’ this housing will take.

26. The discussion paper includes the option (option 39, page 52) to clarify the direction to ‘protect the suburbs’. How could Plan Melbourne 2016 clarify the direction to protect Melbourne and its suburbs from inappropriate development?

The discussion paper itself asks ‘what suburbs are being protected from’. Places change over time, just as people change over time. Perhaps ‘inappropriate development’ should be redefined as ‘development that brings inadequate public benefit’ – development that happens without contributing to local neighbourhoods through improvement to local schools, public transport, green space, or services.

There are changes to the development charge system, which, along with an improved integrated planning approach from state government, can link new housing and better infrastructure in a much more transparent and equitable manner. In addition, the community could be educated to look for ‘quality in their backyard/neighbourhood’ rather than simply taking a ‘protect the suburbs’ approach.

27. The discussion paper includes the option (option 40, page 56) to clarify the action to apply the Neighbourhood Residential Zone to at least 50 per cent of residential land by:

Option 40A: Deleting the action and replacing it with a direction that clarifies how the residential zones should be applied to respect valued character and deliver housing diversity.

Option 40B: Retain at least 50 per cent as a guide but expand the criteria to enable variations between municipalities.

Which option do you prefer? Choose one option:

- X Option 40A
 Option 40B
 Other

Why?

There is strong agreement with the MAC that the NRZ potentially locks up infrastructure-rich and job-rich suburbs from further major growth and development.

Zoning restrictions should not be applied until data is available presenting options on how to accommodate a further 1.75 million dwelling units in metropolitan Melbourne by 2051 without further underserviced sprawl. Each municipality needs to play its part in providing appropriate housing supply and housing choice within its boundaries.

28. The discussion paper includes the option (option 42, page 58) to include an action in Plan Melbourne 2016 to investigate how the building and planning system can facilitate housing that readily adapts to the changing needs of households over the life of a dwelling. In what other ways can Plan Melbourne 2016 support greater housing diversity?

The discussion paper correctly identifies modular, prefabricated and other forms of adaptable construction as enablers of sub-division of units or easy construction of accessory units on a larger lot. As of right second units should be part of all residential zones.

29. A number of options are outlined in the discussion paper (page 58) to improve housing affordability, including:

Option 45A: Consider introducing planning tools that mandate or facilitate or provide incentives to increase social and affordable housing supply.

Option 45B: Evaluate the affordable housing initiative pilot for land sold by government to determine whether to extend this to other suitable land sold by government.

Option 45C: Identify planning scheme requirements that could be waived or reduced without compromising the amenity of social and affordable housing or neighbouring properties.

What other ideas do you have for how Plan Melbourne 2016 can improve housing affordability?

We would agree with Option 43 and would further encourage the Planning Minister to develop a definition of an affordable housing continuum as the first step in a discussion on affordable housing.

We would also agree with Option 44 – an expedited planning approvals process for social housing.

It is possible that 45A could be implemented if there were clearer and simpler height and density controls for much of inner and middle Melbourne, with some room for a density bonusing system such as the one used in Vancouver.

As for 45B, we would encourage a strong inclusionary zoning system for all new housing on government land. We would also suggest that inclusionary zoning could also be included on private land as part of any new rezoning process, where it can be clearly shown that by directing a share of this uplift towards affordable housing will not destroy the economics of the development (residual land value calculations).

45C refers to reduced parking and other requirements for affordable housing. As pointed out by the discussion paper, both the Planning and Environment Act and the State Planning Policy Framework need amendment, and local governments would need both enabling legislation and policy support to develop better affordable housing strategies. This is a long term commitment that needs some strong targets and mechanisms within Plan Melbourne, but also work with the Department of Treasury and Finance and advocacy with the Commonwealth government to truly make it work.

30. Any other comments about chapter 5 (housing)?

This chapter is hugely improved from the 2014 Plan, and we commend the work of the Ministerial Advisory Committee. With significant population growth in Victoria projected to continue over the coming decades, it is imperative that the Victorian Government implement a strong and proactive affordable housing strategy. This will achieve only important social objectives of safe and stable housing for all Victorians, but will also contribute to economic objectives through enhanced social and economic participation, and savings on health and welfare budgets.

Chapter 6: A more resilient and environmentally sustainable Melbourne

31. The discussion paper includes the option (option 46, page 69) to introduce Strategic Environmental Principles in Plan Melbourne 2016 to guide implementation of environment, climate change and water initiatives. Do you agree with the inclusion of Strategic Environmental Principles in Plan Melbourne 2016? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

32. The discussion paper includes the option (option 47, page 72) to review policy and hazard management planning tools (such as overlays) to ensure the planning system responds to climate change challenges. Do you agree with this idea? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

33. The discussion paper includes options (options 48 and 49, page 72) to update hazard mapping to promote resilience and avoid unacceptable risk, and update periodically the planning system and supporting legislative and policy frameworks to reflect best available climate change science and data. Do you have any comments on these options?

34. The discussion paper includes the option (option 50, page 73) to incorporate natural hazard management criteria into Victorian planning schemes to improve planning in areas exposed to climate change and environmental risks. Do you agree with this idea? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

35. The discussion paper includes the option (option 51, page 75) to investigate consideration of climate change risks in infrastructure planning in the land use planning system, including consideration of an 'infrastructure resilience test'. Do you agree that a more structured approach to consideration of climate change risks in infrastructure planning has merit? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

36. The discussion paper includes the option (option 52, page 76) to strengthen high-priority habitat corridors throughout Melbourne and its peri-urban areas to improve long-term health of key flora and fauna habitat. Do you agree with this idea? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

37. The discussion paper includes options (options 53 and 54, pages 78 and 79) to introduce strategies to cool our city including: increasing tree canopy, vegetated ground cover and permeable surfaces; use of Water Sensitive Urban Design and irrigation; and encouraging the uptake of green roofs, facades and walls, as appropriate materials used for pavements and buildings with low heat-absorption properties. What other strategies could be beneficial for cooling our built environment?

38. The discussion paper includes the option (option 56A, page 80) to investigate opportunities in the land use planning system, such as strong supporting planning policy, to facilitate the increased uptake of renewable and low-emission energy in Melbourne and its peri-urban areas. Do you agree that stronger land use planning policies are needed to facilitate the uptake of renewable and low-emission energy? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

39. The discussion paper includes options (options 56B and 56C, page 80) to strengthen the structure planning process to facilitate future renewable and low-emission energy generation technologies in greenfield and urban renewal precincts and require consideration of the costs and benefits of renewable or low-emission energy options across a precinct. Do you agree that the structure planning process should facilitate the uptake of renewable and low-emission technologies in greenfield and urban renewal precincts? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- Strongly Agree

Why?

40. The discussion paper includes the option (option 57, page 81) to take an integrated approach to planning and building to strengthen Environmentally Sustainable Design, including consideration of costs and benefits. Do you agree that an integrated planning and building approach would strengthen Environmentally Sustainable Design? Choose one option:

- Strongly Disagree
- Disagree
- Agree
- X Strongly Agree

Why?

This must be incorporated in all new housing construction as well as encouraged in existing housing, in order to minimize operating and energy costs.

41. Any other comments about chapter 6 (a more resilient and environmentally sustainable Melbourne)?

Chapter 7: New planning tools

- 42. The discussion paper includes options (options 58A and 58B, page 84) to evaluate whether new or existing planning tools (zones and overlays) could be applied to National Employment Clusters and urban renewal areas. *Do you have any comments on the planning tools (zones and overlays) needed for National Employment Clusters and urban renewal areas?***

We would agree with the MAC that all activity centres, including National Employment Clusters, must put in place strategies to mix housing, including a high proportion of affordable housing, near the jobs and services that will be created in these centres. Again, a clear understanding of the economic drivers that need to be in place to ensure the outcomes are achieved in the timeframes expected.

- 43. The discussion paper includes options (options 59A and 59B, page 84) to evaluate the merits of code assessment for multi-unit development, taking into account the findings from the 'Better Apartments' process, to either replace ResCode with a codified process for multi-unit development or identify ResCode standards that can be codified. *Do you have any comments on the merits of code assessment for multi-unit development?***

Certainly a state-wide set of standards for apartment dwellings is preferable to 31 local government standards. It is important to mandate a minimum amount of larger apartments, as is the case in the City of Vancouver's High Density Housing for Families with Children Guidelines (<http://former.vancouver.ca/commsvcs/guidelines/H004.pdf>).

Again, whilst acknowledging that a variety in apartment sizes is warranted, an understanding of the micro economics is required as any mandating of apartments larger than what the market will provide will cause a negative effect on land value (in effect they are being subsidised). This is more relevant in the middle to outer suburbs.

- 44. Any other comments about chapter 7 (new planning tools)?**

It is unfortunate that the Plan Melbourne refresh does not really tackle the challenges of integrated metropolitan governance, without which effective implementation of this ambitious planning strategy may be limited. A metropolitan planning authority that works closely with key state government departments (not only DEWLP, but also DTF, DEDJTR, DHHS, and DEECD) local governments through regional management committees would be a good start.

Chapter 8: Implementation

45. The discussion paper includes the option (options 1 and 61, pages 14 and 90) of Plan Melbourne being an enduring strategy with a long-term focus supported by a 'rolling' implementation plan. Do you agree that separating the long-term strategy from a shorter-term supporting implementation plan is a good idea?

These types of documents need a period of longevity to have a real effect. It is important therefore to seek a bi-partisan approach to good long-term planning and engaging with the broader property industry and the state opposition.

Short and clear statements of principles (e.g. 20 minute cities as the basis for integrated planning) would be important for a long term strategy and should inform a shorter term implementation plan.

46. If a separate implementation plan is developed for Plan Melbourne 2016 what will make it effective?

It would be vital to identify funding mechanisms and be aligned with the state budget process. It would also need to inform and be informed by the budgets and planning processes of the key departments referred to above: particularly in the area of affordable housing (DHHS and DTF), primary schools and early childhood education (DEECD) and health care services (DHHS).

47. Any other comments about chapter 8 (implementation)?

We would agree with the need for an annual monitoring report, particularly in relation to affordable housing targets and the associated delivery of timely transport and social infrastructure.