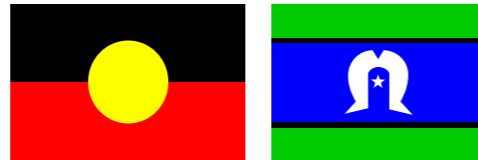




**Yarra Ranges Council**

# **Draft Housing Strategy 2023**

Yarra Ranges Council acknowledges the Wurundjeri and other Kulin Nations as the Traditional Owners and Custodians of these lands. We pay our respects to all Elders, past, present, and emerging, who have been, and always will be, integral to the story of our region. We proudly share custodianship to care for Country together.



## Executive Summary

The Housing Strategy provides a policy framework for managing housing in Yarra Ranges for the next 15 years. The Housing Strategy will guide future residential development to facilitate getting the right houses in the right locations.

Yarra Ranges Council recognises housing as a fundamental human right and that is essential to individuals achieving an adequate standard of living. Having access to housing choices that are well located, affordable, secure and safe, enables people to live with dignity, provides access to education and employment choices, and encourages participation in community life.

This Housing Strategy will seek to provide a framework to guide the quantity and type of new housing over the next 15 years to support Yarra Ranges' growing and changing population.

Yarra Ranges is home to 163,298 residents and this is expected to grow to 185,902 by 2041,<sup>1</sup> representing an average annual growth rate of 0.7%.

This represents less than half the annual growth rate over this period than for Greater Melbourne, at 1.7%.<sup>2</sup> Nevertheless, the projections for an additional 22,604 people by 2041 are a significant net increase.

Consistent with State Government directions, the Housing Strategy is planning for 10,700 new dwellings over the next 15 years, or approximately 700 homes per year. This is higher than the current development rate of 528 dwellings per year.<sup>3</sup> Therefore, Council needs to think strategically about the type and location of new dwelling developments.

The Housing Strategy will aim to guide development to the right locations to best meet the ongoing needs of the community, including to provide suitable housing for all stages of life.

The Housing Strategy applies to all residential areas and activity centres, and also considers the role of strategic redevelopment sites, such as the former Lilydale Quarry site (known as Kinley) and vacant sites in Chirnside Park awaiting redevelopment.

The Housing Strategy will provide a revised framework for the type, scale and location of new development in Yarra Ranges, which will support the implementation of residential zones in the Yarra Ranges Planning Scheme.

The Housing Strategy is supported by a number of key inputs, including the Yarra Ranges Affordable Housing Background Report 2019 by Affordable Development Outcomes, the Analysis of Housing Demand and Supply 2020 by .id, and the Draft Neighbourhood Character Study 2021 by Hansen Partnership.



**Consultation on the Housing Strategy Discussion Paper, Yarra Ranges Council, took place in 2022, and a number of key themes were identified including a need for:**

- More diverse forms of housing
- New housing to be directed to areas with sufficient infrastructure
- New housing to incorporate more environmentally sustainable features
- More social and affordable housing
- More consistency and respect for neighbourhood character of suburban areas

**Building on this feedback, the Housing Strategy includes the following vision statement:**

“Yarra Ranges will have a variety of housing options that are adaptable for the changing needs of its residents and provide effectively for its population.

Residential streets will retain their spacious, leafy character, with substantial landscaping in new developments.

New housing will be environmentally sustainable and responsive to its surrounding context, with higher density housing located near townships and urban centres in a way that facilitates community participation and active living.

There will be higher rates of affordable housing to support Yarra Ranges’ most vulnerable residents, reinforcing Yarra Ranges’ sense of community spirit and identity.”

Four levels of housing change have been identified where minimal, incremental, increased and substantial change can be achieved in the municipality. These areas are identified in the Housing Framework Plan in Chapter 7, that maps where new housing can be accommodated and the preferred types and densities, with higher levels of change directed to areas best suited to accommodate new housing close to services and infrastructure.

**The strategy considers housing under the following themes:**



**1. Neighbourhood Character**

To encourage housing that fits with the preferred neighbourhood character of Yarra Ranges’ suburban areas.



**2. Housing Diversity**

To encourage the right sizes, types, and mix of housing to meet the population’s changing needs.



**3. Affordable and Social Housing**

To increase the supply of social and affordable housing, including how Council can work with other levels of government in pursuit of these goals.



**4. Sustainability**

To increase the energy efficiency of homes and promote sustainable living.

The Strategy includes an implementation plan with actions for each theme, which sets out a framework for Council over the next 15 years to achieve a more diverse, inclusive, and environmentally sustainable housing mix. Implementation will include amending the Yarra Ranges Planning Scheme to provide a statutory framework to guide future housing change and achieve desired neighbourhood character outcomes.

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# Glossary of Terms Used

<b>Activity centres</b>	Centres of commercial, service and employment activity. They range in size and function, as described in Section 7.1.1.
<b>20-minute neighbourhood</b>	Compact, walkable, places that emphasise the importance of living locally. For information, visit: <a href="https://www.planning.vic.gov.au/policy-and-strategy/planning-for-melbourne/plan-melbourne/20-minute-neighbourhood">https://www.planning.vic.gov.au/policy-and-strategy/planning-for-melbourne/plan-melbourne/20-minute-neighbourhood</a>
<b>Accessible housing</b>	Housing suitable for varying ages and mobility levels, including for people with a disability
<b>Adaptable housing</b>	Housing which is designed to be easily modified to suit changing life circumstances
<b>Dwelling</b>	A building, or part of a building, used as a self-contained residence, and must include: <ul style="list-style-type: none"> <li>• A kitchen sink</li> <li>• A bath or shower</li> <li>• Food preparation facilities</li> <li>• A toilet and wash basin</li> </ul>
<b>Emergency housing</b>	Emergency housing for displaced households due to disasters, explained in further detail in Section 11.4
<b>High density housing</b>	The term generally refers to apartments in buildings of at least four levels, further explained in Section 4, Table 2.
<b>Medium density housing</b>	Refers to units or townhouses, further explained in Section 4, Table 2.
<b>Overlay</b>	A planning control that applies to specific areas to address a particular issue, such as flood risk, bushfire risk, or heritage.
<b>Peri urban area</b>	This refers to an outer urban area, which has an interface with rural land
<b>Reverse living</b>	A design approach to double-storey dwellings where living areas are provided at the upper levels with balconies for private open space.
<b>Roof forms (hipped, gabled, pitched)</b>	This refers to various shapes and forms of roof.  A pitched roof is a general term to describe a roof that slopes downwards from a central point. Hipped and gabled roofs are types of pitched roofs, and both are common in Yarra Ranges neighbourhoods. For more information and illustrations, visit: <a href="https://americanstandardroofing.com/homeowners-guide-to-sloping-roof-types/">https://americanstandardroofing.com/homeowners-guide-to-sloping-roof-types/</a>
<b>Setback</b>	The distance a building, or part of a building, is separated from another point. For example, 'front setback' refers to the distance a building is separated from the front property boundary by.
<b>Site cover</b>	The proportion of a site that is covered by buildings
<b>Shop-top housing</b>	Housing located above commercial premises occupying the ground level.
<b>Social housing</b>	Secure and affordable long-term rental for eligible people on low incomes, further explained in Section 10.4.
<b>Specialist disability accommodation</b>	Housing for people who require specialist housing solutions to assist with support for extreme functional or very high support needs
<b>Tandem parking</b>	A parking configuration sometimes found in unit/townhouse development, where a particular dwelling requires two parking spaces, one is placed in front of the other, rather than side by side in a double carport/garage.
<b>Urban growth boundary</b>	The boundary for urban growth in Melbourne, that separates urban land from rural land.
<b>Yarra Ranges Planning Scheme</b>	A legal document that sets out policies and provisions for the use and development of land in Yarra Ranges.
<b>Zone</b>	The Yarra Ranges maps all its geographical areas as being within defined zones which specify allowable land use and development, e.g. residential, commercial and industrial zones.

# List of Acronyms

<b>ACZ</b>	Activity Centre Zone
<b>CASBE</b>	Council Alliance for Sustainable Built Form
<b>CDZ</b>	Comprehensive Development Zone
<b>DDO</b>	Design and Development Overlay
<b>DPT</b>	Department of Transport and Planning
<b>EPA</b>	Environmental Protection Agency
<b>GRZ</b>	General Residential Zone
<b>LGA</b>	Local Government Area
<b>LDRZ</b>	Low Density Residential Zone
<b>LSIO</b>	Lands Subject to Inundation
<b>MAV</b>	Municipal Associate of Victoria
<b>NRZ</b>	Neighbourhood Residential Zone
<b>PPF</b>	Planning Policy Framework
<b>PPN</b>	Planning Practice Note
<b>RGZ</b>	Residential Growth Zone
<b>RLZ</b>	Rural Living Zone
<b>SHS</b>	Social and affordable housing
<b>SLO</b>	Significant Landscape Overlay
<b>YRC</b>	Yarra Ranges Council
<b>VCAT</b>	Victorian Civil and Administrative Tribunal
<b>VHR</b>	Victorian Housing Register

# 1.0 Introduction

Housing needs and preferences across Australia have changed dramatically over recent years. Among the list of change factors has been the effects of the pandemic on settlement patterns, increasing cost of living pressures, an aging population and changing household structures.

Yarra Ranges' housing stock has traditionally been dominated by detached family homes. However, it has experienced a high degree of change in recent years. An increasing number of units and townhouses are now being constructed in urban areas, which is a trend projected to continue. There is a need to review the scale and location of housing development to ensure it best serves the needs of Yarra Ranges' population into the future.

As the population has grown and diversified, there is also a need for housing diversity, affordability, and environmental sustainability in housing design in Yarra Ranges.

## 1.1 What is a Housing Strategy?

A Housing Strategy is a Council's long-term plan to manage future housing growth and change so that it best meets the ongoing needs of the community. It allows Council to plan for the future. A Housing Strategy identifies the location for new residential development and how new development can be managed to protect valued neighbourhood assets and character. The Housing Strategy underpins Council's housing policy in the Planning Scheme and provides for the next fifteen years of population growth.

## 1.2 Why Do We Need a Housing Strategy?

As Melbourne's population grows, the Victorian Government requires each local government area (LGA) to accommodate a proportion of new residential development. This is to ensure that population is directed to locations near employment, services, and large activity centres. Being a peri urban LGA, Yarra Ranges is expected to accommodate a modest share of the growth (13 per cent) across the six LGAs that make up the eastern region of Melbourne.<sup>4 (p47)</sup> The draft Eastern Metropolitan Land Use Framework Plan, Victorian Government, 2022 identifies the majority of growth in Melbourne's eastern region to take place in Monash and Whitehorse LGAs.

In Yarra Ranges, 13 per cent equates to a requirement for 10,700 new dwellings over the next 15 years, or 713 dwellings per year. This is higher than the current development rate of 528 dwellings per year, so there is a need for Council to think strategically about the type and location of new dwelling development, for the following reasons:

- To ensure it is located close to shops, services and public transport
- To avoid loss of valued neighbourhood character
- To consider infrastructure implications of new development
- To ensure the type and size of new housing meets the needs of changing demographics in Yarra Ranges
- To accommodate emerging needs for housing affordability and environmentally sustainable design

Yarra Ranges has an existing Housing Strategy that was adopted in 2009, however this needs to be updated due to increased rates of growth, changing demographics and housing needs that have occurred over the last 15 years, and increased urgency to address emerging issues such as housing diversity, affordability and environmentally sustainable design.

A new Housing Strategy will:

- Set out how Council is planning to respond to population growth and change,
- Identify where new housing can be located and guide the levels of housing change across the suburbs,
- Determine the potential capacity of the suburbs to deliver new housing,
- Respond to the changing resident profile across Yarra Ranges to ensure that new housing is matching residents' needs,
- Identify opportunities for new medium and higher density housing in line with State government urban consolidation policies,
- Identify opportunities to encourage more affordable housing and affordable living,
- Set out Council's expectations in terms of built form and sustainability considerations,
- Provide more certainty for the community, developers and stakeholders.



## 1.3 How Was the Draft Housing Strategy Developed?

The draft Housing Strategy was developed following a range of background studies including:

- Analysis of Housing Demand and Supply, .id 2020
- Draft Yarra Ranges Neighbourhood Character Study, Hansen Partnership 2021
- Yarra Ranges Multi-Residential Design Guidelines, Hansen Partnership 2019
- Yarra Ranges Affordable Housing Background Report, Affordable Development Outcomes 2019
- Residential Framework Review, Glossop Town Planning 2022

Drawing on these reports, a Discussion Paper was prepared in 2022, which was open for public consultation in March-April 2022 and the community feedback has been a critical input into the formulation of the draft Housing Strategy. Key consultation findings are summarised in Figure 1 below.

These inputs have shaped the development of this draft Housing Strategy.

The preparation of a new Housing Strategy is being undertaken in the stages shown in Figure 2.

Figure 1. Summary of Community Feedback on Housing Strategy Discussion Paper

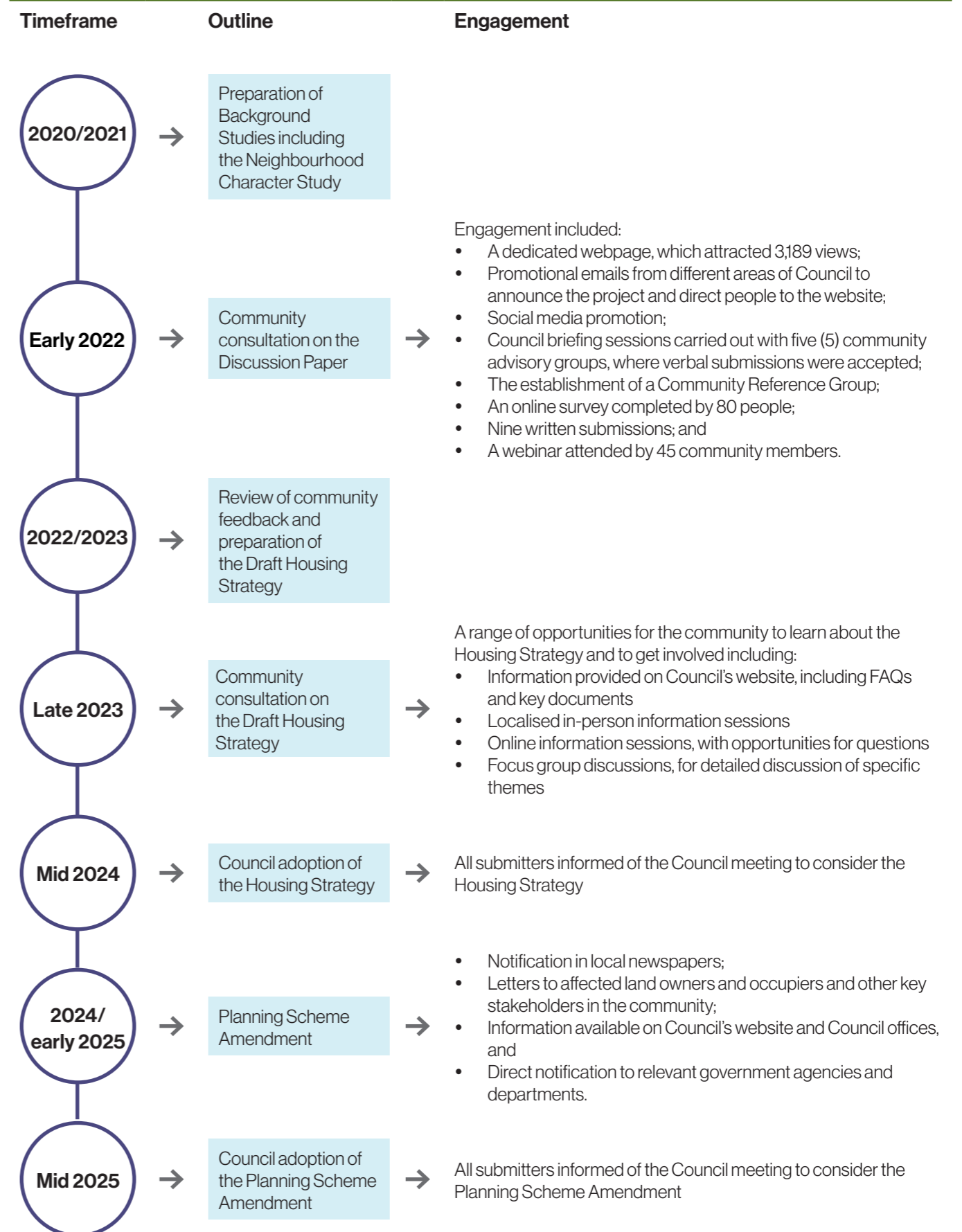
**As Yarra Ranges changes and grows in population, there are risks to character that need to be managed, but also opportunities for a better housing mix.**



**There is an opportunity for the Housing Strategy to:**

- ✓ Provide policy support for more diverse and affordable housing options in preferred locations.
- ✓ Identify opportunities for ageing in place, not only in urban areas but also rural townships.
- ✓ Create clear expectations and guidance over the scale and form of new development and where this is encouraged to occur.
- ✓ Consider how infrastructure issues can be better addressed in areas identified for higher density housing forms, like townhouses and apartments.
- ✓ Provide recommended approaches for better consideration of environmental sustainability in future development.
- ✓ Identify actions to increase the amount of social and affordable housing.

Figure 2. Housing Strategy Development Process



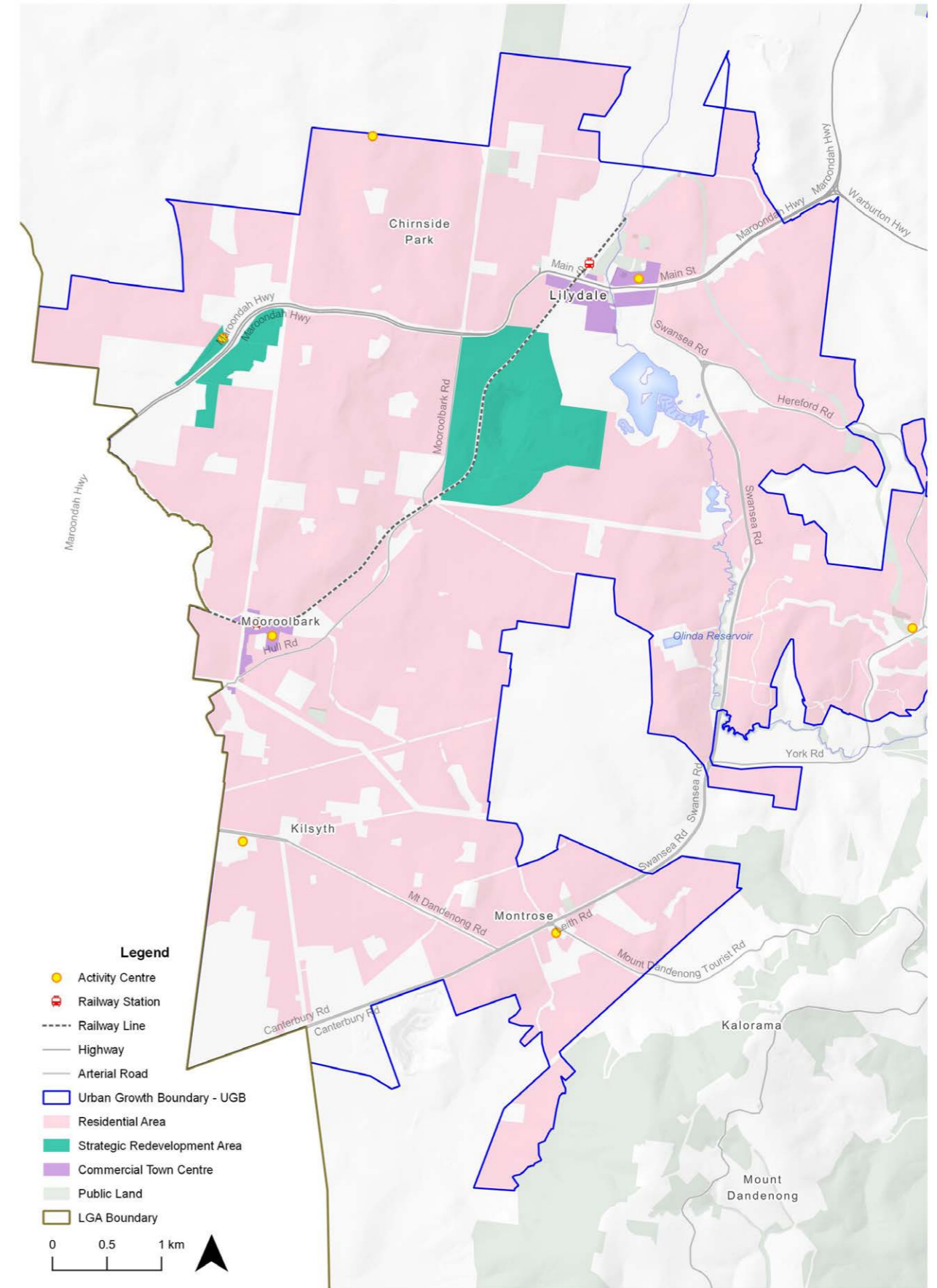
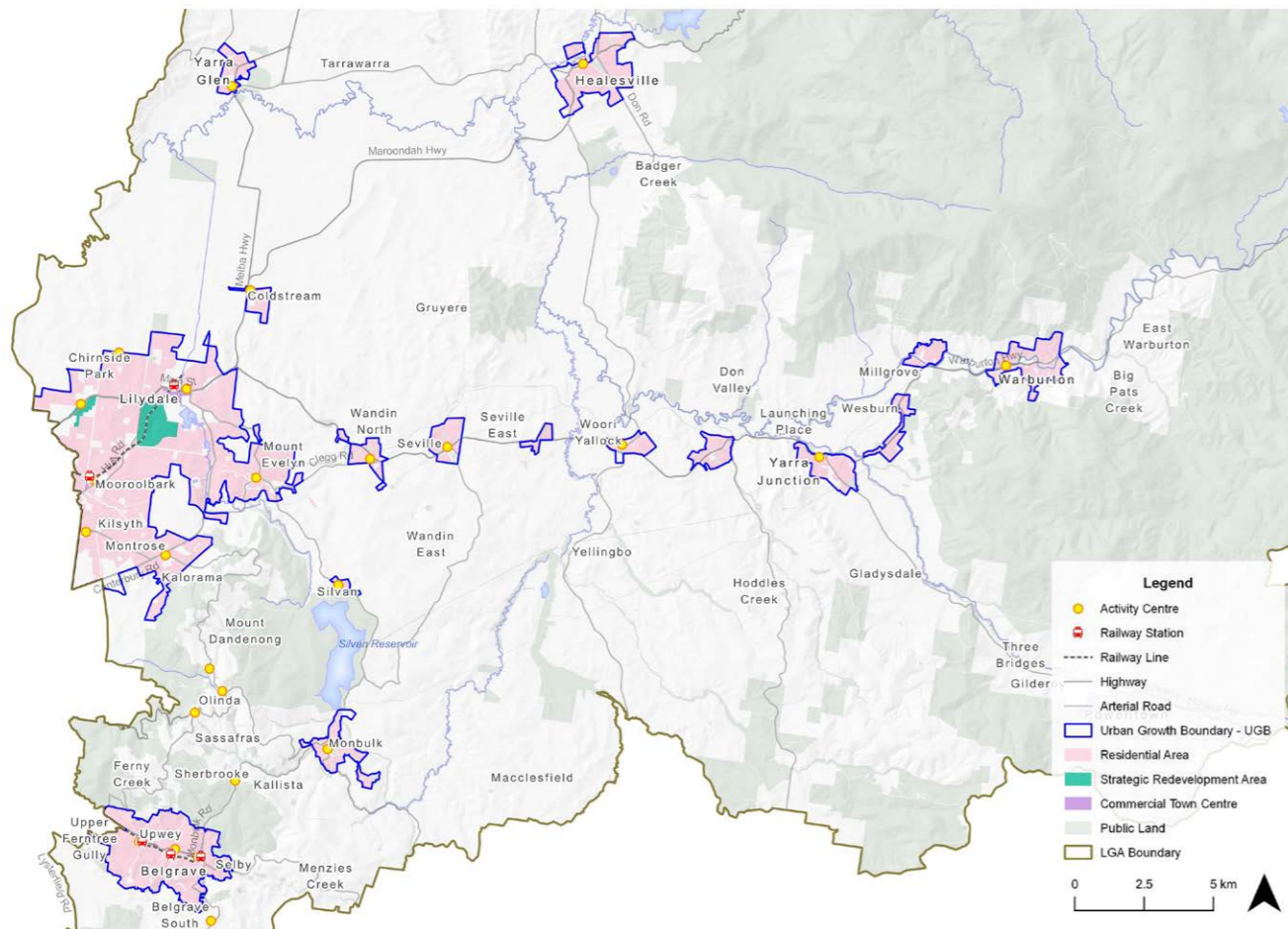
## 1.4 Where Will the Housing Strategy Apply?

The focus of the Housing Strategy is on urban areas where around 70 per cent of the population lives.<sup>5</sup> Expansion into the rural Green Wedge areas is prohibited by State Government planning legislation with housing to be contained within the Urban Growth Boundary and directing new housing development within established residential areas. This includes areas of the Dandenong Ranges that have rural-residential development.

The Housing Strategy applies to all residential areas of Yarra Ranges, or areas that may in the future have residential development. This includes:

- + **Residentially zoned areas** in Yarra Ranges, which includes Lilydale, Chirnside Park, Mooroolbark and Kilsyth. These are the areas best suited to residential intensification over time.
- + **Other residentially zoned areas** in the suburbs of Belgrave, Tecoma, Upwey, Coldstream, Healesville, Launching Place, Millgrove, Monbulk, Montrose, Mt Evelyn, Seville, Seville East, Silvan, Wandin North, Warburton, Wesburn, Woori Yallock, Yarra Glen and Yarra Junction.
- + **Key redevelopment sites**, such as Kinley (former Lilydale Quarry) in Lilydale, and large undeveloped sites in Chirnside Park.
- + **Commercial town centres** where there is a potential for apartments and mixed-use development, particularly in Lilydale and Mooroolbark, where adopted structure plans encourage these forms of development.

Figure 3. Maps of Yarra Ranges' residential areas, activity centres, and strategic redevelopment sites





## 1.5 Residential Development Constraints

In Yarra Ranges the location for where residential development can occur is constrained by policy, physical characteristics and land uses that may restrict the ability for particular areas to absorb further development and population growth. These include:

### 1.5.1 Urban Growth Boundary (UGB)

The UGB distinguishes where urban land is located in relation to non-urban land. Land inside the UGB, classified as urban land, provides opportunities for future housing opportunities and subdivision. Land outside the UGB is classified as Green Wedge land and is protected by State Government legislation from further residential development. This is because Green Wedge land has strategic importance to the whole of Melbourne for a range of purposes including for agriculture, major infrastructure that supports the urban areas, quarries and resources, biodiversity conservation areas, parkland and recreation areas and water catchments. The scope of the Housing Strategy therefore excludes land outside the UGB.

### 1.5.2 Environmental Risks

Yarra Ranges has identified areas of environmental risk, including areas subject to flooding, bushfire, and landslip. Planning policy directs that increases to housing density in areas subject to these risks should be avoided.

### 1.5.3 Areas of Environmental, Landscape or Heritage Significance

Yarra Ranges has distinctive landscapes and ecologically significant areas, unsuited to the impacts of substantial residential intensification, with its associated infrastructure needs and vegetation clearance.

There are also identified heritage areas and properties, which contribute to Yarra Ranges' cultural identity, which need to be preserved and protected for future generations.

### 1.5.4 Locations outside Activity Centres

Yarra Ranges has many neighbourhoods with a heavy reliance on private motor vehicle trips for access to services and employment. In identifying areas suitable for residential intensification, State Government policy directs population, to locate where people can meet most of their daily needs within a 20-minute return walk from home, with access to safe cycling and local transport options should they wish to use them.<sup>6 (p.47)</sup>

This concept is referred to as the '20-minute neighbourhood' and is a key feature of the Victorian Government's metropolitan plan for Melbourne, **Plan Melbourne 2017-2050**. Twenty minute neighbourhoods are intended as compact, walkable, places that emphasise the importance of having local shops and services.<sup>7</sup>

However, State Government direction is also clear that remoteness from activity centres is not a sufficient reason alone to minimise residential growth in identified areas.<sup>8 (p.11)</sup>

### 1.5.5 Topography

Many of Yarra Ranges commercial centres have challenging topography for walkability. This includes parts of Lilydale and Mooroolbark, which are both centres with advantageous features such as rail and bus terminals, a range of services and employment options and a broad mix of land uses.

However, areas of steep and challenging topography discourage a 20-minute neighbourhood environment, which needs to be considered in selecting areas suitable for residential intensification.

### 1.5.6 Infrastructure

Some residential neighbourhoods have identified infrastructure shortfalls, such as insufficient drainage, unsealed roads, or even narrow roads with challenging access or visibility, unsuited to the on-street parking increases that may accompany high and medium density development.

In identifying areas for future intensification, there is a need to consider how infrastructure issues can be managed.

### 1.5.7 Restrictive Covenants

Some residential areas have restrictions on title, known as restrictive covenants, that limit the amount of new subdivision and infill development that can occur. These are limited areas outside the areas recommended by this Housing Strategy for substantial change.



## 1.6 Opportunities

As identified in Section 1.2 a new Housing Strategy will address existing policy gaps, address broader housing issues, and create more clarity for preferred housing outcomes over the next 15 years in Yarra Ranges. This includes consideration of the following matters:

### 1.6.1 Clear Preferred Neighbourhood Character Statements

The character of a neighbourhood is impacted by the type of existing homes and the features and infrastructure around them, for example street width and tree canopy. Some of these influences are affected by residential development and some are not. Influences can include.<sup>9</sup>

#### In public road reserves and public realm areas

- Street type and width, alignment (winding or straight) and topography
- Elevation and views
- Street trees – type and quality

#### On private residential land

- Size and type gardens and landscaping
- Setbacks, site coverage and heights of houses and other buildings
- Patterns of use and occupation
- Diversity of housing

An increasing amount of development can change neighbourhood character.

There is an opportunity through the Housing Strategy to more clearly articulate expectations for how neighbourhoods identified for growth can develop and change in a way that responds to 'preferred neighbourhood character'. As distinct from existing neighbourhood character, preferred neighbourhood character identifies the valued attributes of suburbs that should be maintained, and the degree to which new development can increase prevailing built scale and density, in a way that acceptably responds to the essential values of these areas. These statements are an essential components of the Housing Strategy, and are further discussed in Chapter 8 **Neighbourhood Character**.

### 1.6.2 Housing Diversity

Yarra Ranges' population growth is bringing changes to its demographic characteristics that indicate a mismatch between housing supply and demand. In summary:

- 93% of dwellings in Yarra Ranges are detached houses (as opposed to units, townhouses or other dwelling types).
- There has been minimal increase in smaller dwellings (less than 3 bedrooms) as a proportion of the overall housing stock in recent years.
- Over the next 15-20 years, the majority of growth is likely to be smaller households, such as older couples without children, single parent households and lone person households, which will create demand for suitably designed medium-density housing.

There is therefore a critical need to better guide the form, scale, type and location of medium and high-density housing, in order to create increased opportunities for residents to move into suitable dwellings. The need for improved diversity applies not only to dwelling size and location, but also to other characteristics such as accessibility for people with limited mobility, and adaptability for changing life stages and needs. These issues are discussed in further detail in Chapter 9 (Housing Diversity).

### 1.6.3 Affordability

Data indicates there is of decreased housing affordability in Yarra Ranges.

Adding to the issue is the increasing prevalence of short-stay accommodation in tourist areas of Yarra Ranges, particularly in Healesville and Warburton that impact on long term rental stock.

There is an opportunity to explore the options available to Council, within the scope of its powers, to achieve a larger proportion of housing, both for purchase and rent, that is within an affordable price range for a greater proportion of the population.

This issue is partially tied to the need to increase housing diversity, due to the parallels between dwelling price and size. However, it is also a larger issue that extends to a need for increased social housing and emergency housing for vulnerable groups, as further discussed in Chapter 10 **Affordability**.

### 1.6.4 Environmental Sustainability

As an increasing number of people and businesses experience the effects of changing climate, there is a pressing need to ensure new residential development incorporates environmentally sustainable design. Evidence and feedback from the Discussion Paper suggests this is an issue of increasing significance to Yarra Ranges residents, with 1 in 6 households having now invested in rooftop solar, generating their own affordable, renewable power.<sup>10 (p.5)</sup>

Environmentally Sustainable Design (ESD) is relevant to numerous aspects of new building development, from use of renewable technologies to management of water, and minimisation of waste. In Victoria, requirements for more sustainable building design and construction are achieved through a combination of requirements in the planning system and building system.

The building regulatory system, implemented by the Building Regulations 2018 and the National Construction Code 2022, contains requirements for new buildings to incorporate energy efficiency features, and to satisfy defined energy rating standards. These requirements are intended to be updated on 1 May 2024, and are statewide.

Planning requirements are specific to Yarra Ranges, and present an opportunity to consider sustainability more broadly, including:

- At a site level, orientation of buildings for better energy performance, and how water and waste can be better managed
- At a neighbourhood level, focussing density opportunities near shops and services to encourage walking and cycling, and avoiding urban growth in areas of environmental risk.

### 1.6.5 Lot Consolidation

Much of the medium density development that has occurred to date in Yarra Ranges' urban areas has been on single residential lots, where design possibilities are limited by the need to address interfaces appropriately, and yet still use land in an efficient way.

The consolidation of two or more lots to create larger development land areas allows greater design possibilities, so that medium and high densities can still be achieved, but with a higher level of design quality, preservation of amenity both internal and external to the site, and an improved response to neighbourhood character.

### 1.6.6 Strategic Redevelopment Sites and Town Centre Development

Yarra Ranges contains strategic redevelopment sites in Lilydale and Chirnside Park. Most notably, the Former Lilydale Quarry (Kinley), that was fully rezoned primarily for residential development in January 2022. There is now an opportunity to consider the role these sites will play in the future housing mix in Yarra Ranges.

The Lilydale Structure Plan was adopted by Council in August 2022, and recommends mixed use and residential apartment buildings in central Lilydale up to six storeys, which significantly changes expectations for housing in Lilydale. On a lesser scale, the Mooroolbark Structure Plan 2011 also encourages upper-level residential development in the town centre in the form of buildings up to four and five storeys high. While these forms of housing have not yet been realised in these activity centres to date, these centres provide a key opportunity for housing provision in Yarra Ranges.

## 2.0 Policy Context Overview

Local governments have an important role in the policy landscape for housing, which is also affected by Federal and State Government policy. This Strategy has been prepared in the context of the relevant policy framework.

### 2.1 Housing Policy Context

The policies that have informed this Strategy are further discussed in Appendix 1 and are summarised below in Table 1.

Council must work within the directions and context of State Government planning policy in carrying out its role to bring about a strategic approach to planning for population growth.

The State Government's metropolitan planning strategy **Plan Melbourne 2017-2050** guides residential, commercial and industrial development to 2050. It directs population and new housing growth to be kept within the existing Urban Growth Boundary, identified growth areas and selective redevelopment areas within existing communities. **Plan Melbourne 2017-2050** seeks sustainable population growth, with new accommodation to be provided in locations that capitalise on existing infrastructure, jobs, services and public transport.

At a local government level Councils can facilitate State policy through the Planning Scheme and other policies and strategies, by encouraging housing supply and diversity and guiding new development into sustainable locations with access to services, transport and facilities. Councils can influence the liveability of new housing for its residents through design guidelines for new development. Importantly, the Planning Framework provides the community with certainty about where housing change will occur and the level of change.

Once established through a Housing Strategy, the Residential Framework is then translated into planning scheme provisions that enable Council to consider new housing in a strategic and targeted way to create more liveable communities, renew community facilities and maintain infrastructure assets.

### 2.2 How Will the Strategy Address Policy Gaps?

The Housing Strategy builds on the direction and content of Yarra Ranges' existing 2009 Housing Strategy, which established the strategic basis and direction for housing in the residential policies and provisions of the Planning Scheme.

The 2009 Strategy delineated residential areas into three separate change areas to direct where varying rates of growth would occur. These were:

- Consolidation (High change)
- Restricted Change (Moderate change)
- Least Change (Low change)

However, the 2009 Strategy was written before statewide residential zone reforms were introduced in 2013. As changes have occurred over time to the State-wide planning system, inconsistencies have occurred in Yarra Ranges, due to conflicts between the State-standard zones as they now operate, and the existing Yarra Ranges residential framework as intended by the 2009 Housing Strategy.

There is a need to address these policy gaps by providing a clear and consistent revised residential framework along with more recent population growth and settlement issues in Yarra Ranges, changed demographic characteristics and housing needs, and responding to important issues such as housing diversity, affordability and environmental sustainability.

Changes to State and Federal level planning directions and policy may impact parts of the Housing Strategy, which may need updates in future if inconsistencies arise. For example, the Victoria Government's Housing Statement: The Decade Ahead 2024-2034 introduced a target to build 800,000 homes over the next decade in Victoria and to improve housing affordability. Similar targets may result in a need to adjust the Housing Strategy to State and Federal policy intentions if required.

Table 1. Key Roles and Policies

Government level	Roles and responsibilities	Relevant policy area/initiatives
<b>Federal</b>	The Federal Government does not have a direct role in housing provision but does have an interest in affordability.	<ul style="list-style-type: none"> <li>• Immigration policy</li> <li>• Taxation</li> <li>• National Affordable Housing Agreement</li> <li>• Commonwealth rent Assistance</li> </ul>
<b>State</b>	The Victorian Government provides statutory and strategic guidance about land use planning in Victoria as well as managing public housing.	<ul style="list-style-type: none"> <li>• Victoria Planning Provisions</li> <li>• State Planning Policy</li> <li>• Plan Melbourne 2017-2050</li> <li>• Eastern Metropolitan Land Use Framework Plan (2022) (draft)</li> <li>• Residential Zones</li> <li>• Homes for Victorians (2017)</li> <li>• The Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan</li> <li>• Yarra Ranges Localised Planning Statement (2017)</li> </ul>
<b>Local</b>	Yarra Ranges Council influences housing policy at a local level through the provisions of the local Planning Scheme and through advocacy to other levels of government.	<ul style="list-style-type: none"> <li>• Local Planning Policy in the Yarra Ranges Planning Scheme</li> <li>• Council Plan 2021-2025</li> <li>• Health and Wellbeing in Yarra Ranges 2021-2025</li> <li>• Guiding Principles - Housing and Homelessness (2020)</li> <li>• Connected – Yarra Ranges Integrated Transport Strategy 2020-2040</li> <li>• Healthy and Active Aging Plan 2019-2023</li> <li>• Liveable Climate Plan 2020-2030</li> <li>• Economic Development Strategy 2022-2032</li> <li>• Structure Plans and Place Plans</li> </ul>

## 2.3 How Will the Strategy Address the Key Objectives of the Council Plan?

By creating a long-term strategic plan to manage future population growth and the change in residential areas and activity centres in Yarra Ranges, the Strategy addresses Objectives 1 and 2 in the Yarra Ranges Council Plan 2021-2025.

Figure 4. Council Plan Strategic Objective 1

**Healthy Connected Communities**



Communities are safe, resilient, healthy, inclusive and socially well connected. Quality services are accessible to everyone.

This objective relates to supporting the health, resilience and wellbeing of communities, to create a fairer and safer environment for all. Enabling access to quality services is an essential part of this Objective. The Housing Strategy assists this by directing future population growth to areas with the best access to services, transport, employment options, and with other benefits urban areas can offer.

Figure 5. Council Plan Strategic Objective 2

**Quality Liveable Places**



Quality facilities and infrastructure meets current and future needs. Places are well planned and are hubs of activity that foster wellbeing, creativity and innovation.

This objective relates to creating places that are attractive to use, engaging and rewarding, and that are provided with the necessary infrastructure to enable them to function effectively. The Housing Strategy aims to support the role of Yarra Ranges' activity centres as hubs of population growth which support local economic development, while preserving the valued characteristics of suburban areas.

Figure 6. Council Plan Strategic Objective 3

**Enhanced Natural Environment**



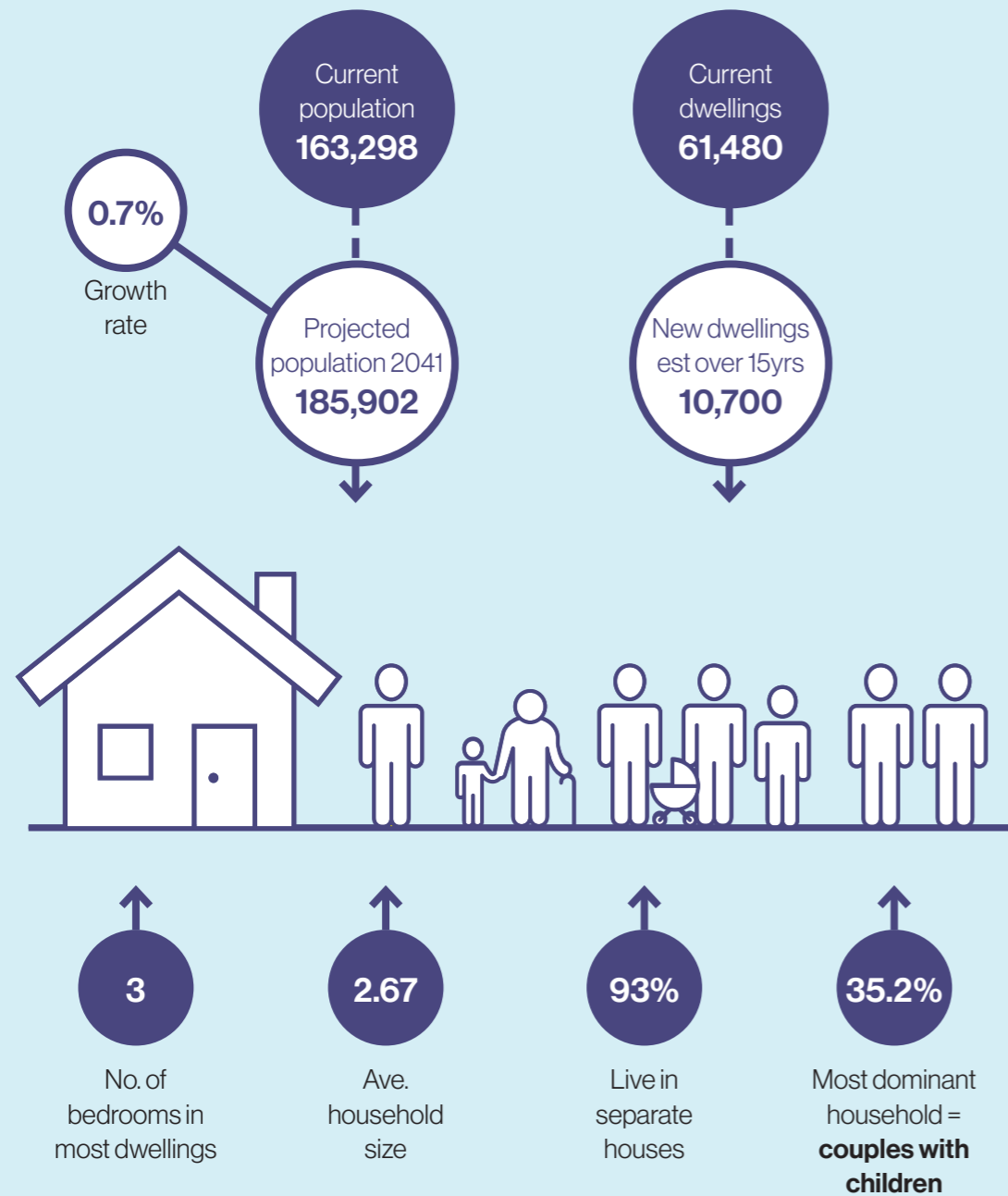
A healthier environment for future generations.

The Strategy also contributes to achieving Objective 3 by directing population growth away from areas with significant landscapes or ecological significance.

The Council Plan 2021-2025 requires Council to work with all levels of government, key stakeholders and the community in pursuit of these objectives.

### 3.0 Who Lives in Yarra Ranges?

To plan effectively for housing, there is a need to understand the population and demographic changes occurring in Yarra Ranges, and their relationship to anticipated housing needs in the future.



### 3.1 Population Changes

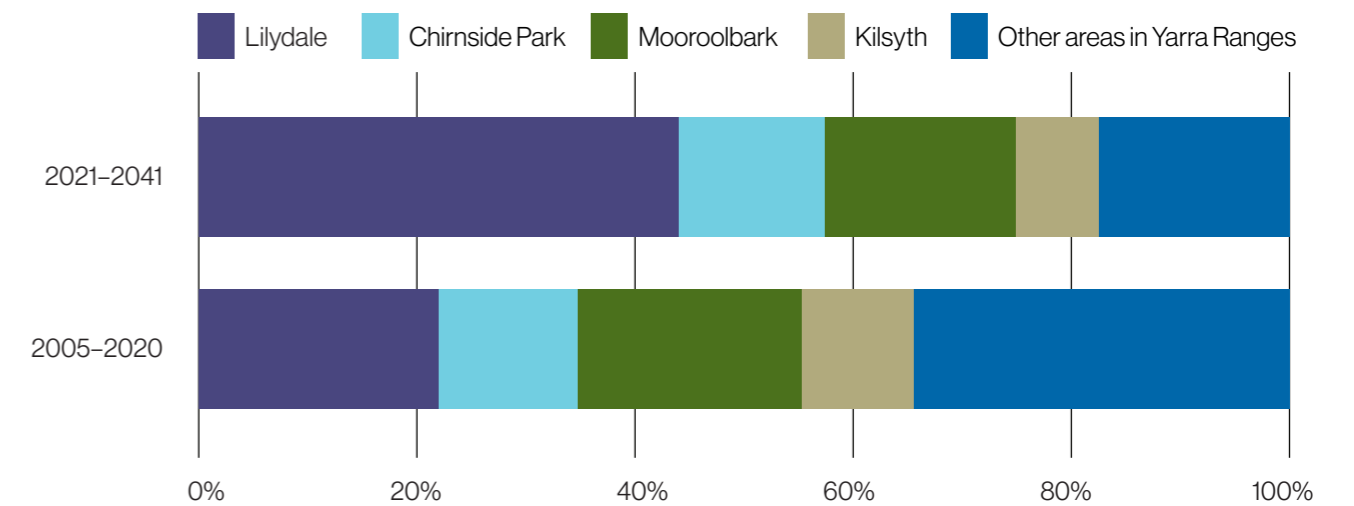
Yarra Ranges is home to a population of **163,298**, and this is expected to grow to **185,902** residents by 2041,<sup>1</sup> representing an average annual growth rate of 0.7%.

This represents less than half the annual growth rate over this period than for Greater Melbourne, at 1.7%.<sup>2</sup> Nevertheless, the projections for an additional 22,604 people by 2041 are a significant net increase.

Consistent with State Government directions, the Housing Strategy is planning for **10,700** new dwellings over the next 15 years, or approximately 700 dwellings per year. This is higher than the current development rate of 528 dwellings per year.<sup>3</sup> On this basis there is a need for Council to think strategically about the type and location of new dwelling development.

This future growth will not occur evenly across Yarra Ranges. Recent trends have shown the highest rates of growth are concentrated in the western, urbanised part of Yarra Ranges comprising Lilydale, Chirnside Park, Mooroolbark and Kilsyth, where the majority of Yarra Ranges' development opportunities and infrastructure are located. This is a development pattern encouraged by planning policy, and projected to increase in the future, as shown in Figure 7 below.

Figure 7. Percentage of Yarra Ranges new dwellings located in Lilydale, Chirnside Park, Mooroolbark and Kilsyth – 2005-2020, 2021-2041 <sup>11 (p.50), 12</sup> (Id, Yarra Ranges Council Dwellings and Development Map, 2021)



### 3.2 Age Structure

Yarra Ranges is dominated by families. Figure 8 below shows there is a larger proportion of children and older workers in Yarra Ranges than Greater Melbourne. However, there is a relatively small proportion of young adults between 18 and 34 compared to Greater Melbourne.

Future population changes are expected to create a more even distribution across the age groups, with more adults of working age from 30-39, and a reduced share of population between 40-60. The largest age categories for growth are those that are over 70, showing the increasing aging of the population, as shown in Figure 9 below.

Figure 8: Age structure, Yarra Ranges and Greater Melbourne, 2021<sup>13</sup>

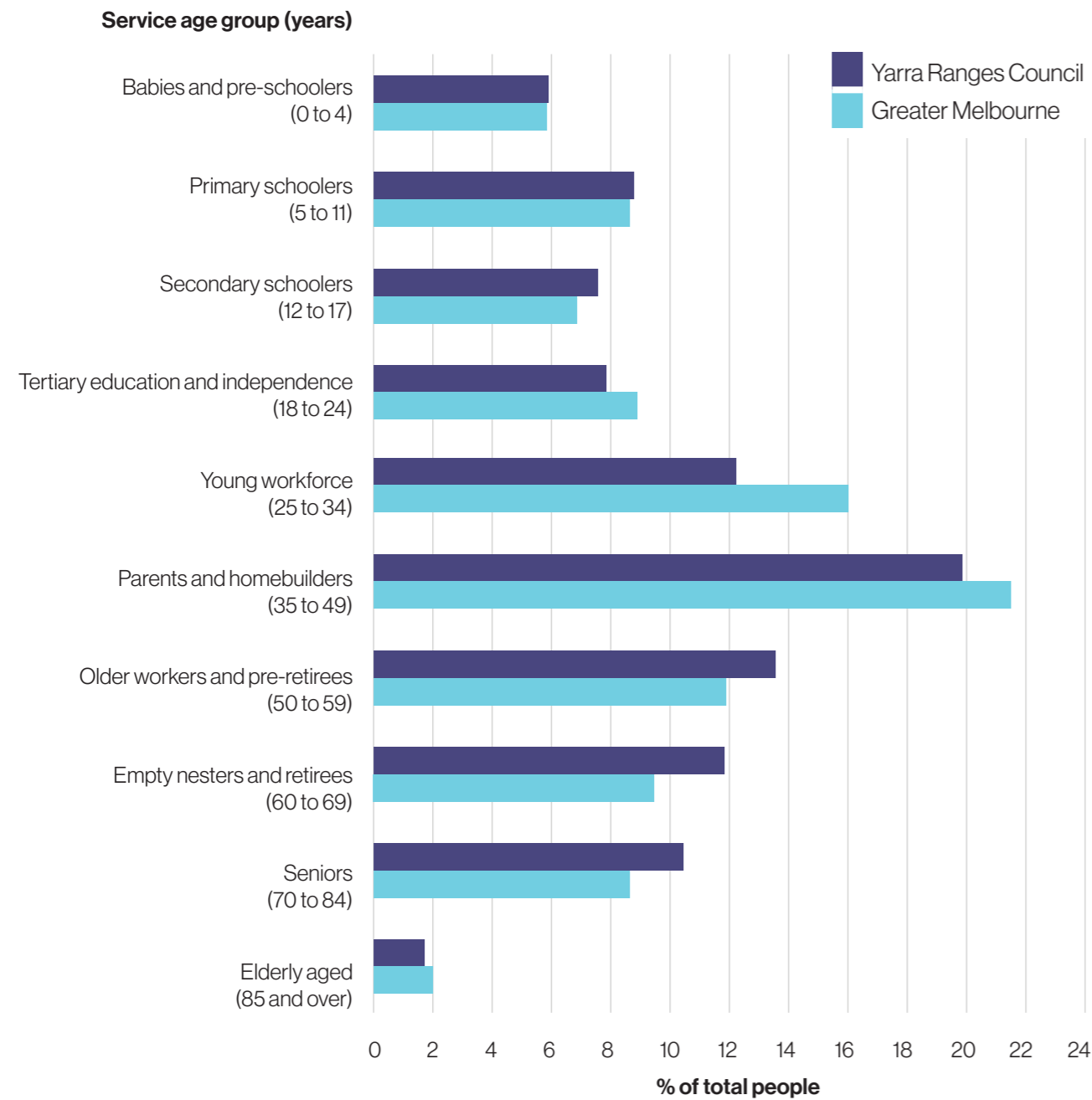
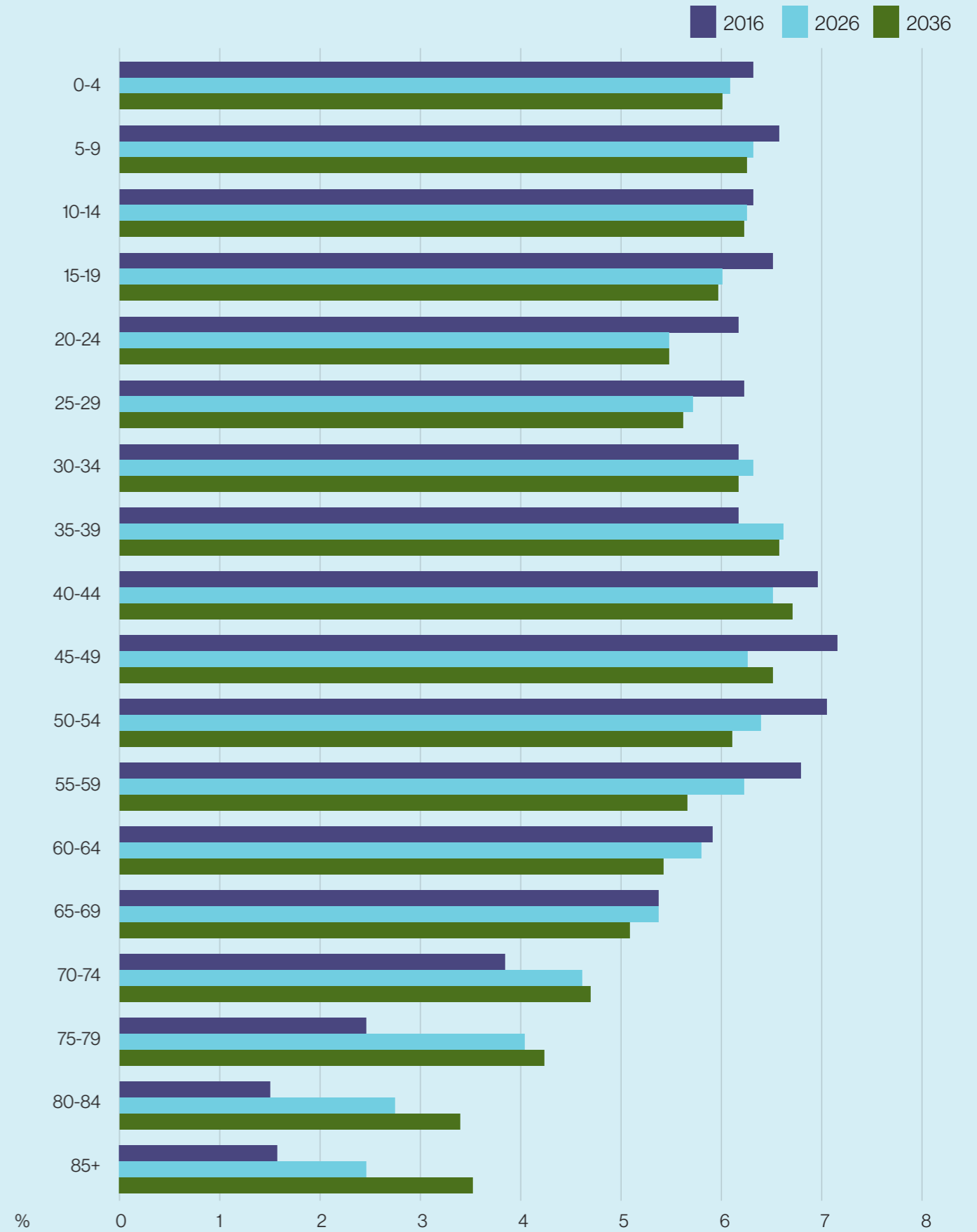


Figure 9: Forecast Age Structure – 2016-2036<sup>11(p17)</sup>



### 3.3 Household Changes

To understand the types of housing needed to fit the anticipated requirements of the population, there is a need to understand the types of households that live in the municipality.

In 2021, the dominant household type in Yarra Ranges was couples with children, comprising 35.2% of the total households in Yarra Ranges.

Couples without children were the next most common, comprising 27.1% of households. The relative proportions of household types are shown in Figure 10, contrasted against figures for Greater Melbourne.

Over the next 20 years, all household types in Yarra Ranges will experience growth. The most significant growth from 2021 to 2041 will occur in couples without children, as shown in Figure 11. Many of these households are likely to be elderly empty nesters, a reflection of the aging population in the area.

Figure 11 shows strong growth in lone person households, many of which are likely to be elderly residents staying in their homes as they age, potentially after other family members have either died or moved away.

The faster rate of growth in smaller households, such as couples without dependents and lone person households, compared to larger family households, will mean there is a need for housing diversity to provide adequate housing choices. Without changes in policy to address this issue, Yarra Ranges may see declines in some household groups because people may opt to leave Yarra Ranges for other areas with housing options that better suit their needs. There is some evidence of this already occurring, with decreases in young lone persons and young couples without children categories, which are potentially caused by a lack of diversity in housing options.<sup>11(p.24)</sup>

### 3.4 Household Size

Smaller household sizes (less people per house) is a result of an increase in smaller household types. This will generally increase the demand for housing in an area, even if the population is relatively stable.

Yarra Ranges' average household size is projected to fall from 2.67 in 2021 to 2.60 by 2041<sup>16</sup>.

Figure 10: Household types, 2021<sup>14</sup>

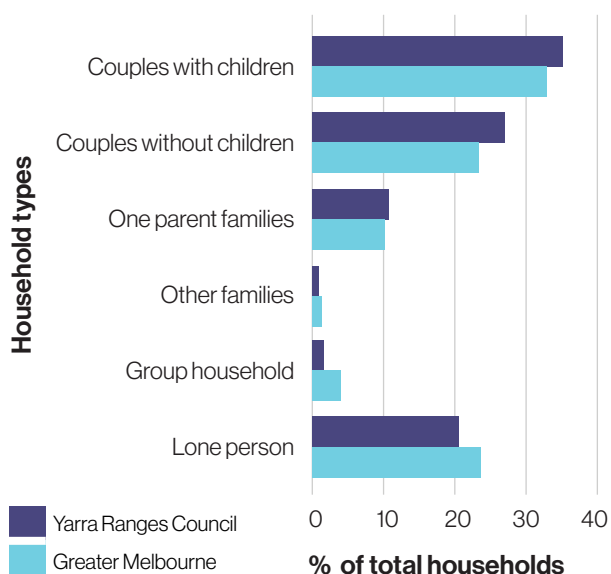
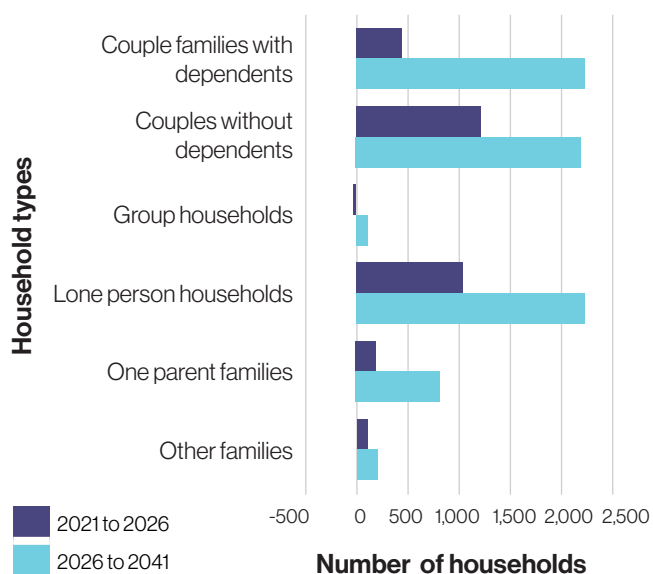


Figure 11: Yarra Ranges forecast change in household types, 2021-2026, 2026-2041<sup>15</sup>



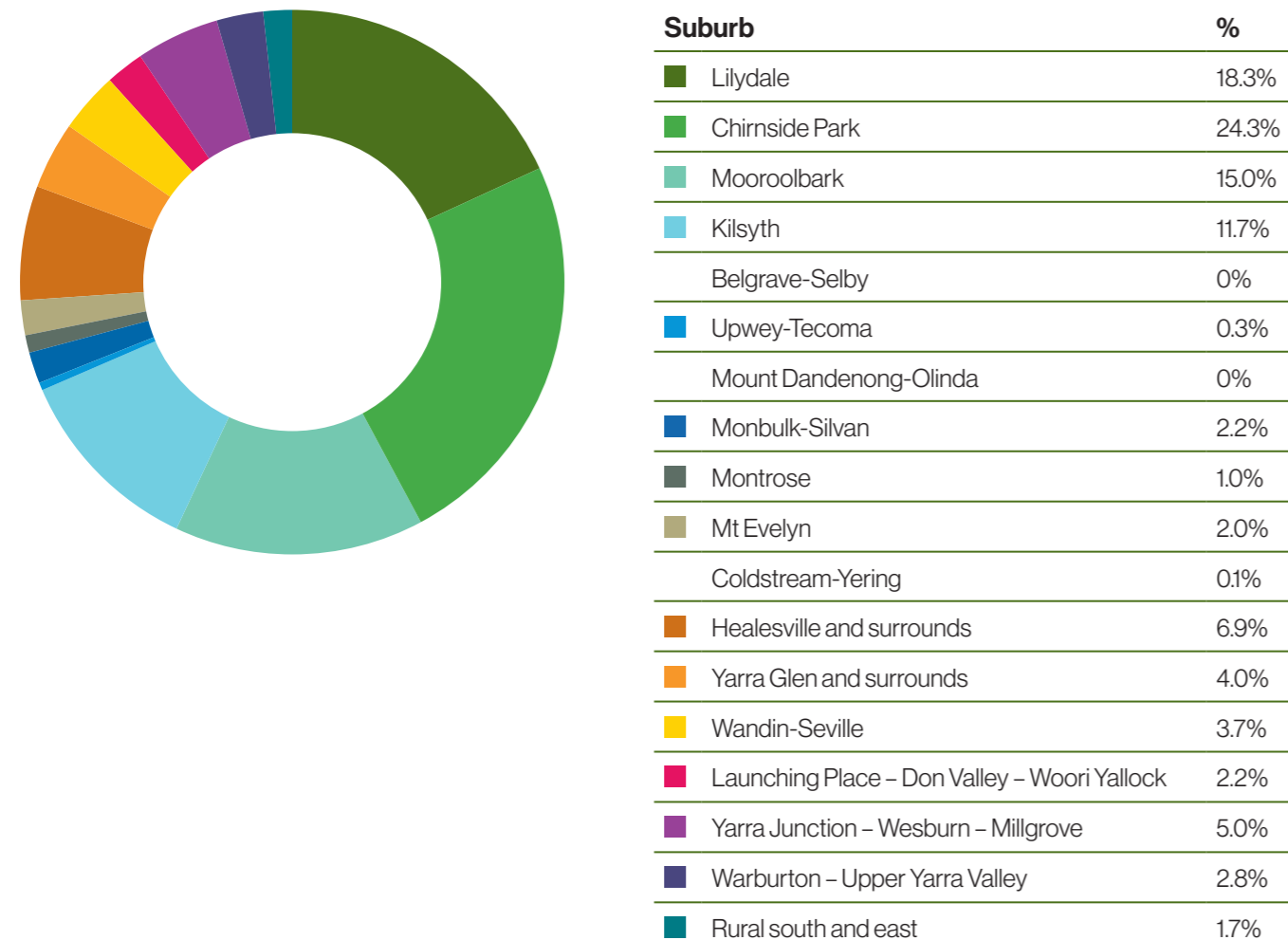
# 4.0 Existing Housing in Yarra Ranges

In planning for future housing needs, there is a need to first consider what type of existing housing we have, in terms of its type and location.

In the 2021 census, Yarra Ranges had a total of 61,480 dwellings, which was an additional 2,641 dwellings from the total dwelling number in 2016 of 58,839. Per annum, this is an average of 528 dwellings, or 0.9% growth per year over the five-year period.<sup>17</sup> This is a significantly slower rate of increase than the Greater Melbourne annual rate for the period of 2.4%.<sup>18</sup>

The growth was not evenly distributed across Yarra Ranges but strongly concentrated in the urbanised areas comprising Lilydale, Chirnside Park, Mooroolbark, and Kilsyth, which together accounted for 69.3% of the total, as shown in Figure 12 below.

Figure 12. Yarra Ranges Percentage of New Dwellings by District from 2016-2021<sup>17</sup>



As a traditionally family-oriented outer suburban area, the large majority of Yarra Ranges' dwelling stock is separate houses, at 93% as shown in Figure 13 below. This is a very high proportion of separate houses contrasted against the Greater Melbourne figure of 65%.

The urban areas of Yarra Ranges have seen increases in the number of medium density dwellings in recent years, however housing stock in other parts of Yarra Ranges has remained predominantly separate houses. Compared to Greater Melbourne, Yarra Ranges had a much lower proportion of medium and high-density dwellings in 2021 (6.1% compared to 34%)<sup>19</sup>. Figure 14 below shows that the new housing being built across the municipality is still overwhelmingly larger, detached dwellings.

An important aim of housing policy is to achieve a mix of housing types and densities, to ensure that as residents progress through their lives, there are a range of housing types available.

In Yarra Ranges, the evidence suggests that the continuing dominance of separate houses in the housing stock is not adequately providing for the needs of emerging smaller household types, such as couples without children, single-parent families and lone-person households. This is further discussed in Section 4.2 (Potential Housing Stock Mismatches) below.

Table 2: Housing types

Housing type	Description	% of total Yarra Ranges housing stock in 2021 <sup>19</sup>
 <b>Separate house</b>	Stand alone, detached dwellings on private properties	93.3%
 <b>Medium density</b>	Units or townhouses of 1 to 3 stories, which are often attached or semi-attached buildings. Average density is generally around 35-50 dwellings per net developable hectare.	6.1%
 <b>High density</b>	More intensive forms of residential development such as apartments, which are typically at least four stories, and generally provide open space for residents on balconies and/or rooftops. Average density is generally around 75-125 dwellings per net developable hectare.	0%

\*other dwelling types account for 0.6%





# 4.1 Number of Bedrooms

An understanding of dwelling sizes, and particularly number of bedrooms, is useful in seeking to identify future housing needs.

As shown by Figure 15 below, in 2021 housing stock was dominated by three and four-bedroom dwellings. Compared to Greater Melbourne, there was a scarcity of two-bedroom dwellings, and only 2.6% of dwellings in the zero or one-bedroom category.

Figure 13: Dwelling structure 2021<sup>19</sup>

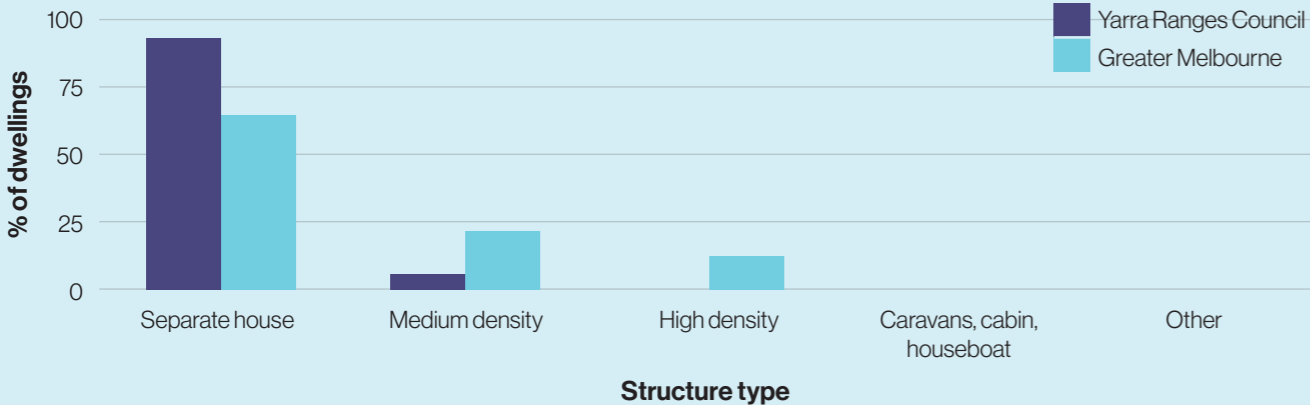


Figure 14: Change in dwelling structure 2016-2021<sup>17</sup>

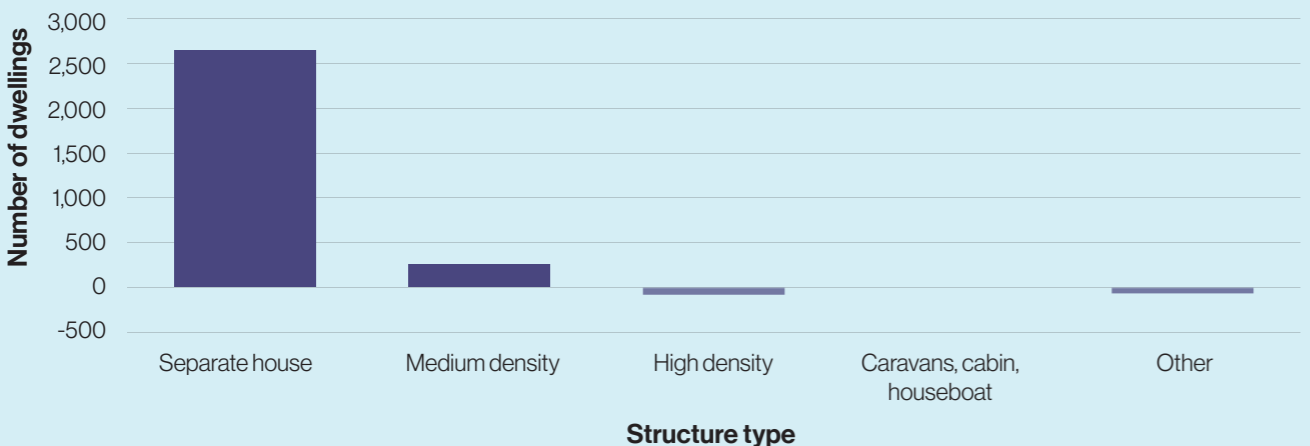
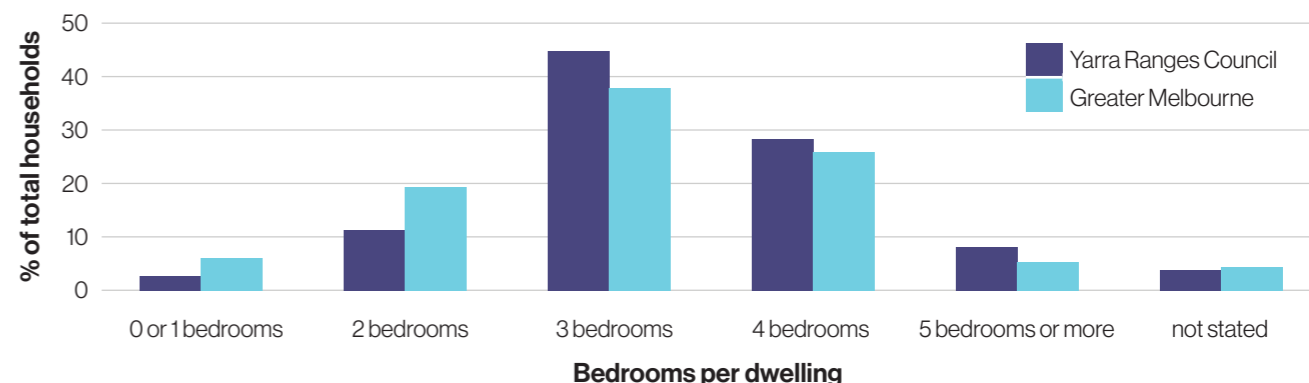


Figure 15. Number of bedrooms per dwelling, 2021<sup>19</sup>



Census information shows that these biases in the housing stock are becoming more exaggerated with time, revealing that the largest increases for 2016-2021 are in the three, four, and five bedroom categories, as shown in Figure 16 below.

Figure 16. Change in the number of bedrooms per dwelling, 2016 to 2021<sup>19</sup>

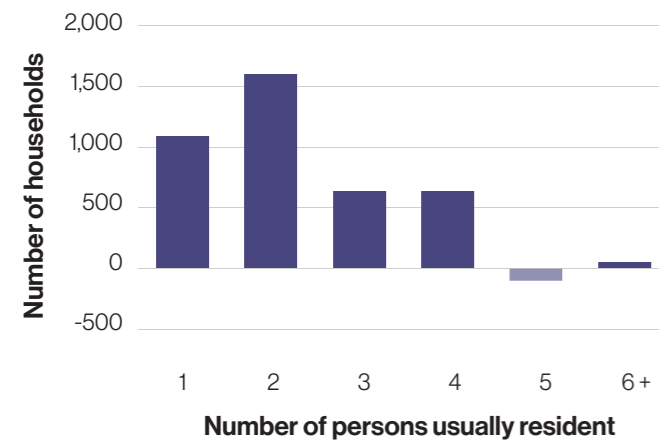


## 4.2 Potential Housing Stock Mismatches

### 4.2.1 Dwelling sizes

The preceding analysis of household types in Yarra Ranges shows a municipality that has traditionally been dominated by family households, but where demographic diversification is occurring with increasing proportions of smaller household types such as parents without children, single-parent households, and lone-person households. Between 2016 and 2021, growth has been dominated by 1 and 2 person households, as shown in Figure 17 below.

Figure 17. Yarra Ranges change in household size, 2016 to 2021<sup>20</sup>



This shows a potential mismatch between housing demand and supply in particular:

- Housing stock dominated by separate dwellings, which is not diversifying
- Housing stock increasingly dominated by three and four-bedroom dwellings

These statistics may seem counterintuitive, by showing 1 and 2-person households have the most growth over 2016-2021, when change in the housing stock over that period is dominated by 3 and 4 bedroom dwellings. A relevant question is 'Where are these new smaller households living?'

There are a variety of potential explanations, such as:

- Young adults moving out of the family home, leaving one or two parents in an oversized house for their needs, and other types of family separations.
- The effects of the pandemic, with individuals and couples moving to outer urban areas such as Yarra Ranges for a larger house to accommodate changing needs, such as working from home options.
- Property owners seeking to adapt existing housing to their changing needs by enlarging existing dwellings, rather than relocating.

The figures are most likely the result of an interplay between multiple factors, such as rising costs of housing, pandemic impacts, an aging of the population, and other factors. However, the key finding is that the Yarra Ranges community is changing demographically and has a corresponding need for changes to the housing mix to meet its evolving needs, with a key shortfall in medium and high-density housing.

### 4.2.2 Medium and High-Density Housing Diversity

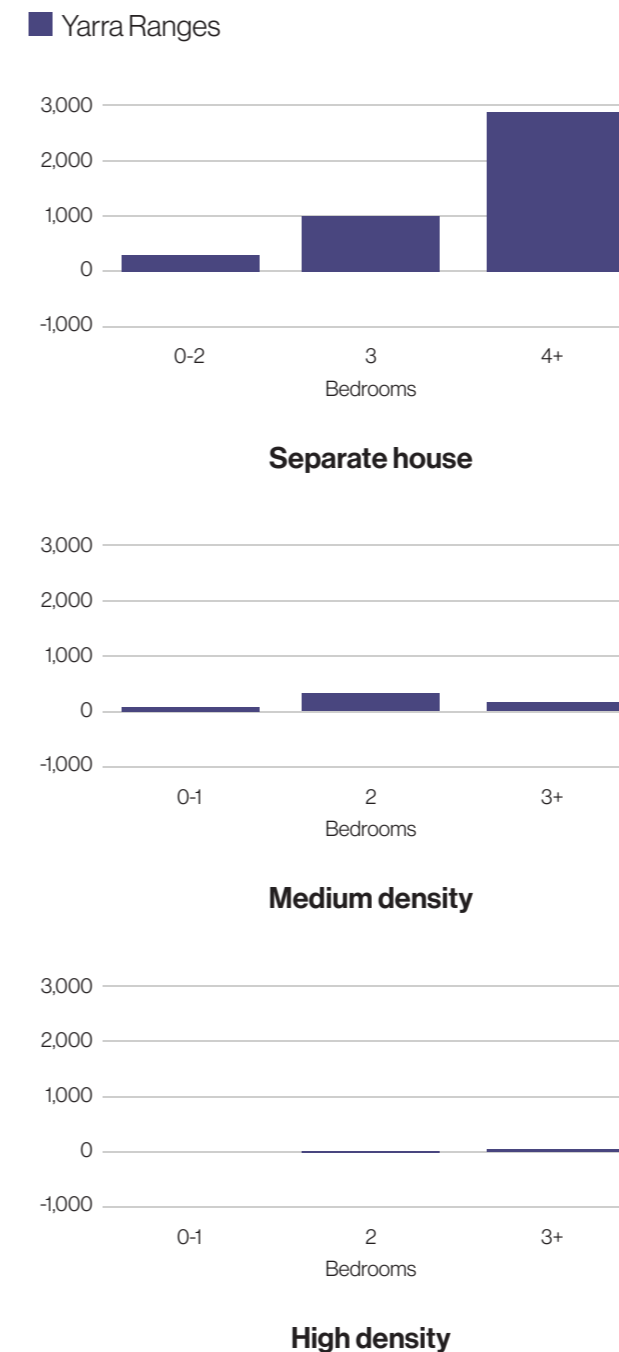
Within the medium and high-density housing categories, there is also a lack of diversity. While there has been some medium density development in recent years, there is still no high-density options in Yarra Ranges, as shown in Figure 13 above. This means that people wanting a more affordable, compact dwelling in a town centre, with minimal property maintenance, nearby shops and transport options, currently need to move outside Yarra Ranges to realise this.

Analysis of existing medium density stock shows there is a lack of zero to one-bedroom dwellings, as shown in Figure 18 below. This has potentially negative housing implications for several demographic groups in Yarra Ranges, and for housing affordability.

Figure 18. Change in occupied dwellings by structure and bedrooms, 2016-2021<sup>21</sup>

#### How is the mix of housing changing?

Change in occupied dwellings by structure and bedrooms, 2016-2021



### 4.2.3 The Role of Townships

Data shows that the rate of growth in township and rural areas of Yarra Ranges is significantly lower than within the urban area of Lilydale, Chirside Park, Mooroolbark, and Kilsyth.

There is some uncertainty whether the low rate of growth in large townships in particular, such as Mount Evelyn, Yarra Junction, Yarra Glen and Healesville, is primarily due to housing supply issues (people not able to find the housing types and sizes they require in these areas), or alternatively, may be due to other, non-housing related needs such as to reside nearer to employment and services.

The role of these larger townships in providing housing choice and diversity is likely to be critical in order to provide options for ageing and place, not only for residents of the towns themselves but for their outlying rural-residential areas. These towns are well provided with large, detached family dwellings, which may provide useful options for multi-generational living, and can also absorb medium density housing options to diversify housing stock.

## 5.0 Housing Needs

In determining future housing need, Council needs to consider the quantity, location, and optimal housing types to appropriately plan for the future requirements of the Yarra Ranges community.

### 5.1 Quantity of New Housing

The number of dwellings across Yarra Ranges is expected to increase from 61,570 in 2021<sup>17</sup> to 73,247 in 2041<sup>16</sup>, which is an average of 584 new dwellings per year, a faster annual rate of increase than the current rate of 528 dwellings per year.

This suggests that over the next 15 years, which is the lifespan of this Housing Strategy, there will be a need for 8,760 new dwellings.

Consistent with State Government direction, the Housing Strategy is planning for 10,700 new dwellings over the next 15 years, or approximately 700 dwellings per year.

While the Housing Strategy is planning for opportunities to provide an amount of new housing beyond current projected needs, Council must be guided by the Victorian Government in determining these targets.

### 5.2 Forecast Housing Supply vs Demand

An analysis of development capacity (ID Consulting, (2020) conservatively estimated that Yarra Ranges has development opportunities available to provide a net gain of 15,603 dwellings<sup>11(p.73)</sup>. This shows that land capacity will easily meet the State Government's target of 10,700 new dwellings. Even if development rates increase beyond the anticipated 584 dwellings per year, there is still capacity within existing residentially zoned land to accommodate further development.

The ID Consulting analysis only looked at existing residentially zoned land and did not include any opportunity from rezoning of industrial or commercial land. The **Lilydale Structure Plan 2022** recommended land areas in central Lilydale to be rezoned for residential development, with a potential capacity for a further approximately 250 further dwellings as described in Section 7.2.1.3 Table 4. In future, other similar rezonings may add to this.



## 5.3 Geographic Distribution of New Housing

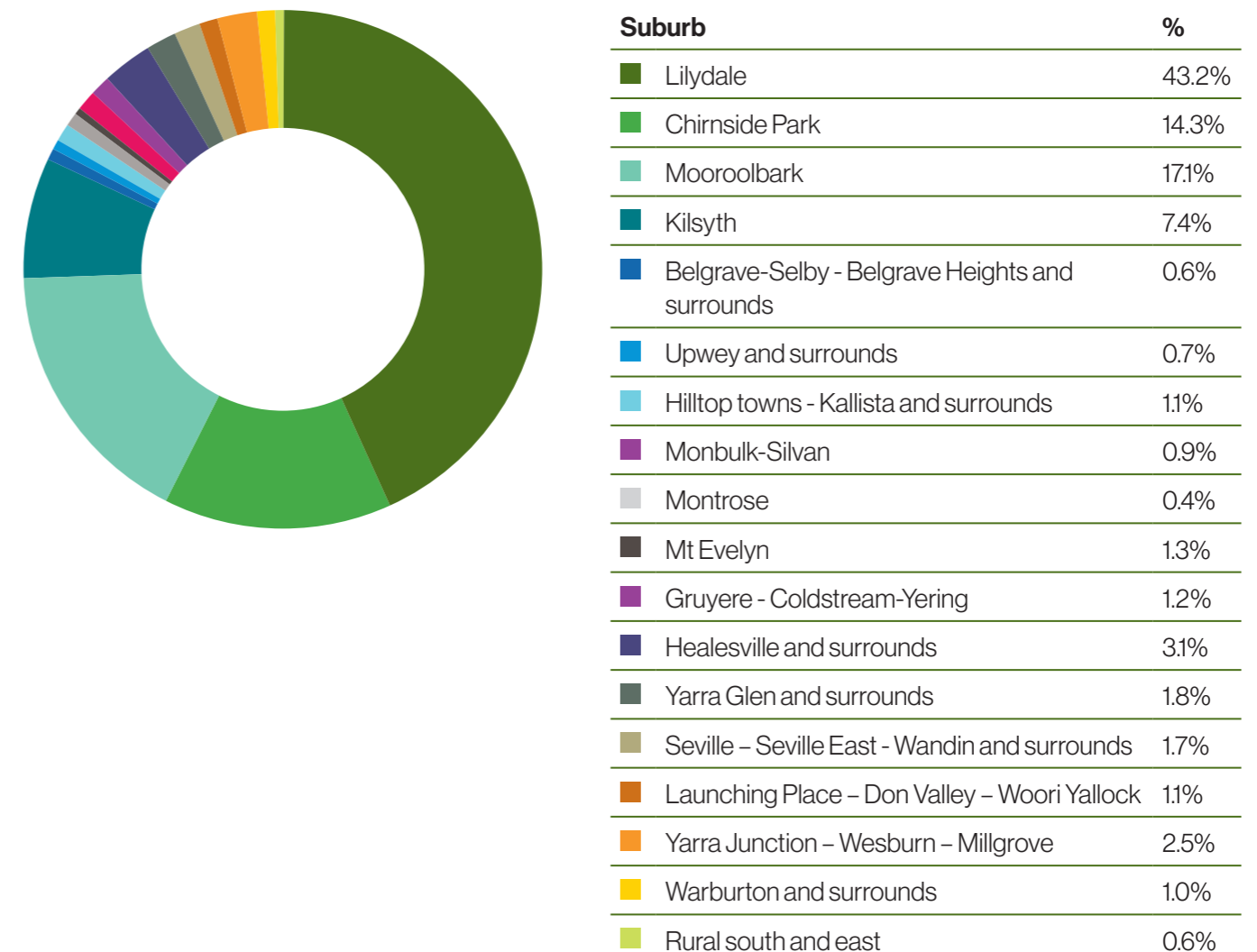
From 2021-2036, new housing is expected to be concentrated in the urbanised area comprising Lilydale, Chirnside Park, Mooroolbark, and Kilsyth, as shown in Figure 19 below.

Contrasted against Figure 12 which shows the geographic dwelling distribution over 2016-2021, Figure 19 shows that the share of total dwellings in the Lilydale, Chirnside Park, Mooroolbark and Kilsyth areas is anticipated to rise from 69.3% over 2016-2021 to 82% over the period from 2021-2036. This is a significant change in distribution. In particular the growth in Lilydale, from 18.3% to 43.2% shows the future role it plays for Yarra Ranges in housing provision.

This high growth in Lilydale is largely driven by the development of the Kinley Estate (former Lilydale Quarry), which has a 15+ year development timeframe<sup>22(p.8)</sup> and may be roughly 75% completed by 2036 accounting for an estimated 2,250 new dwellings. However, aside from development at Kinley, the relatively high rate of growth that other parts of Lilydale have experienced in recent years is projected to continue. These areas alone constitute roughly 17% of total Yarra Ranges dwelling development to 2036.

The recently approved **Lilydale Structure Plan 2022** anticipates strong residential growth in central areas of Lilydale and nearby residential areas and provides a framework for how this may be achieved, which integrates with the approach taken by this Housing Strategy as presented in later chapters.

Figure 19. Proportions of future residential growth by district, 2021-2036<sup>16</sup>



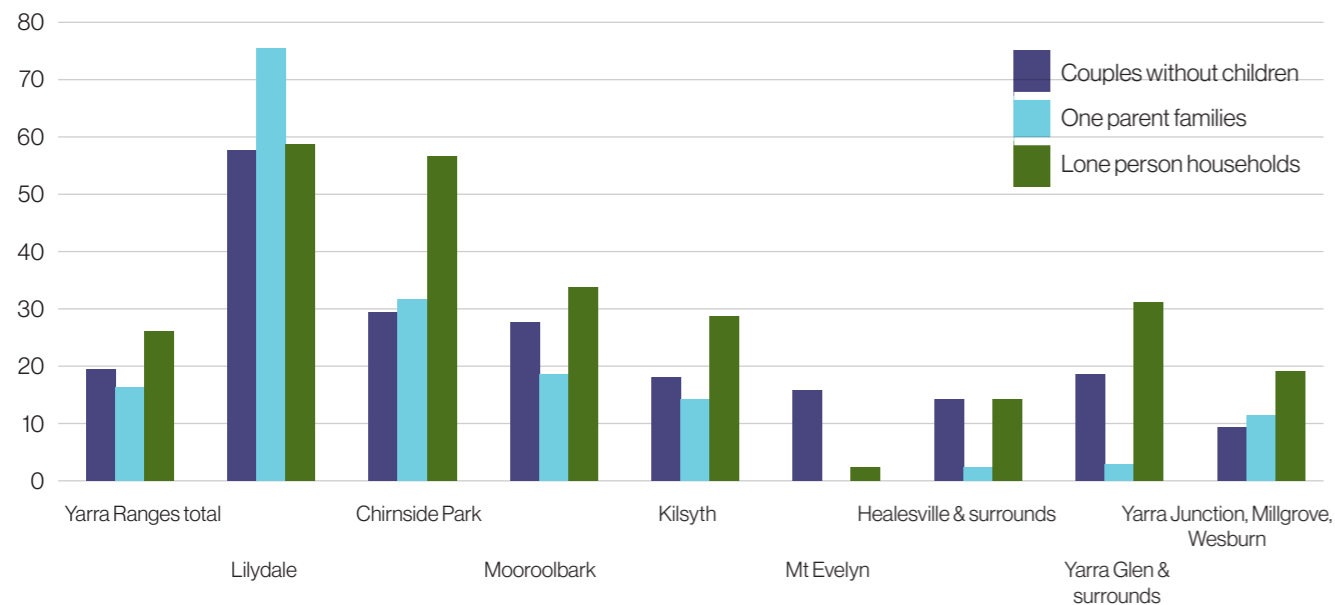
## 5.4 Future Household Type and Dwelling Type

The dominance of 'couples with children' as a household type in Yarra Ranges will continue to 2036. However, as shown by preceding sections, it is forecast that there will also be smaller household types, particularly parents without children, single-parent families, and lone-person households.

There is an emerging need for smaller, more affordable medium and high-density housing, and demand for dwellings with one or two bedrooms. For some household types, this will enable more ability to age in place, allowing people to stay within their communities as they progress through multiple life stages. For other groups, such as young couples without children, it will allow for an easier entry into first-time property ownership.

Geographically, this need will manifest itself in both townships and the main urban area of the municipality. In townships such as Mount Evelyn, Healesville, Yarra Junction and Yarra Glen, it will mean an increased need for smaller housing options to allow for aging in place. However, projections suggest that from 2021-2041, smaller household types will be strongly concentrated in the urbanised areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth as shown in Figure 20, which is where the majority of housing diversity will be needed.

Figure 20. Percentage increase in smaller household types by location in Yarra Ranges 2021-2041<sup>23</sup>



## 5.5 What Has the Community Said on Housing Need and Issues?

Public consultation on the Housing Strategy Discussion Paper undertaken in 2022 provided insights into how the housing needs of Yarra Ranges residents may change in the next 15 years, and how new housing should be accommodated. This included the following feedback:

**New housing should be located with reasonable access to shops and services.**

**New development should be limited to the capacity of infrastructure to absorb it.**

**While more housing is needed, overdevelopment needs to be avoided in a way that will undermine the valued character of Yarra Ranges' neighbourhoods.**

**The lack of social housing needs to be addressed, and ways identified to increase affordability.**

**There is a need for a variety of new housing options to suit varying needs, circumstances and life stages.**

**New housing should be designed to be environmentally sustainable, which will lower living costs and increase liveability.**

## 5.6 What Type of Housing Does Yarra Ranges Need?

Based on the analysis of demographic change in Yarra Ranges, the characteristics of the current housing stock and identified shortfalls, and the feedback from community consultation, anticipated future housing needs in Yarra Ranges are shown in Figure 21 and further discussed below

Figure 21.

### Yarra Ranges housing needs:



### 5.6.1 Housing Diversity to Fit Varying Resident Needs

The emerging dominance of smaller household types will mean a need for smaller, more compact and affordable dwelling stock to provide options for these household types. This is particularly true in the urban areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth, where the majority of growth in smaller household types is projected to occur. However, it is also needed on a smaller scale in large townships across Yarra Ranges which serve a regional catchment such as Mount Evelyn, Healesville, Yarra Glen and Yarra Junction.

Providing a better mix of housing options will provide housing choices for residents through different stages of life. This is particularly important to accommodate an aging population. As residents age and seek to downsize, this will provide smaller housing options in, or close to, their local communities.

There will continue to be demand for larger, family sized homes in Yarra Ranges. Housing diversity therefore needs to be balanced across all suburbs, according to projected future needs.

Effective diversity in the housing stock not only relates to dwelling size, but has other important characteristics such as:

- Its suitability for a variety of residents with different mobility requirements.
- Achieving a reasonable proportion of single-level dwellings, as opposed to the large numbers of double-storey townhouses constructed in recent years.
- Achieving diversity within the medium and high-density categories, such as with a larger proportion of one and two bedroom dwellings.

### 5.6.2 New Housing Directed to Suitable Locations

The existing residential planning framework in Yarra Ranges directs the majority of housing growth to the residential areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth that are located in good proximity to commercial centres and which allow for development of strategic redevelopment sites at medium to high densities.

The Residential Framework has been in the planning scheme since 2013 and was designed to provide greater housing growth and opportunities closer to activity centres, shops, transport, and services, with less growth directed to other areas with poorer access to activity centres, or subject to other factors that would limit development capacity such as environmental hazards or significant landscapes.

The current framework also provides for housing intensification in the larger townships of Mount Evelyn, Healesville, Yarra Junction, and Yarra Glen.

The preceding analysis sections show that this existing approach should be continued, however some issues that have emerged since 2013 are:

- A need for more precise locations and planning controls for increased height and density in residential intensification areas, with regard to neighbourhood character and infrastructure capacity.
- The recent development, and partial development of some strategic redevelopment sites including Kinley, showing the need to more clearly consider the role of these sites in the municipal housing mix.
- The approval of strategy documents, such as the Lilydale Structure Plan 2022, encouraging high-density residential and mixed-use development in commercial centres.

Therefore, there is a need for refinement of the existing Residential Framework to account for these emerging factors.

### 5.6.3 New Housing that Respects Neighbourhood Character

There is a need to ensure that residential growth is allowed for in appropriate locations, in a way that is complementary to neighbourhood character.

As Yarra Ranges' neighbourhoods are predominantly made up of low scale buildings and tree canopy, new development can have significant impacts on streetscapes and the sense of neighbourhood character for the community. While a degree of change will be necessary to accommodate growth, the amount of change will vary by area.

New development will need to respond to the preferred neighbourhood character objectives and guidelines, which will be guided by the Yarra Ranges Neighbourhood Character Study, 2021. This Study provides a basis for planning scheme provisions to guide how the scale and form of new development can address the preferred vision for how particular neighbourhoods will change over time.

### 5.6.4 Increased Housing Affordability

There is a need for more affordable housing types in Yarra Ranges to accommodate people experiencing mortgage and rental stress, vulnerable groups, and the homeless population.

The issue of housing affordability is partly tied to the cost of living, which can be improved by locating new housing in or near activity centres to reduce household expenditure on transport and utility costs. It is also related to housing diversity, with smaller housing forms such as townhouses and apartments offering a range of price-points to complement larger dwellings that dominate the Yarra Ranges housing stock. The environmental sustainability of new housing stock is another contributing factor, which can further reduce living and utility expenses.

However, the housing affordability response also needs to progress beyond these issues to consider ways to achieve a larger provision of social housing in Yarra Ranges.

### 5.6.5 Housing with Better Environmental Performance

Yarra Ranges housing stock was primarily constructed in previous decades, and many dwellings lack sustainable approaches to energy management, waste and water management, and other issues now commonly considered in contemporary housing design.

The Yarra Ranges Planning Scheme has recently been amended to include new requirements for improved approaches to environmental sustainability in building design. These requirements apply to residential development of over 3 dwellings, and some non-residential development.

The renewed and revised focus on activity centres taken by the Housing Strategy, including development in commercial areas for future medium and high-density housing, provides an opportunity to realise improved environmental performance in a larger proportion of Yarra Ranges' dwellings in the future.

## 6.0 Housing Vision

### Vision

“Yarra Ranges will have a variety of housing options that are adaptable for the changing needs of its residents and provide effectively for its population.

Residential streets will retain their spacious, leafy character, with substantial landscaping in new developments.

New housing will be environmentally sustainable and responsive to its surrounding context, with higher density housing located near townships and urban centres in a way that facilitates community participation and active living.

There will be higher rates of affordable housing to support Yarra Ranges' most vulnerable residents, reinforcing Yarra Ranges' sense of community spirit and identity.”

### Objectives

The vision was formed from community feedback on the Housing Strategy Discussion Paper, 2022, and is consistent with existing State and Local policy direction for the future of housing in Yarra Ranges. It is written to incorporate the following objectives:

- ✓ To achieve more diverse and adaptable housing that will adequately address the needs of current and future residents, including an ability for older people to age in place in their communities, particularly in areas with good walking proximity to town centres.
- ✓ To achieve future development outcomes that respond to valued neighbourhood character attributes of Yarra Ranges' neighbourhoods, as well as landscape characteristics.
- ✓ To ensure that higher density housing is directed appropriately to targeted locations, where it enhances the sense of place and cultural identity and supports strong local communities and neighbourhood participation.
- ✓ To ensure new housing is designed and constructed with greater attention to environmental sustainability.
- ✓ To achieve social and affordable housing that will address the needs of elderly people, groups on low incomes, and disabled people.



# 7.0 Residential Framework

## 7.1 Overview

Opportunities for residential development in Yarra Ranges vary from housing in rural townships to large redevelopment sites with excellent access to transport and services. The purpose of this section is to set out a framework for how Yarra Ranges can effectively accommodate a variety of new housing over the next 15 years. This framework identifies specific geographic areas for varying levels of change, to respond to the following factors:

- + The amount of new housing required to fulfill Yarra Ranges' role in accommodating Melbourne's future population growth.
- + The need to plan for future changes in the demographic make-up of Yarra Ranges over time, and changing housing needs.
- + Focusing increases in housing density in locations with excellent access to activity centres, so that new housing is prioritised where there is good access to shops, parkland, public transport, employment and services.
- + Achieving a more diverse and affordable housing mix, with an increased proportion of smaller dwellings encouraged in targeted locations.
- + Ensuring new development responds to valued neighbourhood character and landscape attributes.



### 7.1.1 Overview of Urban Activity Centres

In determining change areas across Yarra Ranges, it is important to consider the scale and role of each activity centre as described below in Table 3, to ensure that the level of residential intensification proposed near each centre is appropriate.

Table 3. Activity Centre Hierarchy

<b>Activity Centre Type</b>	Major Activity Centres
<b>Example</b>	Chirnside Park and Lilydale
<b>Role</b>	
The expectation for these centres is to provide for a large, diverse and intensive mix of retail, commercial, entertainment, cultural and other uses.	
These centres have strong public transport links, serve a large regional-sized catchment, and are priority locations for future private and public sector development.	
Land within and adjoining these centres is the preferred location for additional and more diverse residential development.	
However, it is also important to identify the differences between these two centres. Lilydale provides a range of retail, community, recreational and civic facilities and services, and health and education services, set around an attractive, tree lined main street, with significant heritage buildings and open spaces. Lilydale has good public transport options, with the new train station bringing bus and train services into one consolidated terminal in the centre of town. Lilydale is well positioned to accommodate increased residential densities.	
In contrast, Chirnside Park is a car-based centre dominated by retail uses, bulky goods retail and fast-food outlets positioned along the highway. The highway is wide and presents a significant barrier to pedestrian movement, creating a fragmented centre. There is less provision of open space, facilities and services for the current and future communities, and public transport is limited to bus travel with a terminal located at the shopping centre. Due to its context and characteristics, Chirnside Park is therefore less suited to significant increases in residential growth than Lilydale and will need considerable future investment in community infrastructure and open space as it develops. Developer contributions from Strategic Development Sites will be key to achieving required infrastructure.	
Therefore, development of Strategic Development Sites is the preferred means to achieve increases in residential development rather than infill development of existing residential areas.	

<b>Activity Centre Type</b>	Large Neighbourhood Activity Centres
<b>Example</b>	Belgrave, Healesville, Kilsyth, Monbulk, Mooroolbark, Mount Evelyn, Seville, Yarra Glen, Yarra Junction
<b>Role</b>	<p>Smaller in floor space terms than Major Activity Centre, these centres have a retail mix that is focussed on convenience and grocery shopping. They also provide a range of community services to the surrounding communities.</p> <p>Some of these centres, which serve a catchment that extends into outlying rural-residential areas, perform a significant role in the provision of community and civic services, with some also providing a range of facilities and services for tourists.</p> <p>Land within and adjoining these centres is generally an appropriate location for additional housing, particularly in Mooroolbark and Kilsyth which are centres in the main urban area of Yarra Ranges.</p> <p>Mooroolbark has an attractive village-like setting, with retail, offices, health services, a library and community centre, significant open space, and its transport role has been improved by the recent level crossing removal with a new train station and multi-level car park. Mooroolbark has good potential to accommodate further increases to residential density in and around the commercial area, as recommended by its 2011 Structure Plan.</p> <p>Kilsyth is dominated by neighbourhood convenience retail, and has no fixed rail, relying on buses for public transport options. However, it has a number of well-located community and recreational facilities in and around the commercial centre, and some supporting strip shopping areas in residential areas near the town centre. Kilsyth can absorb further residential development in well located areas near the activity centre, but to a lesser degree and intensity than Mooroolbark.</p>

<b>Activity Centre Type</b>	Small Neighbourhood Activity Centres
<b>Example</b>	Coldstream, Montrose, Mount Dandenong, Olinda, Sassafras, Tecoma., Upwey, Wandin North, Warburton, Woori Yallock.
<b>Role</b>	<p>These centres have a more limited role in providing convenience retailing and community facilities for an immediate surrounding catchment.</p> <p>Usually, they have a small supermarket as the main anchor tenant. In some cases they serve a tourist market. The range of commercial and other land uses in these centres does not support substantial residential growth.</p>

<b>Activity Centre Type</b>	Local Activity Centres
<b>Example</b>	Colby Drive - Belgrave South, Monbulk Road Silvan and Switchback Road - Chirnside Park
<b>Role</b>	<p>These generally consist of a small group of shops that serve a local walk-in catchment and provide for the daily convenience and 'top up' needs of local residents and passing motorists.</p> <p>Some of these centres contain a limited number of community facilities and other uses.</p>

The Residential Framework Plan shown in Figure 22 shows land identified for the following levels of change:

**Substantial Change Areas** that are activity centre commercial areas in Lilydale and Mooroolbark, where there are opportunities for multi-level buildings that can comprise a proportion of residential development alongside allowance for ground level retail, commercial, office or other land uses.

Surrounding these activity centres, Substantial Change Areas also extend to nearby residential areas with excellent access into centres, where housing growth and diversity are encouraged. Land in these areas is well provided with physical and community infrastructure, and there is good walking access to shops and services.

**Increased Change Areas** allow for smaller and more diverse housing options in the large neighbourhood centres of Mount Evelyn, Yarra Junction, Yarra Glen and Healesville, on land which has good access and proximity to these centres. This will provide opportunities for ageing in place and downsizing for residents of these towns and their outlying rural-residential areas. Future development will need to respond to neighbourhood and landscape character adequately by providing space around future built form for planting opportunities, and minimising bulk of upper levels.

**Minimal Change Areas** occur in rural townships far from the urban area and large townships, where future buildings will need to maintain the existing character of low-density residences set within a strong landscape context.

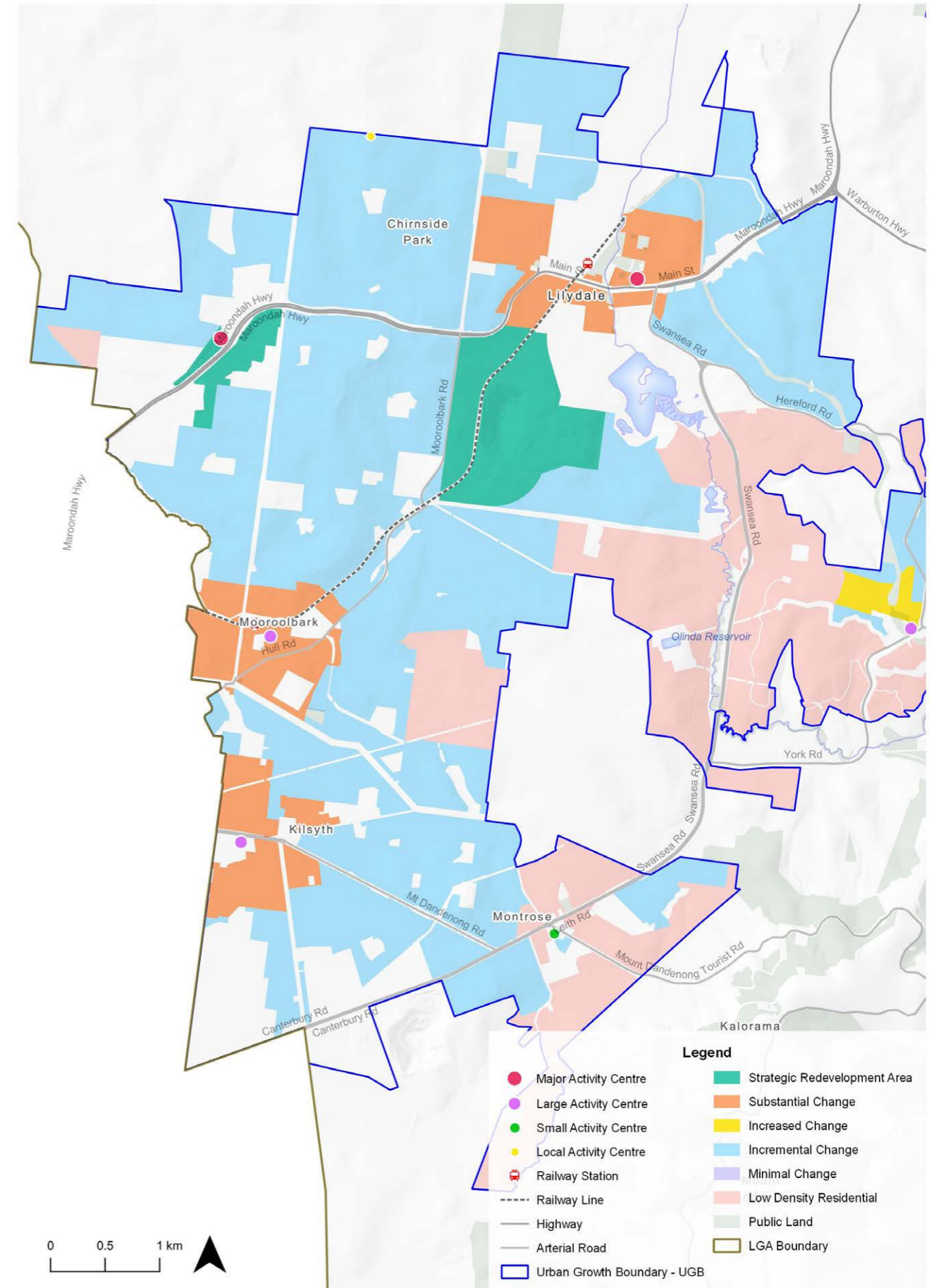
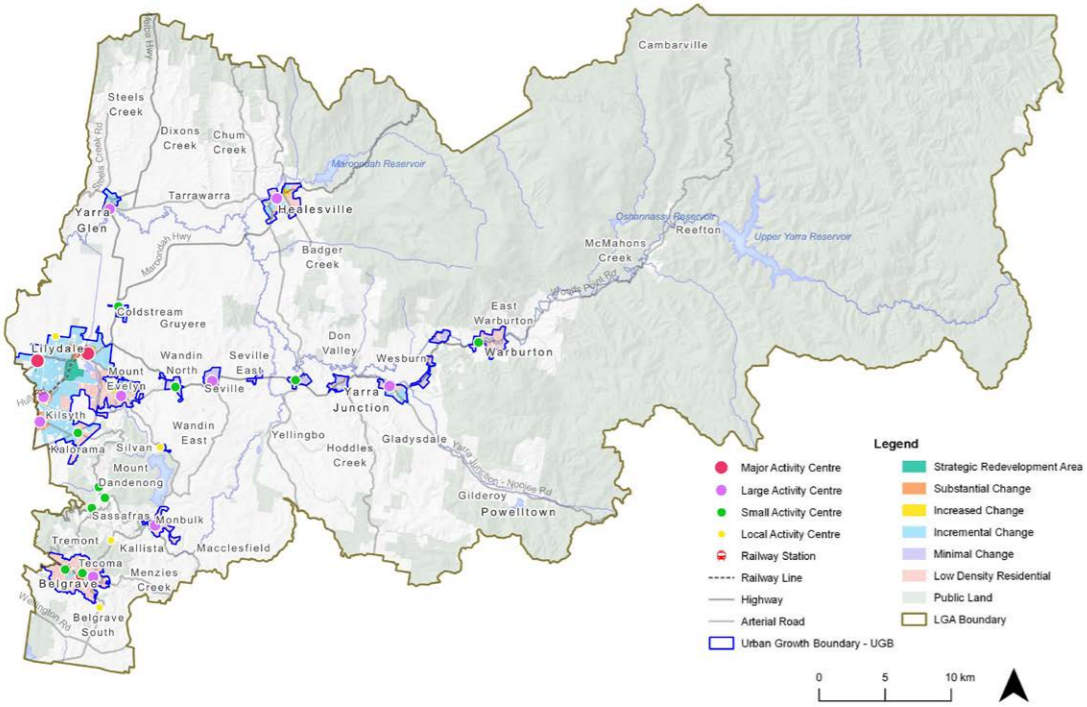
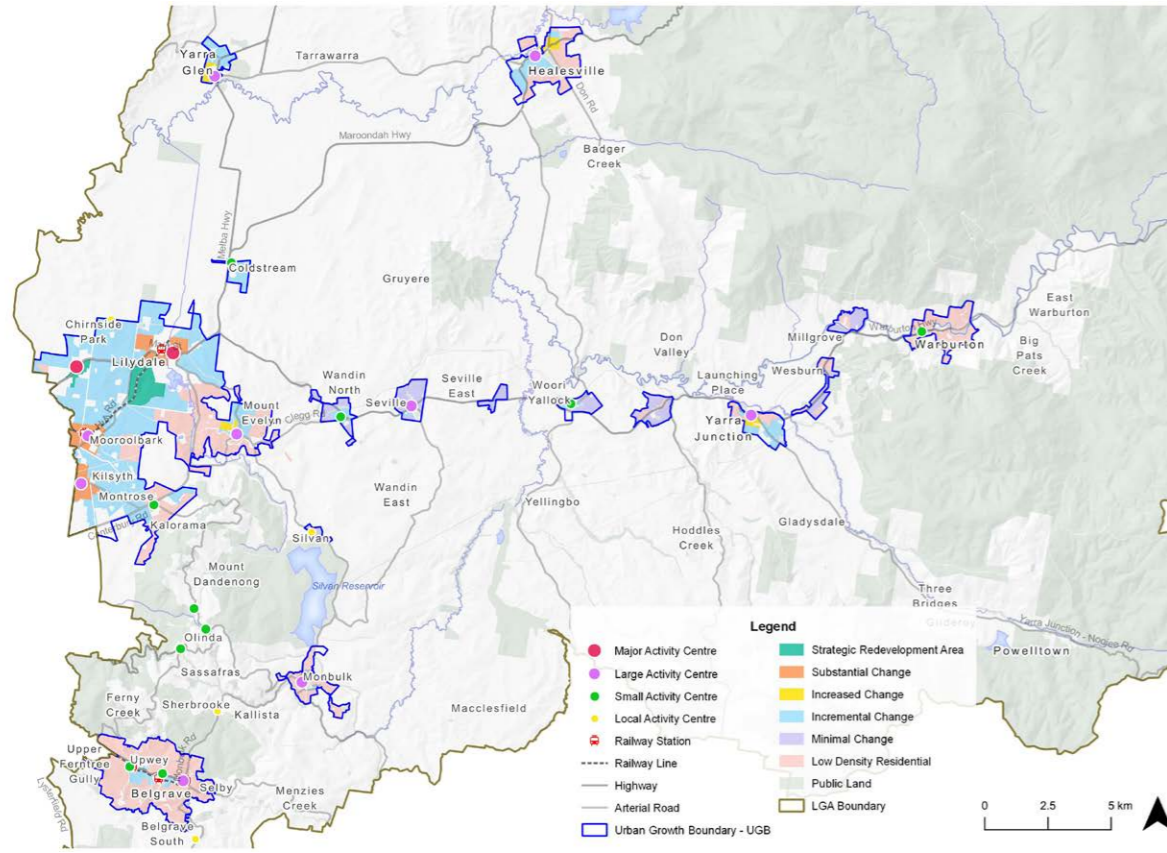
**Incremental Change Areas** allow for moderate levels of change in parts of Yarra Ranges' main urban areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth that do not have easy walking access to the activity centres. This category also applies to residential land in large townships. While some unit and townhouse development can occur in these areas, it would be less bulky and intensive than in the Substantial and Increased Change categories, and more spacious in nature to allow for stronger protection of neighbourhood and landscape character.

**Strategic Redevelopment Sites** that are specific sites where there is a good opportunity for significant quantity and scale of new housing. These are sites with excellent proximity to activity centres and infrastructure, and where a range of housing types can be accommodated including detached dwellings, townhouses, and multi-level apartments in some cases.

The above change categories will be translated into revised planning controls, according to the expectations provided in this chapter on the level of change, combined with the recommendations of Chapter 8 regarding how future development across Yarra Ranges' residential areas can respond to valued neighbourhood character attributes. No changes will occur to current planning controls for Strategic Redevelopment Sites.



Figure 22. Residential Framework Plan



## 7.2 Substantial Change Areas

Substantial Change areas will provide for housing growth at increased densities in Lilydale, Chirnside Park, Mooroolbark and Kilsyth, where there is good access to public transport options, shops and services.

### The objectives for Substantial Change areas are to:

- ✓ Encourage the development of high and medium density housing types, including townhouses, units, and apartments,
- ✓ Ensure design responds appropriately to the valued character of Yarra Ranges' distinctive neighbourhoods,
- ✓ Encourage a diversity of housing types, including 1- and 2-bedroom dwellings,
- ✓ Encourage affordable housing outcomes,
- ✓ Encourage the planning and provision of physical and social infrastructure,
- ✓ Encourage site consolidation for more intensive built form.

### 7.2.1 Lilydale and Mooroolbark Activity Centres

Future residential development on commercially zoned land in activity centres will occur in the future and change the housing mix. This will take the form of:

- Multi-level apartment buildings.
- Shop-top housing.
- Mixed use buildings combining residential with other land uses, such as providing an active retail use at ground level, with residential apartments above.
- Intensive townhouse development around the edges of commercial precincts.

To date this type of development has not happened in Yarra Ranges in any significant degree, however it is encouraged through planning scheme policy in both Lilydale and Mooroolbark. As property prices rise in Yarra Ranges over time, it is anticipated this type of development will become more economically attractive to property developers. The following describes the future vision for residential development in the Lilydale and Mooroolbark Activity Centres, with some potential dwelling yield indicative figures provided.

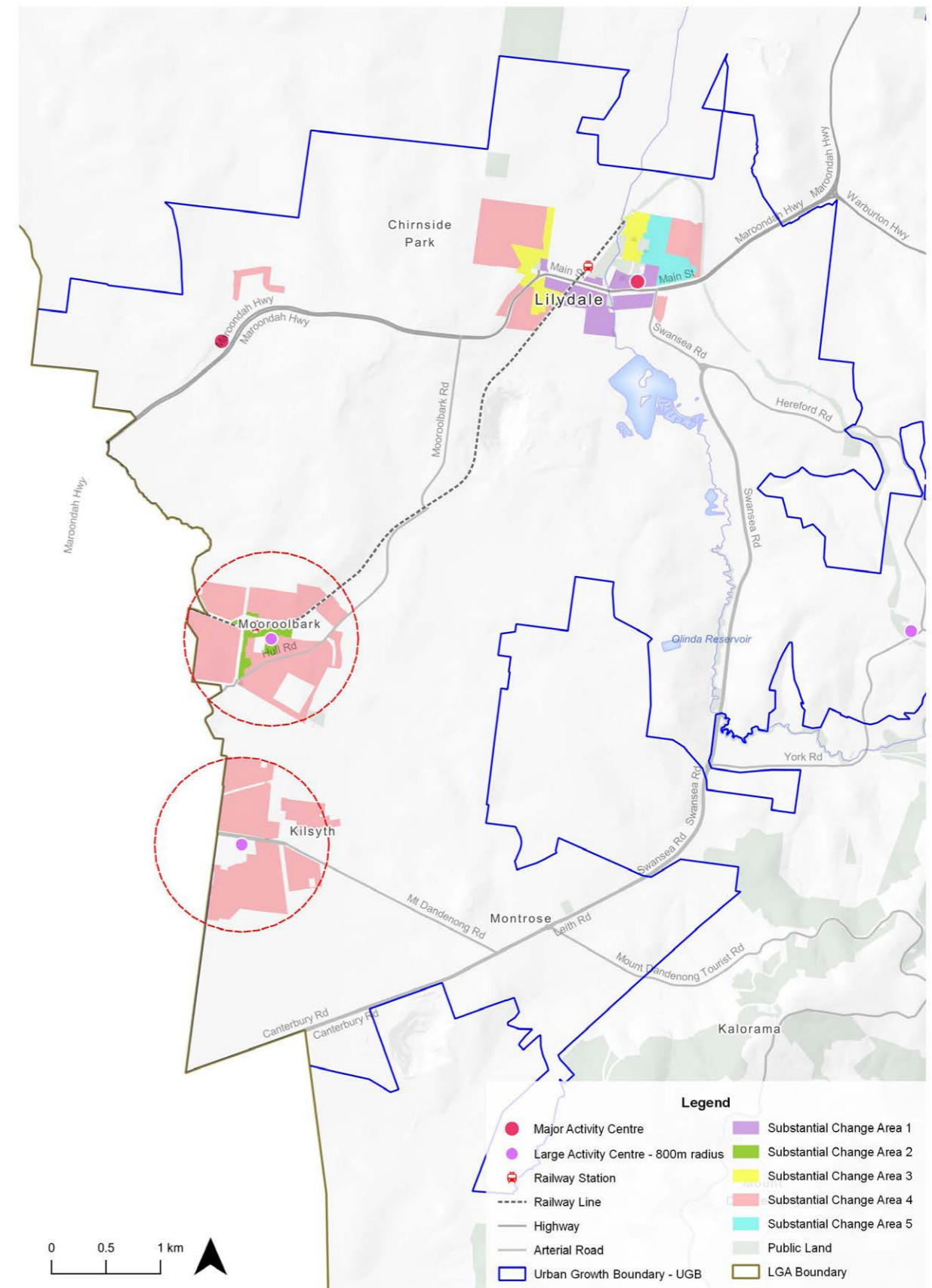
#### 7.2.1.1 Substantial Change Area 1 - Lilydale Town Centre

A new Structure Plan for Lilydale was adopted by Yarra Ranges Council in August 2022, replacing the previous 2006 plan.

The new vision for Lilydale encourages a vibrant and walkable town centre focused on the lower-lying part of town between Olinda Creek and the new train station with buildings of up to six storeys and a mix of land uses including retail, food and drink, commercial, and office, complemented by substantial opportunities for high-density residential development.

To implement the land use recommendations from the new Structure Plan, a planning scheme amendment will be required to enable greater building heights in identified areas. The planning scheme changes are currently under preparation and will require further public consultation.

Figure 23 – Substantial Change Areas



### 7.2.1.2 Substantial Change Area 2 - Mooroolbark Town Centre

The Mooroolbark Structure Plan was adopted by Council in 2011 and encourages medium and high density residential development in order to improve housing diversity, given Mooroolbark's location near a railway station and with excellent access to services, parks, community facilities, employment opportunities and schools.

The intention is to increase housing choices and diversity in a way that assists to reinvigorate the commercial area by concentrating population in the core of the centre. Particular focus areas for higher residential density are the key sites shown in Figure 24 below, with surrounding residentially zoned land also identified as suitable for medium density residential development. Current planning controls limit the heights of the identified sites as shown in Figure 24.

### 7.2.1.3 Estimated Residential Yield

Based on the Structure Plans the following dwelling yield may be achieved.

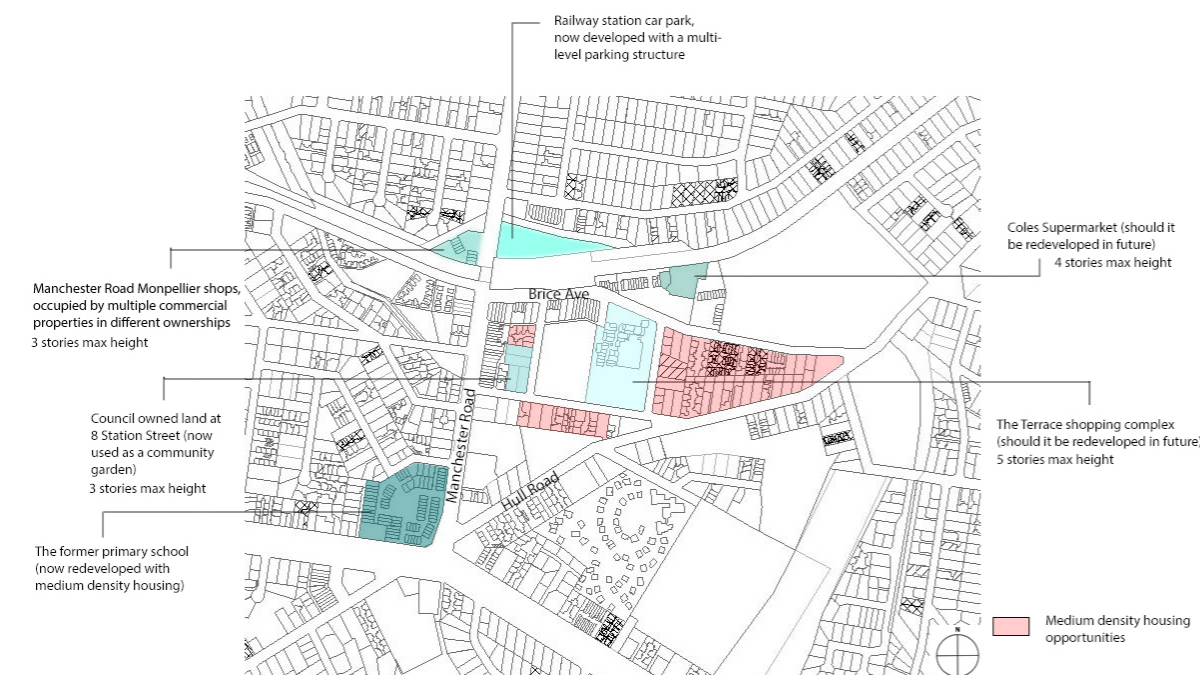
Table 4.

	Medium density	High density	Total
<b>Lilydale</b>			
• Existing zones	0	1,516	1,516
• Via potential rezonings	0	254	254
<b>Mooroolbark</b>	30	237	267
<b>Total</b>	30	2,007	2,037

#### Assumptions

- Net developable area is 75% of gross land area
- Medium density is delivered at an average of 40 dwellings per net developable hectare
- High density development is delivered at an average of 100 dwellings per net developable hectare

Figure 24. Mooroolbark Structure Plan medium and high-density residential development opportunities



### 7.2.2 Building Heights and Application of Zones

Residential areas surrounding town centres (Substantial Change Areas 3-5) will undergo relatively high change, and will see a new built form and neighbourhood character emerge. There will be a mix of townhouses and detached dwellings, and in some areas opportunities for low rise apartments. Building heights in most areas will be limited to three stories (11 metres). However, for some specific sites where opportunity exists to consolidate land to achieve larger development areas, four storeys will be possible (14 metres).

These areas are well served by infrastructure, and are not affected by significant physical development constraints or restrictive planning controls. They are areas appropriate for a diverse mix of housing sizes and types, to provide for a varied housing mix, consistent with the preferred future neighbourhood character discussed further in Chapter 8.

The Activity Centre Zone (ACZ) and the General Residential (GRZ) will be applied to residential areas identified for substantial change, which are the following areas:

Table 5. Application of Substantial Change Areas

Area	Application Basis	Proposed Zone
<b>Substantial Change Area 1</b> Lilydale Town Centre	Commercially zoned land between Cave Hill Road (west) and Anderson Street (east) (now zoned Commercial 1 Zone or Commercial 2 Zone)	ACZ1
<b>Substantial Change Area 2</b> Mooroolbark Town Centre	Commercially zoned land in Mooroolbark (now zoned Commercial 1 Zone or Commercial 2 Zone)	No change – to remain C1Z and C2Z
<b>Substantial Change Area 3</b> Lilydale Proposed Activity Centre Zone Investigation Area	Land with excellent walking access to the Activity Centre identified by the Lilydale Structure Plan, 2022 as being suitable for high and medium density development.	ACZ2
<b>Substantial Change Area 4</b> Increased density areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth	In Lilydale, land identified by the Lilydale Structure Plan as suitable to be rezoned to General Residential Zone.  In Chirnside Park, land bordering the Activity Centre currently zoned GRZ.  In Mooroolbark and Kilsyth, a roughly 800 metre walkable catchment measured via established walking routes from the edge of the Commercial 1 Zoned land, representing a 10-minute walk on relatively flat land.	GRZ
<b>Substantial Change Area 5</b> Lilydale historic streets	In Lilydale, the historic area of the town centred on Castella Street and Anderson Street.	GRZ

### 7.2.2.1 Substantial Change Area 3 – Lilydale Proposed Activity Centre Zone (ACZ) Investigation Area

This area includes small pockets of Lilydale’s residential area with excellent walking access to the town centre, as shown in Figure 25 below. These areas are identified in the Lilydale Structure Plan as having potential for higher densities than other nearby land, such as apartment development.

For most of the residential area, allowable heights would be limited to 3 stories (11 metres), similar to other nearby residential land. However, there are some large sites and sites with potential for land consolidation to achieve

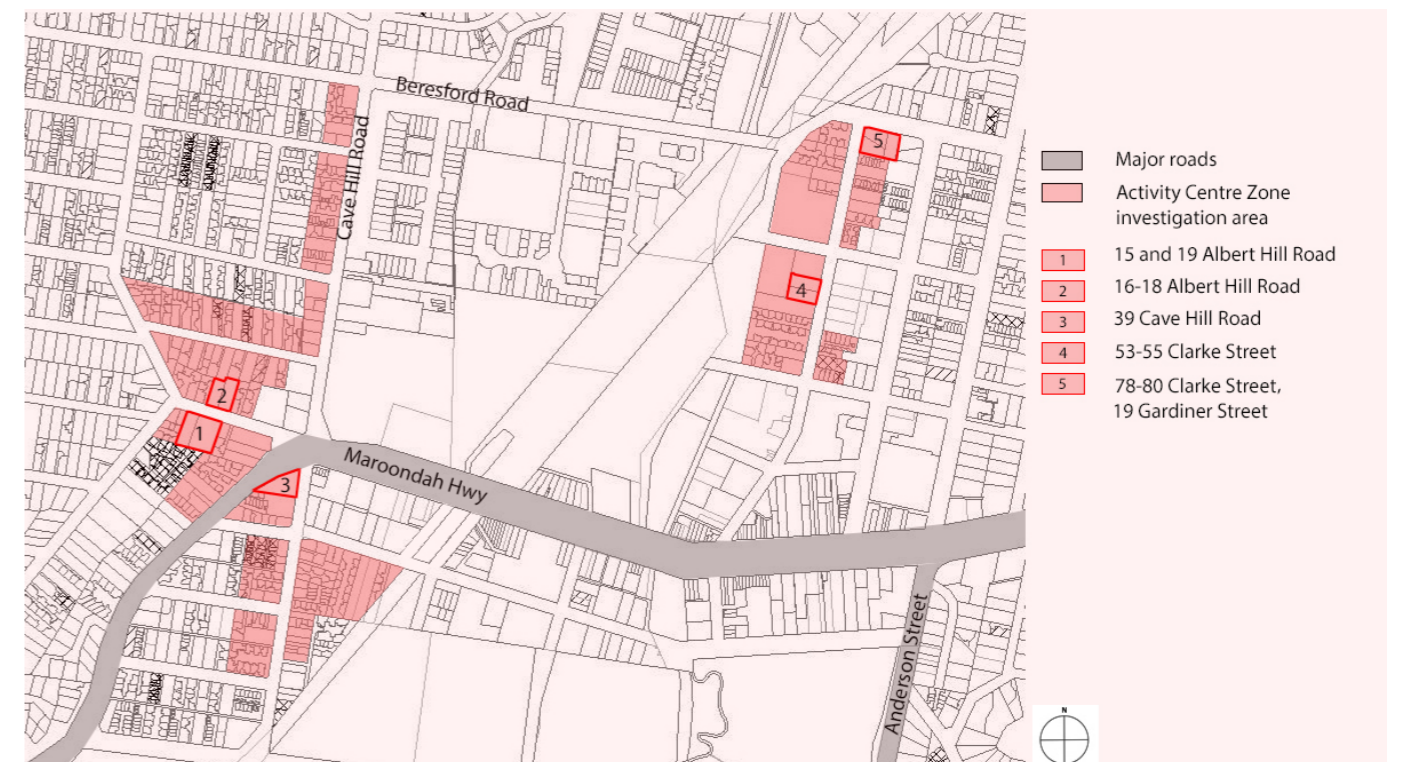
larger development sites, where there would be an allowance for low-rise apartment development with a four storey (14 metre) height limit. These sites are shown below in Figure 26.

In Yarra Ranges, land consolidation is a key opportunity to achieve more diverse housing outcomes in way that respects residential amenity of nearby properties, by concentrating height and building mass to the centre of sites and separating built form from boundaries to allow for landscape responses. The capacity to utilise land consolidation potential is not currently reflected in existing planning controls, and is a key opportunity identified in this Housing Strategy (Section 1.6.5).

Figure 25. Land areas for ACZ investigation



Figure 26: Large sites and sites with land consolidation potential in Lilydale



### 7.2.2.2 Substantial Change Area 4 – Increased density areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth

Other residential parts of Lilydale in proximity to the town centre are currently zoned Residential Growth Zone (RGZ) which is the highest-order residential zone that can be applied. A recommendation of the Lilydale Structure Plan is to rezone these areas to General Residential Zone (GRZ), in order to achieve better spacing between built form elements, and sense of landscaping throughout development sites, by requiring less built site cover. The areas recommended for rezoning to GRZ are shown in Figure 27 below.

In these areas, site cover would be limited to 50% (compared to the 60% that now applies). Height would be limited to 3 storeys (11 metres), as described in the draft Neighbourhood Character Study, 2021.

In well located areas of Chirnside Park, Mooroolbark, and Kilsyth (currently zoned GRZ as shown in Figure 23), it is intended to maintain the current GRZ zoning,

but to apply revised settings for site cover, landscaping, and setbacks, to achieve improved neighbourhood character outcomes as discussed further in Chapter 8. Revised planning controls will seek to achieve improved architectural and landscape outcomes by reducing the site cover of buildings and achieving additional garden areas for landscaping.

### 7.2.2.3 Substantial Change Area 5 –Lilydale Historic Streets

In Lilydale, the historic part of the town around Castella Street and Anderson Street (shown in Figure 28) is also intended to be zoned General Residential Zone (GRZ). However, the settings for future development will differ from Section 7.2.2.2 above. The approach to built form will further reduce building and subdivision intensity to better respond to the historic character of this area. Buildings here will have less walls located on property boundaries, and garden areas will be encouraged at ground level (rather than exclusive use of balconies) by planning policy.

Figure 27. Land recommended for rezoning to GRZ by the Lilydale Structure Plan



Figure 28. Historic area of Lilydale identified for greater built form protection



## 7.3 Increased Change

Increased Change areas will provide for modest growth of additional housing near Yarra Ranges large neighbourhood activity centres of Mount Evelyn, Yarra Junction, Healesville and Yarra Glen

### The objectives for Increased Change areas are to:

- ✓ Encourage the development of medium density housing types in residential areas with good walking access to the townships of Mount Evelyn, Yarra Junction, Healesville and Yarra Glen,
- ✓ Provide opportunities for ageing in place and downsizing for residents of Mount Evelyn, Yarra Junction, Healesville and Yarra Glen, and their outlying rural-residential areas,
- ✓ Encourage a design response that emphasises restricted site cover, landscape values and planting opportunities,
- ✓ Ensure design responds appropriately to the valued character of Yarra Ranges' distinctive neighbourhoods,
- ✓ Encourage more affordable housing outcomes,
- ✓ Encourage the planning and provision of physical and social infrastructure.

Compared to the Substantial Change category, there is a need in these areas to balance growth more strongly with the existing neighbourhood and landscape character. As set out by the Neighbourhood Character Study, 2021, residential development in these areas needs a robust response to the landscape characteristics of these townships, with ample setbacks and ground level open space to provide for significant landscaping opportunities.

Housing change will be in the form of unit or townhouse developments. A maximum height of 9 metres (2 stories) will apply, except on large sites over 1500 m<sup>2</sup> where an additional storey will be possible. This will encourage site consolidation for improved design outcomes, so that additional height on larger sites can be well set back from side and rear boundaries.

### How will the increased change areas be applied?

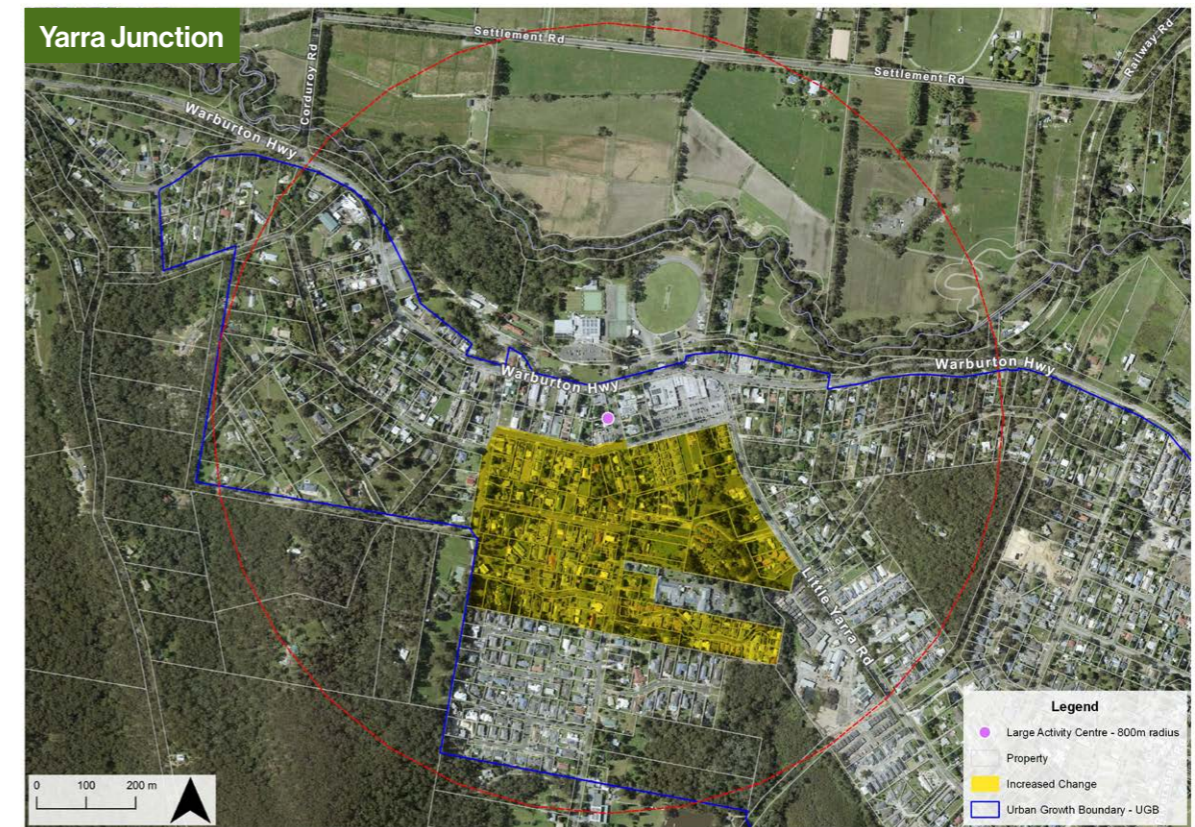
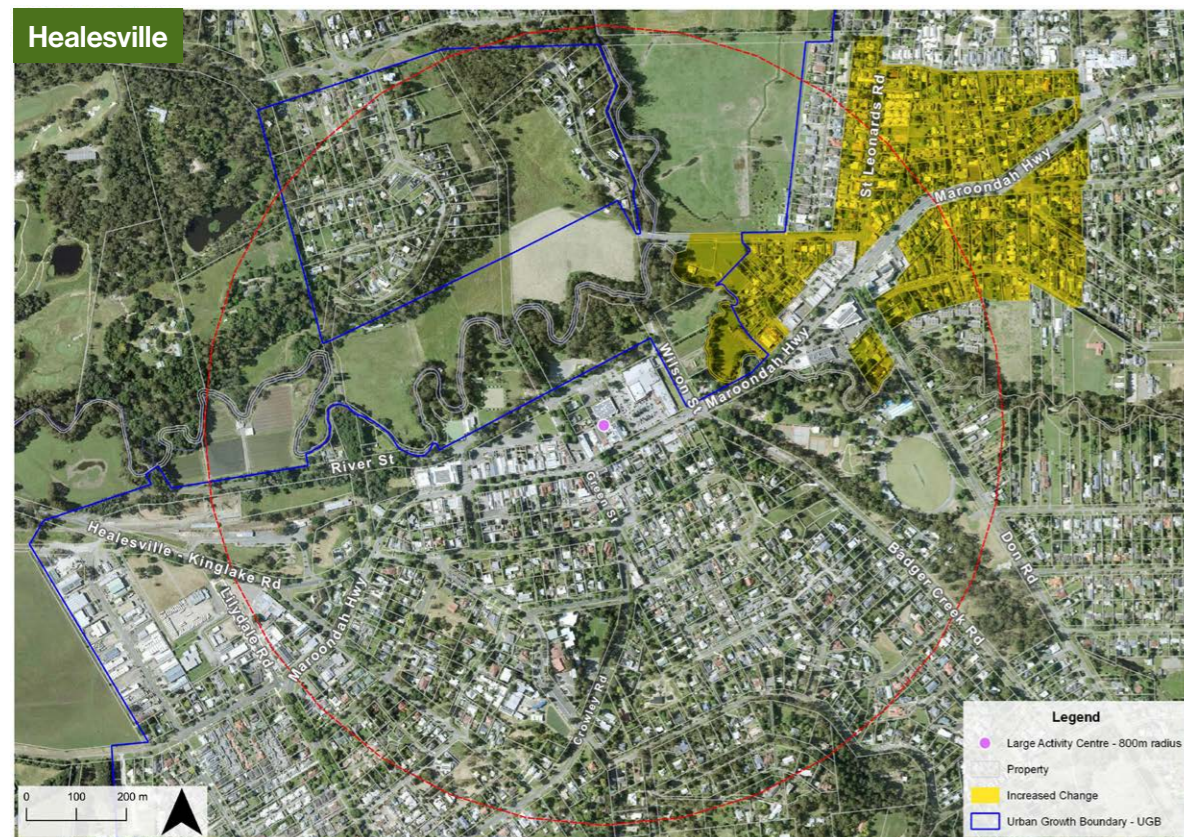
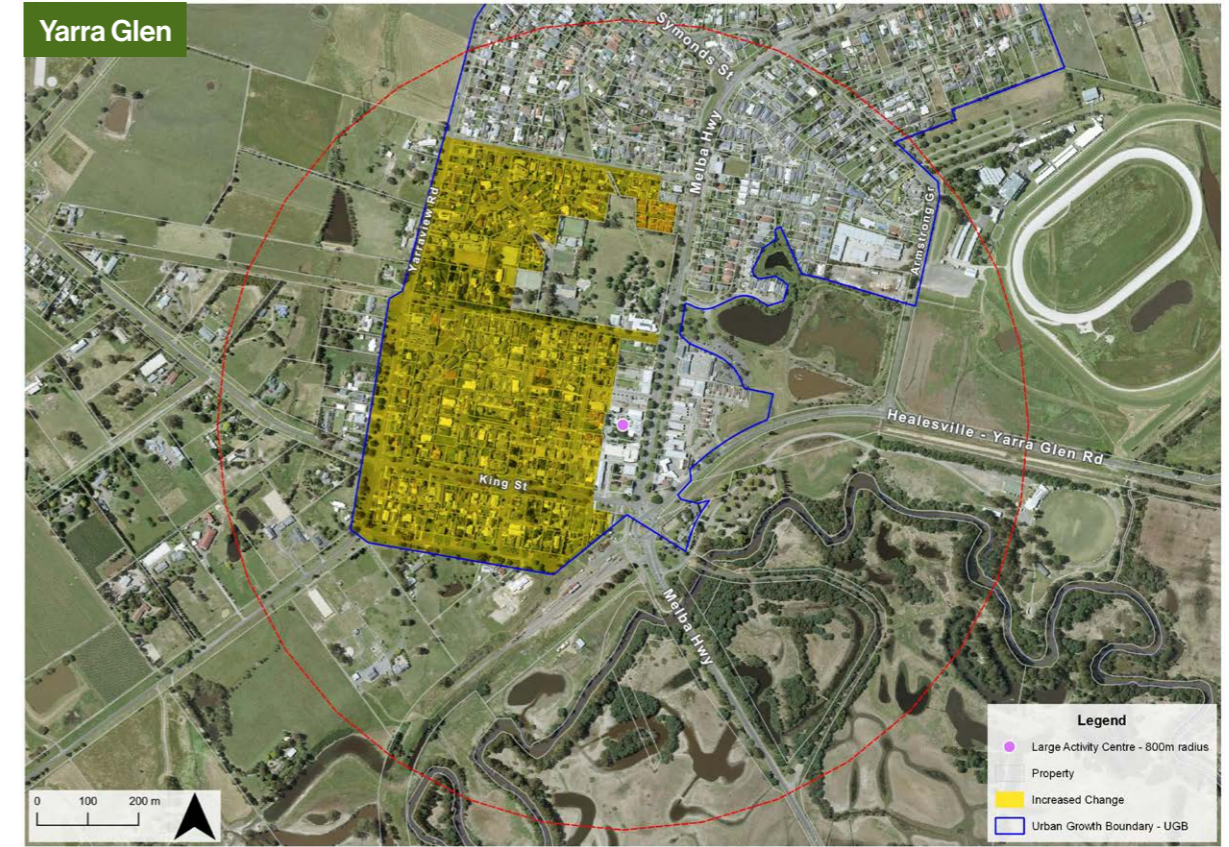
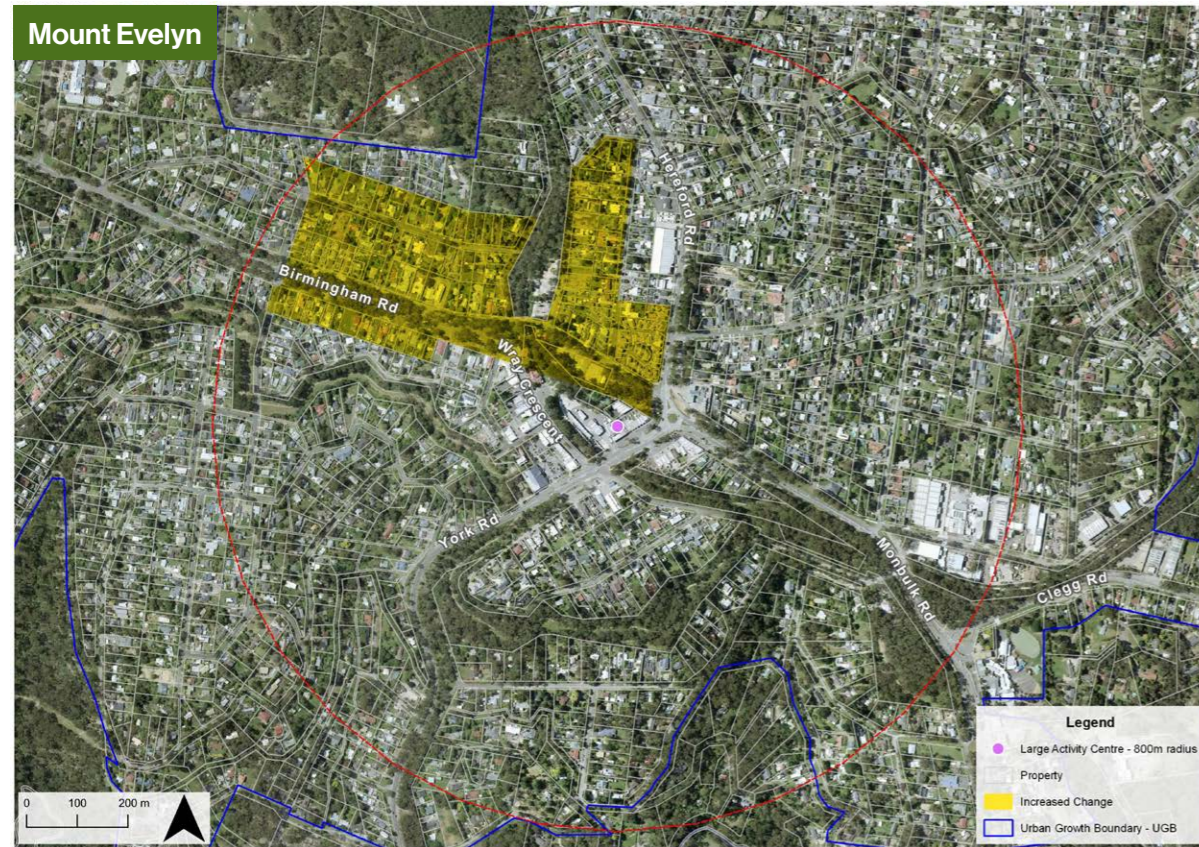
The General Residential (GRZ) will be applied to residential areas identified for increased change, which are suburban areas in these townships with excellent walking access to the Activity Centre, within a roughly 600 metre walkable catchment measured from the edge of the Commercial 1 Zoned land, representing a 7-8-minute walk on relatively flat land.

The General Residential Zone (GRZ) is the appropriate zone for land where buildings of up to three storeys are envisaged. This is also the zone that currently applies to most of this land.

Unlike most Substantial Change areas, private open space will be encouraged at ground level (rather than on balconies), with large garden areas providing spacious surroundings and landscape context for new development. Planning policy will discourage 'boundary-to-boundary' development.

In response to Mount Evelyn's heavily treed character and environmental values, there will be more site area needed for permeable surfaces (as opposed to buildings, roofs, and driveways), compared to the other townships.

Figure 29. Increased change areas



## 7.4 Incremental Change

Incremental Change areas will provide for lower housing growth and densities in urban areas, townships and master planned estates.

### The objectives for Incremental Change areas are:

- ✓ Encourage the development of low and medium density housing with a design response that emphasises retention of landscape values,
- ✓ Ensure design responds appropriately to the valued character of Yarra Ranges' distinctive neighbourhoods,
- ✓ Encourage increased diversity in housing types including units and townhouses,
- ✓ Encourage more affordable housing outcomes.

Incremental Change areas encompass a large portion of Yarra Ranges' established residential areas, and allows for a variety of housing types, with detached dwellings continuing to be the dominant housing form.

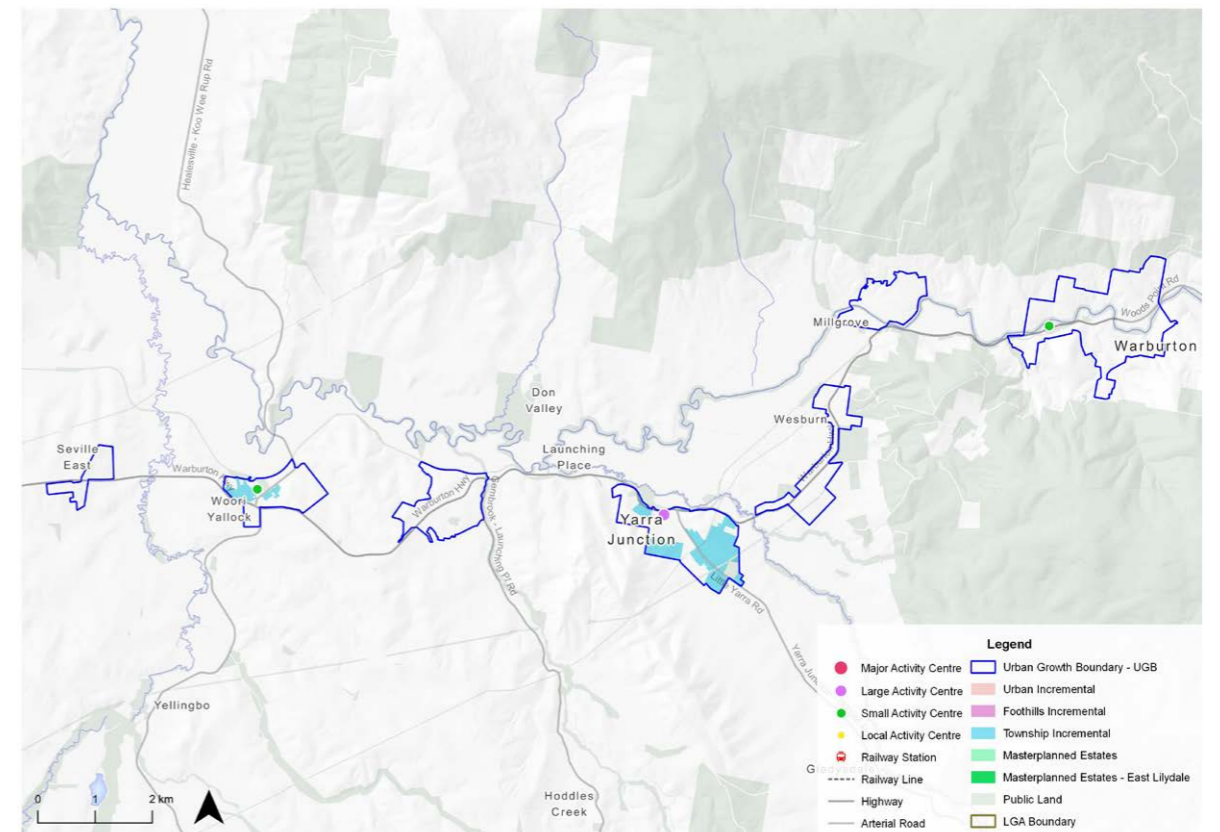
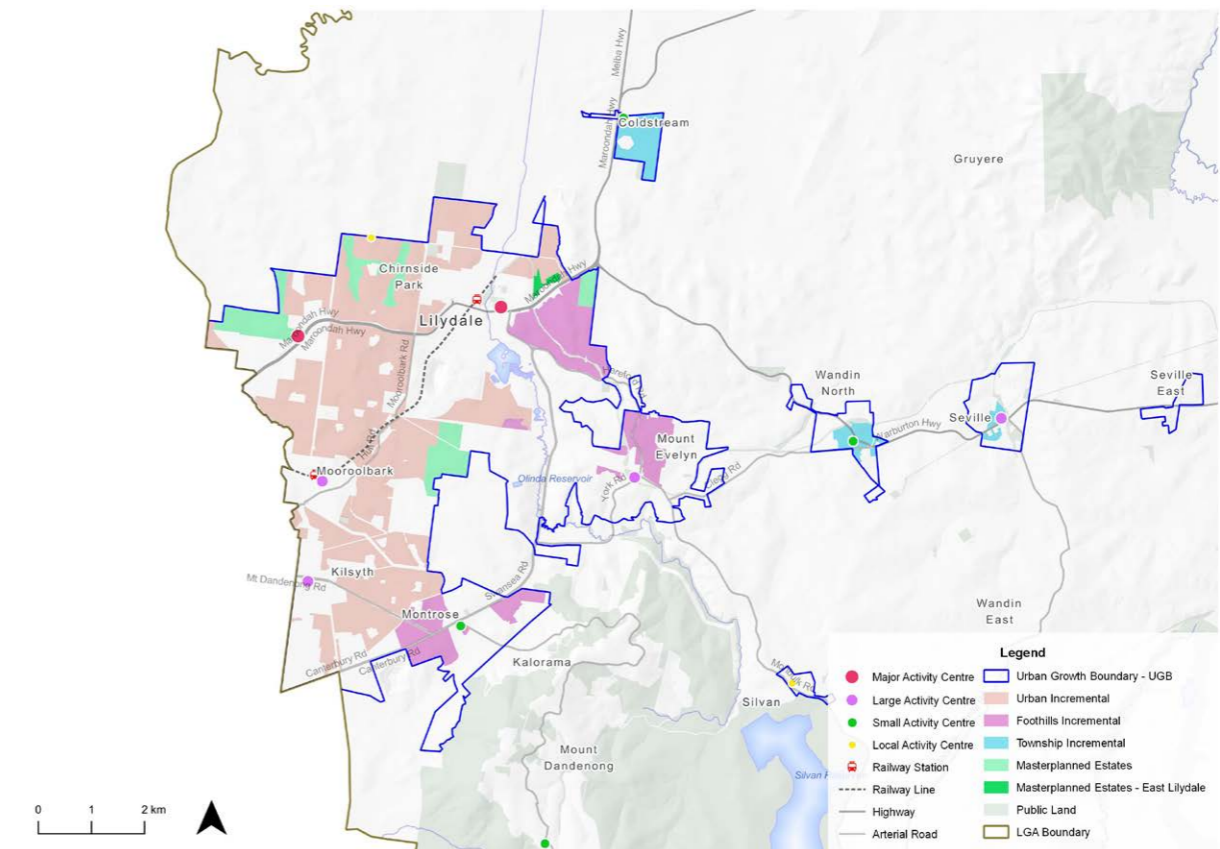
Many of these areas are accessible to larger activity centres by road or public transport, and can provide for greater housing diversity, albeit at a lesser scale than the higher change categories. In these areas, units and townhouses will be allowable, however they will be significantly less intensive than in the higher change categories, with more garden area and landscaping requirements to make buildings a less prominent feature in the landscape.

A maximum height of 9 metres (2 stories) will apply, with restrictions for on-boundary development. There will be planning policy to avoid reverse living designs. Each unit/townhouse created will need to have generous ground level open space with requirements for landscaping.

The Neighbourhood Residential Zone (NRZ) is proposed to apply, which is the appropriate zone for land where there is no anticipated height change to the predominantly single and double-storey character.

Within the Incremental Change category, the following subcategories and requirements are proposed:

Figure 30. Incremental Change areas



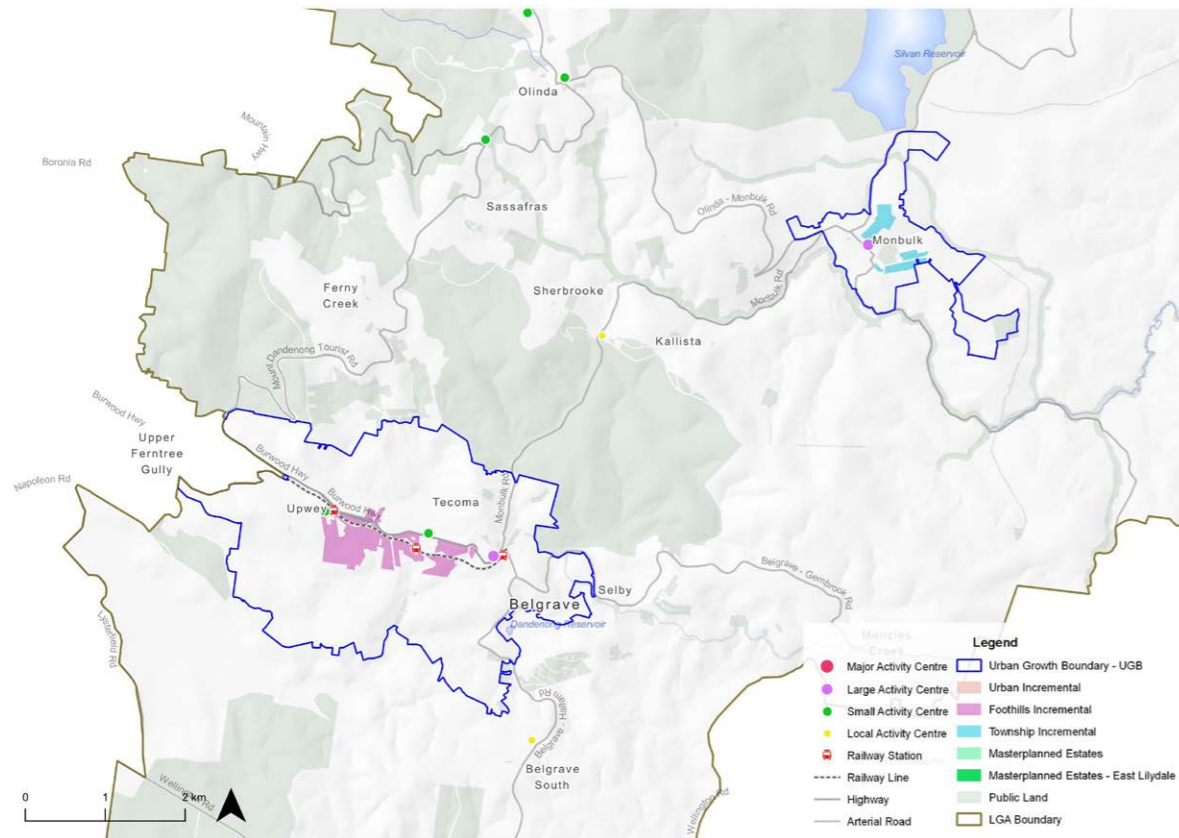
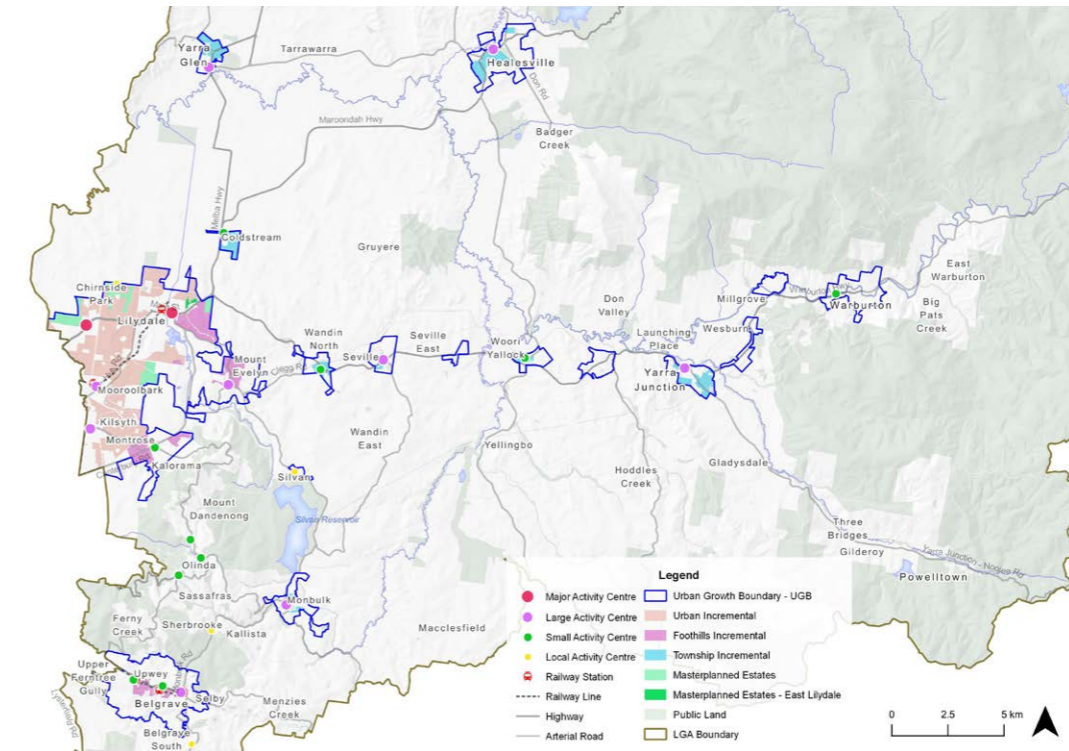
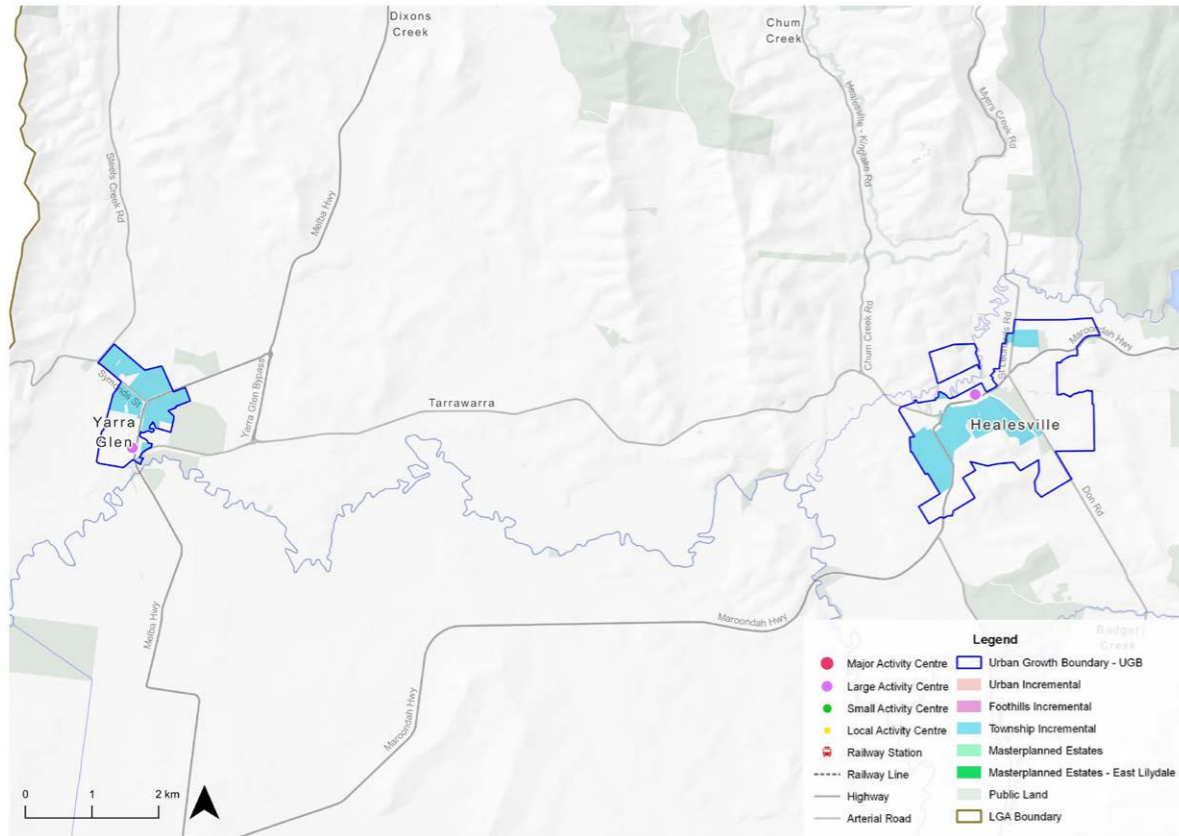


Table 6. Application of Incremental Change Areas

Change Category	Application	Requirements
Urban Incremental	Lilydale Chirnside Park Mooroolbark Kilsyth	<ul style="list-style-type: none"> <li>Building site cover of 40%</li> <li>Ground level open space to each new dwelling of minimum 60m<sup>2</sup></li> </ul>
Township Incremental	Coldstream Healesville Yarra Glen Wandin North Seville Woori Yallock Yarra Junction Monbulk	<ul style="list-style-type: none"> <li>Building site cover of 30%</li> <li>Generous side and rear setbacks of 3 and 7 metres respectively</li> <li>Ground level open space to each new dwelling of minimum 80m<sup>2</sup></li> </ul>
Foothills Incremental	Lilydale Mount Evelyn Montrose Belgrave Upwey Tecoma	<ul style="list-style-type: none"> <li>Building site cover of 30%</li> <li>Generous side and rear setbacks of 3 and 7 metres respectively</li> <li>Ground level open space to each new dwelling of minimum 80m<sup>2</sup></li> </ul>
Master Planned Estates	Lilydale Chirnside Park Mooroolbark	<ul style="list-style-type: none"> <li>Standard Rescode requirements</li> </ul>



## 7.4.1 Monbulk

The Township Incremental category is proposed to apply in Monbulk, for well-located land near the town centre which would be rezoned from Low Density Residential Zone (LDRZ) to Neighbourhood Residential Zone (NRZ) based on the Monbulk Structure Plan, 2017.

Land in the Low Density Residential Zone (LDRZ) and has very limited potential for subdivision and medium density housing, and the Structure Plan identified an opportunity for some land to be rezoned to allow for this, enabling ageing in place and affordable housing options.

This is based on a place-specific analysis of development opportunities in Monbulk following the recent connection of the town to reticulated sewer to the town, which included consideration of:

- Walkable distances to the town centre for medium density development outcomes
- Bushfire and environmental risk
- The need for aging in place options, and dwelling diversity

Further detail of this is available in Appendix 2.

The proposed areas in Monbulk for rezoning to NRZ are shown above in Figure 30.

## 7.4.2 Masterplanned Estates

Yarra Ranges contains numerous estates developed since the 1990s, as shown in Figure 30 above. As these areas were often built around the same timeframe, architectural styles and built form within each estate are generally homogenous.

The scale of built form and residential density varies between estates. However, as the level of change for these areas over the next 15 years is expected to be relatively low, they are categorised within this Housing Strategy as Incremental Change.

The majority of these areas are currently in a Neighbourhood Residential Zone (NRZ), which will continue to apply, and development settings in these areas will not change.

Land in east Lilydale currently zoned Residential Growth Zone will be rezoned to General Residential Zone, consistent with the recommendations of the Lilydale Structure Plan, 2022. As this area is currently under development, an action of the Housing Strategy is to review planning controls after completion of development based on the emergent neighbourhood character. This land includes:

- 435-437 Maroondah Highway
- 441A Maroondah Highway
- 443 Maroondah Highway
- 12A and 12B Janson Place

## 7.5 Minimal Change

Minimal Change areas will provide for limited residential development of low density in rural townships that are outside a reasonable walk to a town centre, or subject to environmental hazard constraints.

### The objectives for Minimal Change areas are:

- ✓ Ensure any new dwelling design is complementary to the existing low density, spacious and highly landscaped character.
- ✓ Limit development to a maximum of two storeys, with low site cover to minimise the appearance of buildings in the landscape.
- ✓ Encourage the retention of existing housing that positively contributes to the preferred neighbourhood character.
- ✓ Retain opportunities for household types and sizes that may require larger dwellings, garden spaces and/or adaptable spaces.

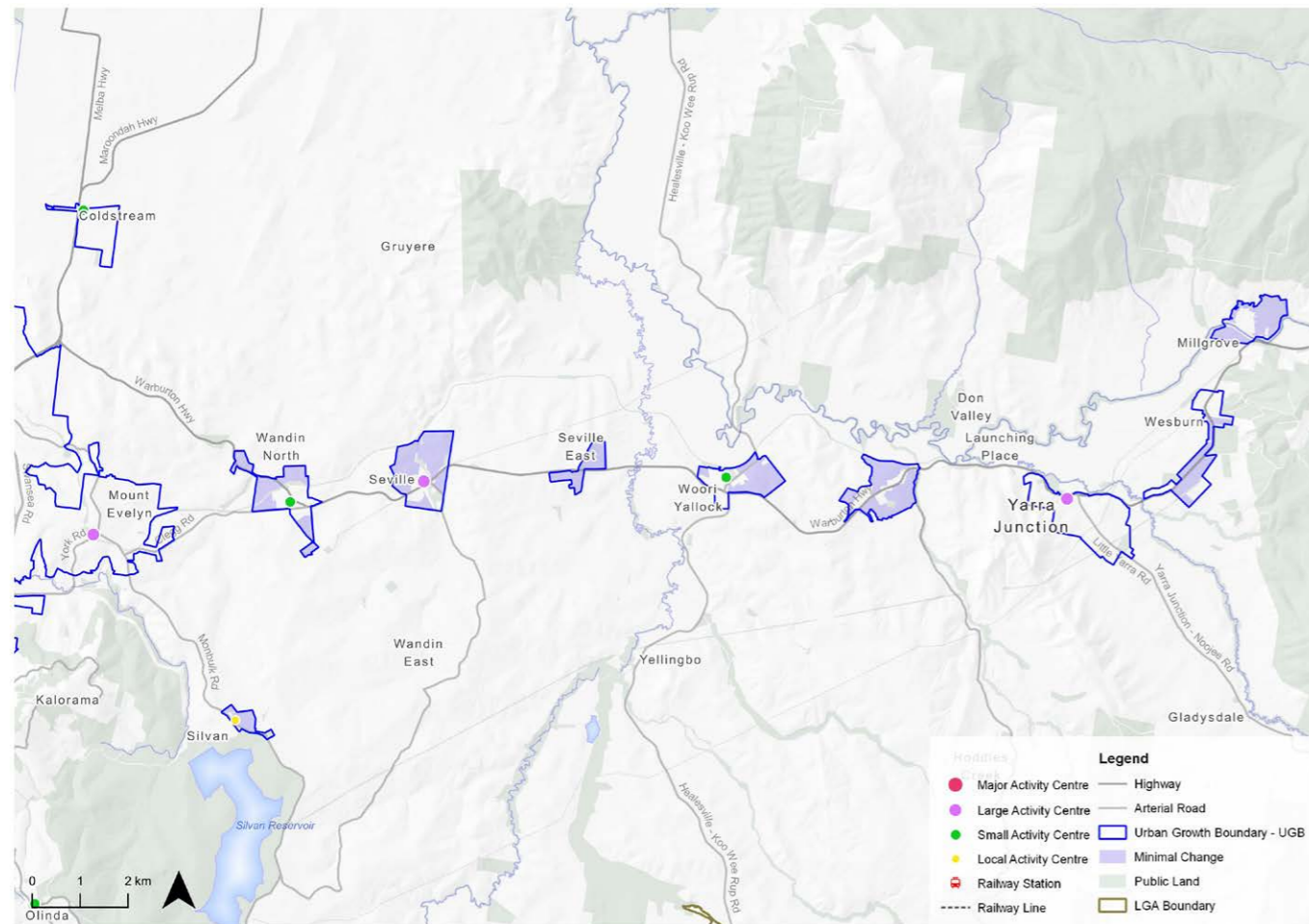
Minimal Change areas are located in areas without walking access to activity centres and comprise areas which have limited ability to accommodate future residential development due to environmental and landscape significance. In many areas, environmental risk factors such as bushfire, flood or landslip affect development capacity.

These are areas where there is an expectation that the existing spacious, rural character will not change, typified by dwellings of one and two storeys in a landscape setting that preserves views and the dominance of vegetation in the landscape. Housing change will be minimal, and the existing low-scale, low-density building design and siting will continue.

Existing subdivision rules in these areas will continue to apply, encouraging new lots of at least 1000m<sup>2</sup>.

The Neighbourhood Residential Zone (NRZ) is proposed to apply, which is the appropriate zone for land where there is no anticipated height change to the predominantly single and double-storey character.

Figure 31. Minimal Change Areas



## 7.6 Strategic Development Sites

The **Analysis of Housing Demand and Supply, id Consulting, 2020** identified that a third of Yarra Ranges' estimated capacity for future residential development will occur in Strategic Development Sites, equating to 5,513 estimated additional dwellings<sup>11(p.73)</sup>.

The largest of these sites is Kinley in Lilydale (former Lilydale Quarry), however significant sites also exist elsewhere. In particular, Chirside Park Activity Centre has a number of key sites, well located and close to commercial land. The **Chirside Park Urban Design Masterplan, 2010 and local policy in the planning scheme at Clause 11.03-1L-03** encourage residential use and development of these large sites.

Strategic development sites have a significant role to play in Yarra Ranges future housing mix, in achieving more compact, diverse housing such as apartments of varying scales, townhouses and mixed-use buildings. The role of these sites is further discussed below.

### 7.6.1 Kinley, Lilydale (Former Lilydale Quarry)

The former Lilydale Quarry, now known as Kinley, is located within the Lilydale Major Activity Centre and includes the 'Stage 1' area that is currently under development.

The 163 hectare site is well located between the established centres of Lilydale and Mooroolbark and is bisected by the Lilydale train line. There is potential for a future train station to be provided at Kinley subject to State Government approval, which would serve future residents transport needs and support a dense, walkable urban form in the central area of the site.

Due to the size and scale of Kinley, much of the required infrastructure for the new population is required to be provided by the land developer, including roads, open space, recreational facilities, a community centre, and walking and cycling paths. Kinley is intended to have strong connections to Lilydale town centre, and further support Lilydale's local economy and community.

Kinley is expected to add approximately 3,500 new dwellings to Yarra Ranges housing stock in a range of typologies and densities, varying from buildings of up to 12 storeys in the central area of the site, to mid-rise apartments (4-6 stories), townhouses (2-3 stories), and a variety of lower rise/density dwellings. There will be a significant proportion of medium and high-density dwellings across the site, although the precise details

are to be determined through future planning permit applications. Based on documents that supported the rezoning of the site to a Comprehensive Development Zone in the planning scheme<sup>24(p.32)</sup> and the permit approvals for the Stage 1 area, an estimate of the housing mix is provided in Table 7 below.

Kinley is intended to be a vibrant urban neighbourhood, focussed around a small commercial area in the centre of the site with transport connections. It will have innovative reuse of the heritage features of the former quarry and encourage walking and public transport use. In particular, the central and northern areas of the site are intended for multi-level buildings that will locate high density residential alongside other land uses such as commercial, tourism and creative industries.

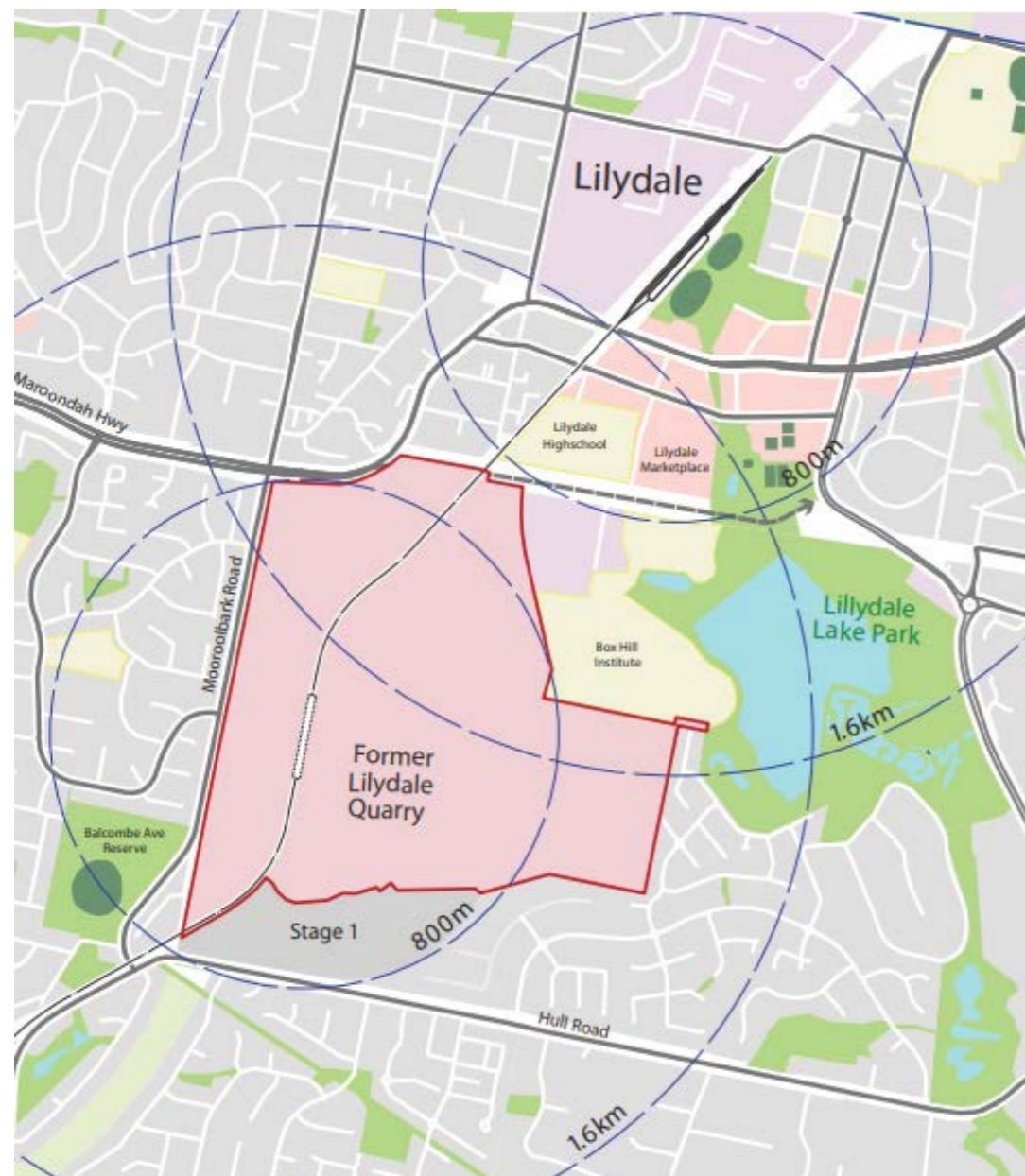
Kinley represents an excellent opportunity to add to the diversity of Yarra Ranges existing housing stock in a way that is comprehensively master planned (rather than the smaller infill development occurring elsewhere) and well supported by infrastructure.

Stage 1 is now under construction. Kinley is anticipated to be developed over a 15+ year timeframe.

Table 7. Estimated Kinley housing mix

	Low density	Medium density (1-2 beds)	Large medium density (3+ beds)	Apartments	Total dwellings
Comprehensive Development Zone	964	665	1,021	600	3,250
Stage 1	177	14	27	0	218
Total	1,414	679	1,048	600	3,468

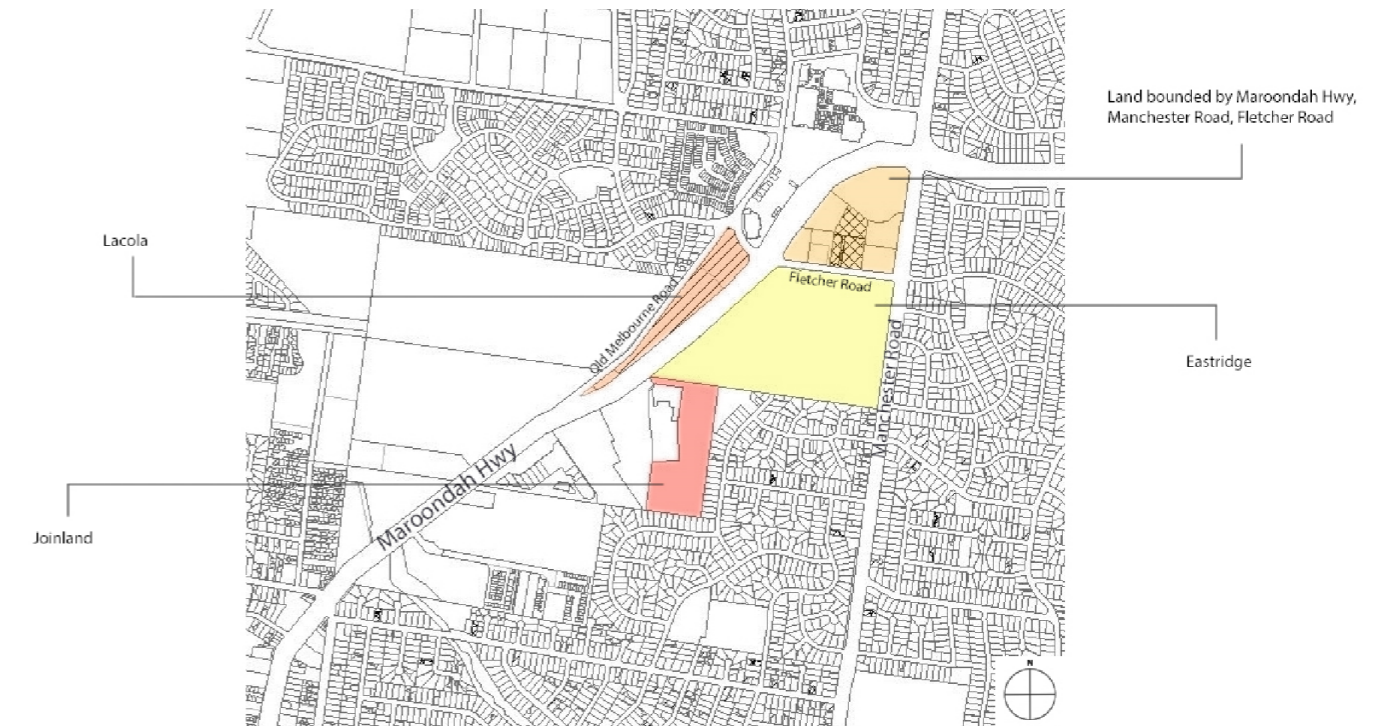
Figure 32. Kinley location<sup>22(p.5)</sup>



## 7.6.2 Chirside Park Sites

Chirside Park contains four major sites with planning policy support for medium and high-density residential land uses. The locations of these sites are shown in Figure 33 below.

Figure 33. Chirside Park Strategic Development Sites



### 7.6.2.1 Eastridge Site, 248-268 Maroondah Highway, Chirside Park

Eastridge is Chirside Park's largest redevelopment site at approximately 21 hectares.

Eastridge is partly already developed with a restaurant and office building, and subject to two significant recent planning approvals, both of which are now under construction:

- Summerset Village (Permit YR/2021/1040) is in the eastern portion of the site and allows for a significant retirement village of 192 independent living units and a main building with 100 aged care units. In addition, there are 79 apartments across two buildings, and 64 townhouses. This development is currently under construction, and will add needed capacity and diversity to Yarra Ranges' housing options, particularly for older residents.

- Permit YR-2021/22 is for the north-west part of the site and is a commercial development, with 10 retail premises, 3 convenience restaurants, 5 shops and a food and drink premises. This development will assist to support nearby residential development.

The south-west part of the site is undeveloped, and has the potential for further high density residential and mixed uses to complement the Summerset Village development.

The Analysis of Housing Demand and Supply, id Consulting, 2020 estimates Eastridge has a total capacity for 450 new dwellings<sup>11(p.86)</sup>, however this is potentially an underestimate given the scale of the Summerset Village development. Yarra Ranges planning policy (Planning Scheme Clause 11.03-1L-03) encourages higher density development and mixed-use buildings on the site, in a way that complements the town centre, supports walking and cycling, and adds to housing diversity.

### 7.6.2.2 Land Bounded by Maroondah Highway, Manchester Road, and Fletcher Road, Chirside Park

This land of approximately 9 hectares is made up of seven separate properties. All properties are zoned Mixed Use Zone to allow for a range of land uses including medium and high-density residential uses.

To date, there has been only one proposal for residential land use in this area, which resulted in a planning approval for a three-storey aged care facility with 144 rooms at 315 Manchester Road, Chirside Park, which is now under construction.

The other properties in the area contain commercial uses, with an electricity substation also located on Fletcher Road. The area has vacant land and some under-utilised land which has the potential for significant future residential and mixed-use development.

### 7.6.2.3 Lacola Site, 30-50 Old Melbourne Road, Chirside Park

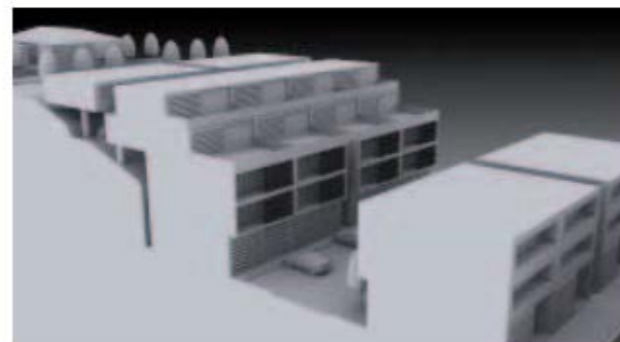
The Lacola site is a visually prominent site on the north side of Maroondah Highway of 4 hectares which has been vacant and awaiting development for a long period of time.

In 2014 a planning permit was approved to allow an apartment complex with shops and 46 dwellings, however the permit has not been acted on and has expired.

The site is zoned to allow for high density housing and mixed land uses including commercial, entertainment and retail.

The Chirside Park Urban Design Masterplan, 2010 identified opportunities for high density residential built form which responds to the form of the escarpment on the site, to improve its appearance from the Maroondah Highway, as seen in Figure 34.

Figure 34. An example of how housing could be provided on the Lacola Escarpment



### 7.6.2.4 Joinland Site, 270 Maroondah Highway, Chirside Park

The Joinland site, which is approximately 5.6 hectares, has never been developed and is currently zoned for industrial land use. The Chirside Park Urban Design Masterplan, 2010 identifies a preferred future for the site as medium and high-density residential.

An application was formerly made to rezone the land for residential, with a draft development plan showing 131 new dwellings (76 apartments in a multi-level building, 30 two-storey townhouses, and 25 detached dwellings). However, issues raised in public consultation could not be acceptably addressed by the proponent. The proposal did not proceed and has now lapsed.

### 7.6.2.5 Summary of Approved Future Land Uses in Chirside Park

Chirside Park contains vacant and underutilised land with significant potential for future residential development, however it is unknown how much of this potential will be realised as opposed to other land uses which may be more attractive to land developers, such as bulky goods retail, and food and drink outlets.

A summary of approved residential land uses which are now under construction is provided in Table 8 below.

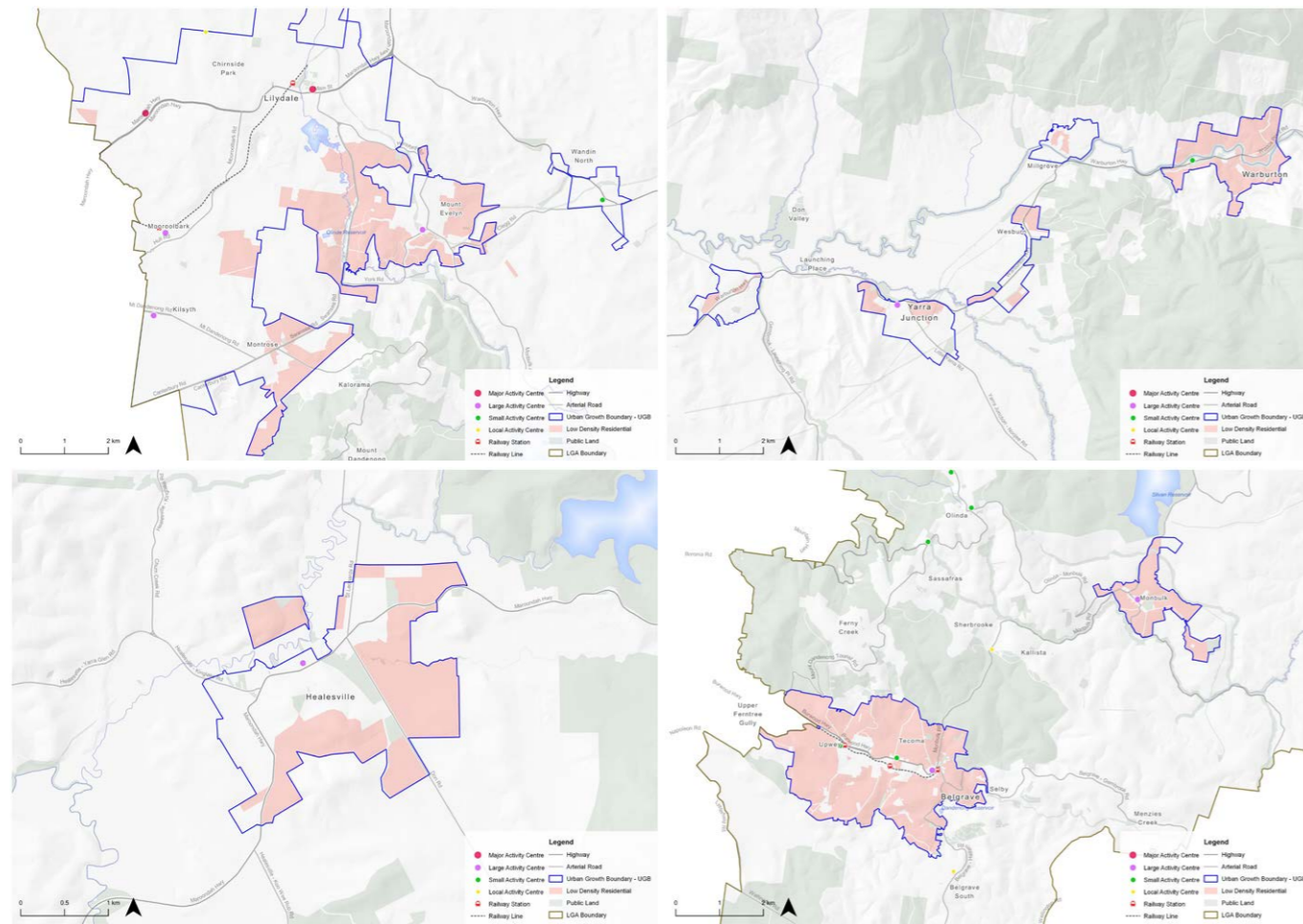
Table 8.

	Low density	Medium density (1-2 beds)	Large medium density (3+ beds)	Apartments (1-2 beds)	Apartments (3+ beds)	Retirement Living Units (Retirement Village)	Aged care apartments (assisted living)	Total
Eastridge (Summerset Village)	0	38	26	56	23	192	100	435
315 Manchester Road, Chirside Park	0	0	0	0	0	0	144	144
<b>Total</b>	<b>0</b>	<b>38</b>	<b>26</b>	<b>56</b>	<b>23</b>	<b>192</b>	<b>244</b>	<b>579</b>

## 7.7 Low Density Residential Areas

Low Density Residential areas are generally areas without sewer connection, or with significant environmental constraints, or remote from activity centres. They have large land areas and are dominated by detached dwellings that appear as secondary to landscape and vegetation.

Figure 35. Low Density Residential Areas



These areas are zoned as Low Density Residential Zone (LDRZ) or Rural Living Zone (RLZ), and have restrictive requirements for subdivision which are intended as a means to regulate residential density in areas that are unsuitable for more standard residential zones.

It is not proposed to review the application of LDRZ or RLZ areas as part of the housing strategy as these areas require separate and detailed investigation.

### 7.7.1 Review of subdivision requirements in the LDRZ

Community feedback from consultation on the Housing Strategy Discussion Paper did however include comments that subdivision requirements are prohibitive to residents seeking to downsize in order to stay in their communities as they age<sup>25</sup>. This is particularly relevant to LDRZ land, due to its larger subdivision lot size requirements in Yarra Ranges (4000sqm).

In 2013-2014, at the direction of the Minister for Planning, Council investigated the potential for lower subdivision lot sizes to apply to land in the Low Density Residential Zone (LDRZ), with a potential to specify a 2000m<sup>2</sup> minimum lot size as an alternative to the current 4000m<sup>2</sup> size requirement for the majority of LDRZ land. Council identified areas where it considered the application of a 2000m<sup>2</sup> size appropriate, with some areas to remain with a 4000m<sup>2</sup> size requirement for reasons relating to environmental risk, neighbourhood character values or heritage values.

This process was considered through Planning Scheme Amendment C143 and included extensive community consultation. The Minister subsequently appointed an Advisory Committee to provide advice on Amendment C143.

After considering the Advisory Committee's Report, the Minister wrote to Council in November 2017 advising that he had determined to refuse C143, primarily due to the need to prioritise the protection of human life from bushfire.

Other statements included in the Minister's letter to Council were:

- A recommendation for Council to review its housing strategy to identify the need for additional housing in specific towns or areas better suited for growth, rather than a broad application (of LDRZ changes) across most of Yarra Ranges' townships.
- If the Council develops an amendment in the future to allow additional subdivision in the LDRZ, it should review at a strategic level the appropriateness of locating more housing in this zone and any identified bushfire risk. This needs to be considered at a township level.

On the basis of the analysis presented in this Housing Strategy, there is no identified demand for additional future housing in LDRZ zoned areas. Yarra Ranges has a sufficient supply of residential developable land in urban areas and well-located parts of larger townships.

However, in order to address community concerns over aging in place options, there is potential to reassess subdivision provisions of the LDRZ across Yarra Ranges, consistent with the Minister's advice with a localised focus and bushfire analysis. This will form an action of this Housing Strategy.

### 7.7.2 Rural Living Zone

Some rural-residential land in Yarra Ranges, within the Urban Growth Boundary (UGB) are zoned Rural Living Zone (RLZ). This zone is no longer widely used in Victoria and has largely been replaced by the Green Wedge A Zone for land outside the UGB.

An action of the Housing Strategy will be to undertake a review of RLZ land, in order to provide clear direction, including through rezoning of land, for preferred future use and development.

### 7.7.3 Planning controls for vegetation removal

Due to the visual dominance of the landscape in LDRZ areas, a Significant Landscape Overlay (SLO22) was applied in 2013 to regulate vegetation removal in these areas, and protection of trees.

Due to the length of time since the SLO22 was introduced, and the diversity of low density residential contexts across Yarra Ranges, there is now a need to review the vegetation removal requirements in low density residential areas, which forms an action of this Housing Strategy.

## 7.8 Actions

1. Amend Clause 16.01-1L (Housing) of the Yarra Ranges Planning Scheme to include a new Residential Framework.
2. Amend Clause 02.03-6 (Housing), Clause 02.04-2 (Strategic Framework Plan), and Clause 11.01-1L-01 (Settlement) of the Yarra Ranges Planning Scheme to reflect the revised residential framework under the updated Clause 16.01-1L.
3. Review the Yarra Ranges Planning Scheme to alter any contradictory or redundant provisions as a consequence of the implementation of the Housing Strategy.
4. Translate the four housing change areas into the Neighbourhood Residential Zone (NRZ), General Residential Zone (GRZ), and Activity Centre Zone (ACZ) and introduce required schedules to the zones to reflect neighbourhood character and development objectives.
5. Review and amend where required the following existing Design and Development Overlays (DDOs) for consistency with the revised residential framework:
  - DDO4 Lilydale Town Centre
  - DDO5 Least Change Areas
  - DDO6 Incremental Change Areas – Rural and Foothills Townships
  - DDO7 Lilydale Activity Centre Residential Areas
  - DDO8 Neighbourhood Centres and Rural Townships Consolidation Areas.
6. Implement the actions of the Lilydale Major Activity Centre Structure Plan, 2022, relating to land rezonings, overlay and planning policy changes.
7. Upon completion of development of sites in east Lilydale categorised as Incremental Change, review planning controls based on emergent neighbourhood character and built form, consistent with Section 7.4.2 of this Chapter.
8. Prepare policy or planning scheme provisions to address how interfaces between housing change areas can be managed and designed to preserve residential amenity.
9. Review the application and subdivision provisions of the Low Density Residential Zone.
10. Review the application of the Rural Living Zone.
11. Review the Significant Landscape Overlays applied to areas zoned Low Density Residential Zone and Rural Living Zone.



## 8.0 Neighbourhood Character

### 8.1 Overview

The term **neighbourhood character** is used to describe the overall characteristics of an area for the purposes of understanding the physical and cultural attributes and values that provide a place with a sense of difference from other places. It relates to numerous features, and how they combine to create a sense of place.

#### **The Victorian Government describes neighbourhood character as follows:**

Neighbourhood character is essentially the combination of public and private realms. Every property, public place or piece of infrastructure makes a contribution, whether great or small. It is the cumulative impact of all these contributions that establishes neighbourhood character. The key to understanding character is being able to describe how the features of an area come together to give that area its own particular character. Breaking up character into discrete features and characteristics misses out on the relationships between these features and characteristics. Understanding how these relationships physically appear on the ground is usually the most important aspect in establishing the character of an area. <sup>9(p.1)</sup>

This chapter provides an explanation of the neighbourhood character issues in Yarra Ranges residential areas, and provides a future framework.

While a core component of the Housing Strategy is to provide a residential framework for where housing can be provided in the right places to meet forecast demand, the function of this chapter is to identify how particular geographical areas can change in a way that responds to the valued attributes of those neighbourhoods and is consistent with a concept of 'preferred future character'.

In order to establish a framework for neighbourhood character in Yarra Ranges, Council engaged a consultant (Hansen Partnership) to prepare the Yarra Ranges Neighbourhood Character Study 2021 (draft), which is an accompanying document to the Housing Strategy. As part of this work, a detailed desktop and spatial analysis was carried out to survey character types by area, based on variables such as street layout, built form and landscaping.

The resulting framework of character types and precincts has been used to create a series of preferred future character statements, that are further discussed in this chapter. This is intended to show a clear line of sight from an understanding of existing character to a statement of future preferred future character.

### Creating a preferred neighbourhood character statement

Understand existing character (what is on the ground now)

Identify valued attributes of the place (the features of existing character that are important to keep or for future development to respond to)

Arrive at a statement of preferred future character (explaining how new development can effectively respond to a particular area's valued attributes)

## 8.1.1 Yarra Ranges Multi-Residential Design Guidelines, 2019

In 2019, Council adopted the Multi-Residential Design Guidelines (the Guidelines) for multi-unit development, which set out preferred design approaches on issues such as siting of buildings, design and set backs of upper levels, use of materials, landscaping, and other issues. These Guidelines are intended to improve the quality of multi-unit development in Yarra Ranges, but are not yet reflected in the Yarra Ranges Planning Scheme.

The approach of this Chapter to neighbourhood character is complementary to the recommendations of the Guidelines. It is intended to implement new neighbourhood character provisions in Yarra Ranges Planning Scheme consistent with this Chapter, which will include implementation of the Guidelines.

## 8.1.2 Character Types

The **draft Neighbourhood Character Study, 2021** identified ten (10) character types for residential land in Yarra Ranges:

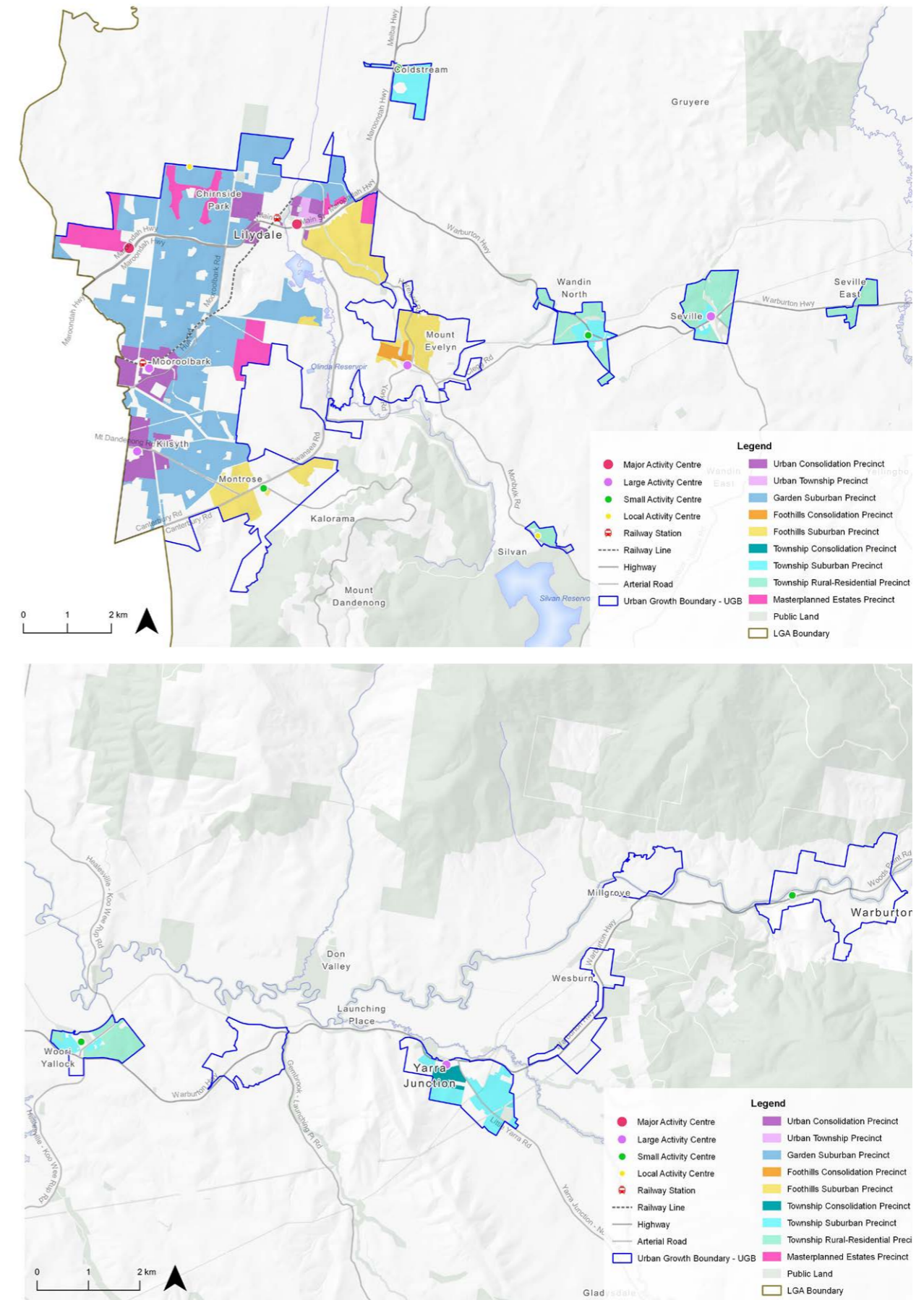
- Urban consolidation
- Urban township
- Garden suburban
- Foothills consolidation
- Foothills suburban
- Township consolidation
- Township suburban
- Township rural-residential
- Master planned estates
- Warburton

Figure 36 below shows these character areas spatially across Yarra Ranges' residential areas.

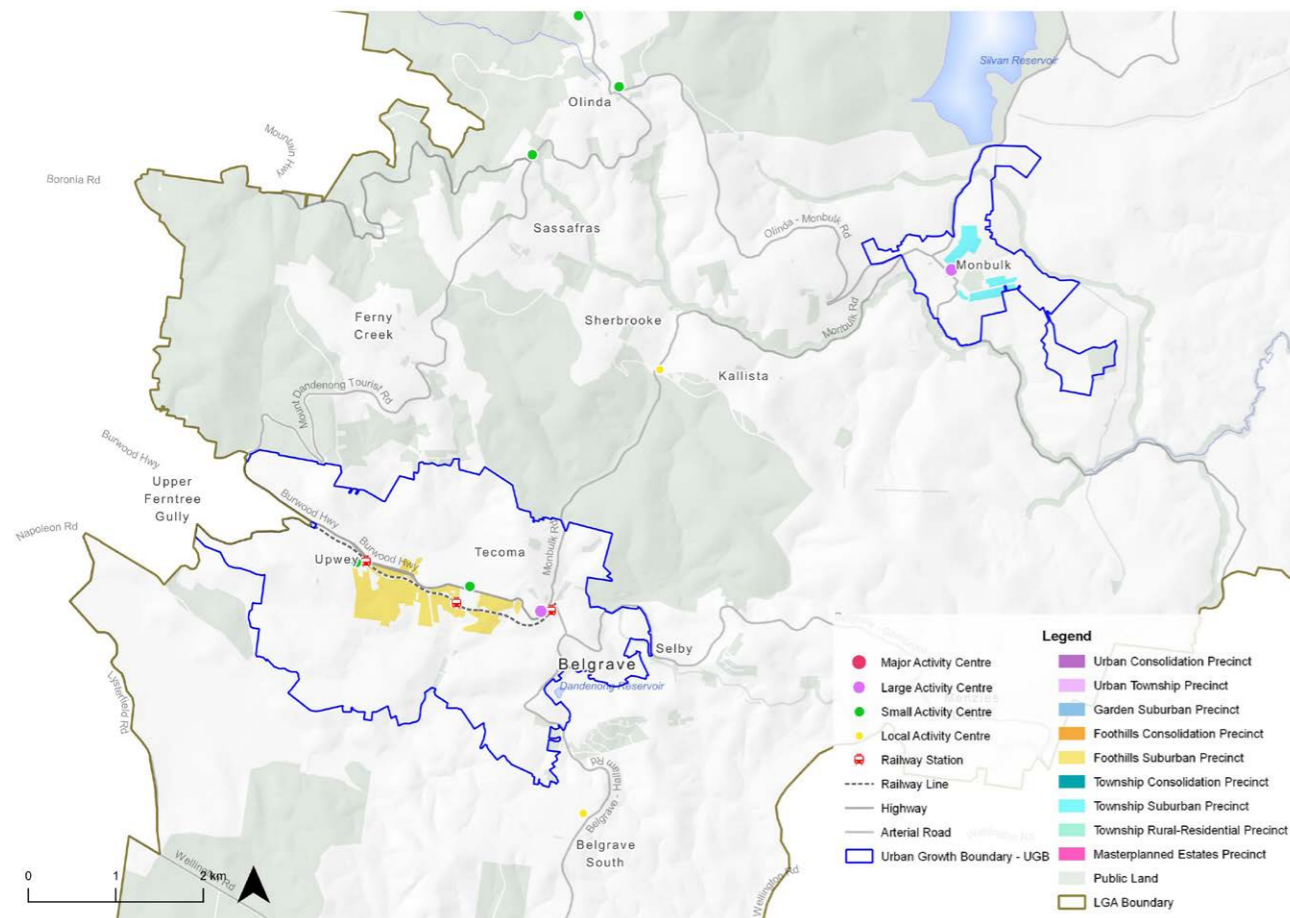
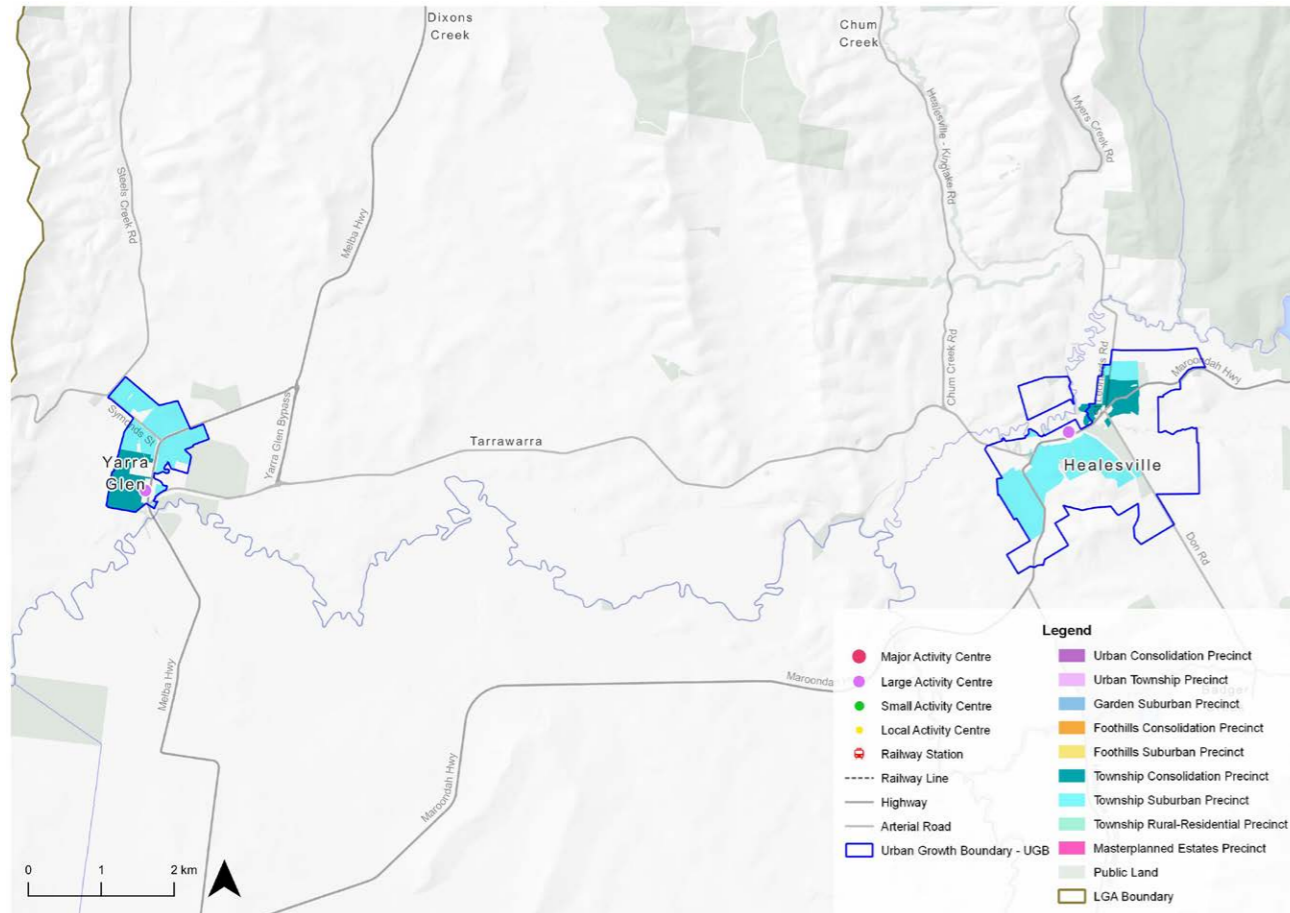
In determining character areas and boundaries, the criteria that contributes to neighborhood character that has been considered included:

- Landscape setting
- Subdivision pattern (lot size, width and depth)
- Frontage treatment
- Amount and type of infill development (units and townhouses)
- Streetscape and sense of openness
- Topography and slope
- Long-range views
- Public realm conditions (the condition and profile of the street)
- Delineation of public and private realm (the separation of public land from private land)
- Design details and finishes
- Building material and colours
- Location of car parking and access

Figure 36. Maps of Character Types







## 8.2 Character Types

This section further explains the neighbourhood characteristics that define each character type including a description of the existing character, valued attributes that should be maintained or responded to in new development, and a statement of preferred future character.



## 8.2.1 Urban Consolidation

### Existing character:

The street network is often in a grid pattern, and topography varies from flat to gently undulating. Road reserves are open and spacious due to generous front setbacks, wide nature strips and lack of front fences. Older dwellings in these areas are typically post 1950s, and built of brick or weatherboard with pitched roofs, with a mix of detached dwellings and older style unit developments. Built form is mostly one or two stories with mixed architectural styles from post war to contemporary, and open front gardens. There is a high amount of contemporary in-fill unit and townhouse development. This has reduced front setbacks and landscaping, and reduced consistency of side and rear setbacks, with reduced landscaping between buildings

The valued attributes of these areas are:



#### Buildings

- consistent building sizes and spacing
- consistent front setbacks



#### Roofs

- pitched



#### Materials

- brick and weatherboard



#### Landscaping

- open front garden setting
- canopy trees in front gardens and in nature strips
- landscaped driveways



#### Fences

- low, transparent or no front fence



#### Views

- glimpse views to surrounding hills



### Preferred future character:

These areas will undergo a transformation for a more diverse, compact, contemporary, multi-storey built form. The linear gridded street network will continue to reinforce the streetscape consistency, framed by canopy trees within the public realm and front gardens. Future development will be softened through landscaped driveways and front setbacks consistent with those prevailing in established streetscapes. Built form will respond to prevailing low-rise dwelling design.

This will be achieved by:

- Ensuring upper storey elements are not bulky or visually obtrusive,
- Consistent front setbacks,
- Planting of canopy trees in front and rear gardens, and retention of street trees,
- Open front garden settings with limited/low front fencing,
- Landscaped driveways.

Figure 37. A recent example of a multi-townhouse development in Lilydale<sup>26</sup>



## 8.2.2 Urban Township

### Existing Character:

This is a small precinct in the historic residential area of Lilydale (near Castella and Anderson Street) which is characterised by its heritage streetscapes, wide nature strips and majestic heritage protected street trees that are visually striking and create a sense of abundant canopy and enclosure, reinforced by planting in the open front gardens of private residential properties. The area has gently undulating topography, and there is a gridded street network. The large suburban allotments mean that low-rise dwellings present broad profiles to the street, with pitched roofs and verandas. Building eras vary, with heritage dwellings interspersed with post war dwellings of brick and weatherboard. There is a high amount of contemporary in-fill unit and townhouse development. This has reduced front setbacks and landscaping, and reduced consistency of side and rear setbacks, with reduced landscaping between buildings.

The valued attributes of these areas are:



#### Buildings

- heritage dwelling styles and traditional township character
- consistent building sizes and spacing
- mostly comprised of single-storey buildings
- consistent front and rear setbacks
- buildings with verandas and projecting eaves
- broad dwellings parallel to street frontages



#### Roofs

- pitched



#### Materials

- brick and weatherboard



#### Landscaping

- open front garden setting
- canopy trees in front and rear setbacks
- landscaped driveways



#### Fences

- low picket, brick and hedge fences



#### Public realm

- majestic exotic trees, informal/unsealed verges



### Preferred future character:

In this area, the retention of its country town character will be prioritised, as defined by its heritage streetscapes and separated buildings with hipped roof profiles, projecting eaves and verandas. The streetscape's broad profile will continue to be visually dominated by established canopy trees and a wide nature strip with minimal interruption. Future infill development will contribute to consistent front setbacks and visually exposed front gardens, while increasing the existing scale of built form.

This will be achieved by:

- Responding sensitively to the low-rise building character through height transitions and upper-level setbacks,
- Consistent front and side setbacks,
- Planting of canopy trees in front gardens, and retention of street trees,
- Open front garden settings with limited/low front fencing,
- Landscaped driveways.

Figure 38. Anderson Street, Lilydale<sup>26</sup>



## 8.2.3 Garden suburban

### Existing character

This character type covers the largest geographical area within Yarra Ranges' neighbourhoods. Although the era of development, lot sizes and road network are varied, a degree of consistency is provided by street presentation in terms of front, rear and side setback spacing, and the prominence of exposed front gardens. Building heights are generally one to two storeys, and dwellings are mostly detached, with sufficient space around buildings available for medium to large canopy trees. Among established dwellings use of weatherboards and brick is common, with pitched roofs. Recent subdivision and infill development in some parts has diminished rear gardens and led to a reduction in the sense of a treed backdrop to buildings.

The valued attributes of these areas are:



#### Buildings

- consistent building sizes and spacing
- mostly comprised of single-storey buildings
- consistent front setbacks



#### Roofs

- hipped or gabled



#### Materials

- brick and weatherboard



#### Landscaping

- open front garden setting
- canopy trees in front and rear setbacks
- landscaped driveways



#### Fences

- no front fence



#### Views

- glimpse views to surrounding hills

Figure 39. Example of a streetscape in Chirnside Park with an open, landscaped front garden<sup>26</sup>



### Preferred future character:

These areas will have a moderate level of change, displaying a diversity of development styles with some existing dwellings to be retained. Future development will respond to the low-rise suburban character by recessing upper levels to mitigate the bulk of upper levels. Development will respond to prevailing front and rear setbacks, providing canopy trees and open views to front gardens. The streetscape rhythm will be maintained by retaining separation between buildings with opportunities for landscaping within the side setbacks to soften the appearance of future infill development.

This will be achieved by:

- Sensitively accommodating moderate change which respects the prevailing front setbacks and landscaping,
- Ensuring upper storey elements are not bulky and respond to the predominantly low-rise character through height transitions and setbacks,
- Ensuring new built form responds to landform and sloping sites,
- Ensuring adequate space is provided for landscaping in side and rear setbacks,
- Providing a landscape buffer on both sides of driveways,
- Providing no front fencing on minor roads to respond to the open garden setting.

## 8.2.4 Foothills consolidation

### Existing character

This character type applies to residential land near the commercial centre of Mount Evelyn. There is undulating topography, with a consistent sense of a treed backdrop to buildings and the public realm. Road reserves are spacious and lined by street trees of irregular species. Together with some high fencing and terracing, this creates a sense of enclosure for many streets. Views to front gardens and landscaping are prominent, and the area is set around the Warburton Recreation Trail open space reserve which adds to the spacious character. Older dwellings are generally from the post-war era and of brick or weatherboard with pitched roofs, and their appearance is generally softened by surrounding landscaping. There is a moderate incidence of contemporary in-fill unit and townhouse development. This has reduced canopy trees, and reduced landscaping between buildings.

The valued attributes of these areas are:



#### Buildings

- low-rise dwellings
- generous front and rear setbacks



#### Roofs

- pitched



#### Materials

- brick and weatherboard



#### Landscaping

- Prominent landscaping in front and rear setbacks, with frequent planting of canopy trees between buildings
- landscaped driveways



#### Fences

- low, transparent, or no front fence



#### Views

- landscaping in public and private realms creates a sense of enclosure for streets



### Preferred future character

These areas will undergo a moderate transformation for a more contemporary, multi-storey built form character in a landscape setting. The street networks will continue to be framed by canopy trees in the front and rear garden areas of private dwellings. Future development will be softened through landscaped driveways, consistent with those prevailing in established streetscapes and open gardens.

This will be achieved by:

- Sensitively accommodating moderate change which respects the prevailing front setbacks,
- Providing for canopy trees in the front and rear setbacks, and throughout multi-unit developments,
- Ensuring upper storey elements are not bulky or visually obtrusive and having regard to the height of tree canopy in the background when viewed from the streetscape,
- Providing low fencing, hedges and terraced landscaping to frontages to manage slope and enhance garden character,
- Provide a landscape buffer on both sides of driveways.

Figure 40. Example of a streetscape in Mt Evelyn, showing a contemporary development



## 8.2.5 Foothills suburban

### Existing character

This category applies to outer-suburban areas in Lilydale, Mt Evelyn, Montrose, Upwey, Belgrave and Tecoma, where there is a prominent landscape setting and undulating topography, which often softens the appearance of buildings, and reduces their visibility. Adding to this, streetscapes often have a sense of enclosure due to frequent canopy trees and tall front fencing in some areas, which further reduces the prominence of built form. There are a mix of allotment sizes in gridded and curvilinear settings, with frequent views of treed backdrops and the Yarra valley. In sloping areas, terracing and buildings perched on higher ground create a degree of asymmetry in the streetscape. In some areas remote from activity centres, access roads are unsealed and informal. There is generally prominent landscaping in front gardens, reinforcing the visually dominant landscaping in the public realm. Single and-double storey buildings predominate, with dwellings of diverse styles and sizes, well set back from all boundaries. Brick and weatherboard dwellings are common with pitched roofs. There are some instances of contemporary development with units or single dwellings with large footprints that have started to erode the consistency of side and rear setbacks with substantially reduced canopy covers.

The valued attributes of these areas are:



#### Buildings

- low-rise dwellings
- generous front, side and rear setbacks



#### Roofs

- pitched



#### Materials

- brick and weatherboard



#### Landscaping

- Prominent landscaping in front setbacks, with frequent planting of canopy trees between and around buildings
- landscaped driveways



#### Fences

- low, transparent or no front fence



#### Views

- landscaping in public and private realms creates a sense of enclosure for streets
- frequent views of treed backdrops and the Yarra valley
- appearance of buildings is partially screened and softened by landscaping



### Preferred future character

These areas will have a relatively low level of change, and many of the existing dwellings will be retained. Future dwellings will be set back from all boundaries to allow for significant landscaping to partially screen and soften built form, and to allow the appearance of the landscape to maintain its primacy over built form. Future buildings will be designed to respond sensitively to topography by stepping up or down slopes and designed to retain long-range views to distant landscapes from the public realm. This will be achieved by:

- Providing generous front, side and rear setbacks to buildings that maintain the prevailing setbacks,
- Reducing the visual prominence of buildings from the public realm, and having regard to the preservation of long-range views,
- Providing low fencing, hedges and terraced landscaping to frontages to manage slope and enhance garden character,
- Providing a landscape buffer on both sides of driveways.

Figure 41. An example of a dwelling in Belgrave on a sloping property<sup>26</sup>



## 8.2.6 Township consolidation

### Existing character

This character type applies to the larger townships of Yarra Glen, Yarra Junction and Healesville, on land in proximity to these activity centres that have some contemporary infill development that has increased the intensity of built form, site cover and height, and has reduced the spacing between dwellings. Land is flat or gently undulating, with a regular grid street network common. There are frequent long-range views to distant mountains and landscapes. Road reserves are often spacious with broad verges and lined by treed nature strips. Generous front setbacks on private property add to the sense of openness in the public realm, with well landscaped gardens and driveways and generally low fences along front property boundaries. Buildings are mostly single-storey and surrounded by generous setbacks on all sides, creating a sense that the landscape is the primary element, and a spacious country town feel. Dwellings are from a range of eras, with use of brick and weatherboard common, and pitched roofs. Verandas are a common feature facing streets.

The valued attributes of these areas are:



#### Buildings

- low-rise dwellings
- generous front, side and rear setbacks
- verandas facing the street



#### Roofs

- pitched



#### Materials

- brick and weatherboard



#### Landscaping

- Well landscaped front setbacks, with space for garden area between and behind buildings.
- landscaped driveways



#### Fences

- Low, transparent or no fences



#### Views

- Frequent views to distant mountains and landscapes



### Preferred future character

These areas will undergo a moderate transformation to a more contemporary and compact built form character that provides adequate separation between building elements to maintain the sense of spaciousness in the public realm, landscape opportunities throughout sites, and views to distant landscape features. Future development will be softened through landscaped driveways, consistent with those prevailing in established streetscapes. Open views to front gardens will be encouraged by a continuation of low, or no front fencing.

This will be achieved by:

- Sensitively accommodating moderate change which responds to the prevailing front, side and rear setbacks,
- Providing for generous garden areas in the front and rear setbacks, and spacing between dwellings,
- Ensuring upper storey elements are not bulky or visually obtrusive, and having regard to distant long-range views in the background when considering the height and massing of built form,
- Providing low, or no, front fencing,
- Provide a landscape buffer on both sides of driveways.

Figure 42. A recent example of a two-storey attached townhouse development in Yarra Junction, as it sits beside lower-rise development in the streetscape



## 8.2.7 Township Suburban

### Existing character

This character type applies to the suburban areas of Yarra Glen, Healesville, Yarra Junction, Woori Yallock, Seville, Wandin North, Monbulk, and Coldstream. These areas have a spacious, country town character set amongst flat or sloping terrain, with frequent views to distant hilltops or pastoral landscapes. Irregularly planted street trees, broad verges and generous front setbacks contribute to a sense of openness within the public realm. Broad, detached dwellings are setback well from all boundaries. Generally sizable allotments and dwellings are often positioned behind deep front setbacks with an open garden setting. The siting of buildings within allotments varies from wide primary frontages being positioned parallel to streets or at an angle. The area's topography influences the sense of scale and massing of buildings, with more-than-one-storey forms seen in areas with steeper slopes to maximise views. In some areas, the dry forest and bush character is more prominent, reducing the sense of openness and concealing existing dwellings from view. Newer buildings in this area occupy larger footprints with diminishing separation between buildings and are visually prominent in streetscapes.

The valued attributes of these areas are:



#### Buildings

- One and two-storey dwellings
- generous front, side and rear setbacks
- consistent front setbacks
- verandas facing the street



#### Roofs

- hipped



#### Materials

- Brick, stone and weatherboard



#### Landscaping

- formal garden setting with generous space for canopy trees and other landscaping
- canopy trees in front and rear gardens
- landscaped driveways



#### Fences

- Low, transparent or no fences



#### Views

- Frequent views to distant hilltops or pastoral landscapes



### Preferred future character

Detached dwellings will continue to be the predominant form of development in these areas, set back from all boundaries and with canopy trees in front, side and rear setbacks. Future dwellings will be characterised by pitched roof forms with generous eaves and verandas facing the street frontage, with consistent setbacks from the street compared to nearby dwellings. Built form will consider the preservation of long-range views, and buildings will be visually subservient to the landscape. Front boundary treatments will continue to be low and visually permeable fencing.

This will be achieved by:

- Providing wide front, side and rear setbacks to buildings that maintain the prevailing pattern of setbacks,
- Having regard to the preservation of long-range views in building design and roof forms,
- Providing low and semi-transparent fencing to front boundaries.

Figure 43. A typical residential streetscape in Wandin North<sup>26</sup>





## 8.2.8 Township rural-residential

### Existing character

This character type applies to outer-suburban areas of Yarra Ranges' townships, where dwellings are often sited behind deep front setbacks within an open garden setting, creating a sense of openness in the public realm, where the landscape is the dominant feature rather than buildings. These areas sometimes have informal, unsealed streets and swale drains with irregularly planted street trees. There is a mix of flat and sloping terrain, with frequent views to distant hilltops or pastoral landscapes. Broad verges contribute to a sense of openness within the public realm. Wide fronted, detached dwellings are setback well from all boundaries. The siting of buildings within allotments vary from being positioned parallel to streets or at an angle. The area's topography influences the sense of scale and massing of buildings, with more-than-one-storey forms seen in areas with steeper slopes to maximise views. In some areas, the dry forest and bush character is more prominent, reducing the sense of openness and concealing existing dwellings from view. Newer buildings tend to be larger in footprint, and more visually prominent in streetscapes.

The valued attributes of these areas are:



#### Buildings

- One and two-storey dwellings
- extensive front, side and rear setbacks
- verandas facing the street



#### Roofs

- hipped



#### Materials

- Brick, stone and weatherboard



#### Landscaping

- formal garden setting with extensive space for canopy trees and other landscaping
- Large native and exotic on private and public land
- landscaped driveways



#### Fences

- Low, transparent or no fences



#### Views

- Frequent views to distant hilltops or pastoral landscapes



### Preferred future character

These areas will have a minimal amount of change, and will remain dominated by detached, low rise dwellings, with extensive setbacks from all boundaries and with large native and exotic trees on private and public land. Future dwellings will be characterised by pitched roof forms with generous eaves and verandas facing the street frontage, and generous setbacks from the street. Buildings will be subservient to the landscape, and remnant vegetation in the private and public realms will be protected. Built form will consider the preservation of long-range views. Front boundary treatments will continue to be low and visually permeable fencing.

This will be achieved by:

- Providing extensive front, side and rear setbacks to buildings that maintain the prevailing pattern of setbacks,
- Encouraging use of verandas and projecting eaves in dwelling design,
- Having regard to the preservation of long-range views in building design and roof forms,
- Providing low and semi-transparent fencing to front boundaries.

Figure 44. A rural-residential property<sup>26</sup>



## 8.2.9 Warburton Township

Warburton's character is strongly defined by its landscape and topographical setting located in the cleft between two steep hillsides. There is a mix of pastoral and forested settings with frequent views of the mountains across the valley. The public realm has an informal, rural quality due to the frequent absence of sealed roads and lack of footpaths. The distinction between public and private realms is often not delineated, creating an informal forest setting reinforced by its unsealed access roads. There is prominent landscaping in front and rear gardens, with mostly native vegetation. The area comprises large allotments with cottage/chalet style dwellings set into the landscape, where generous spacing between buildings reinforces the landscape as the primary visual element over built form. Buildings are predominantly low rise with hipped and gabled roofs, and construction of brick, stone or weatherboard dwellings are common. Recent development has generally retained the forest, informal quality and continues to be subservient to the landscape setting.

The valued attributes of these areas are:



### Buildings

- One and two-storey dwellings
- extensive front, side and rear setbacks
- cottage/chalet style dwellings
- buildings are visually subservient to the landscape



### Roofs

- Hipped and gabled



### Materials

- Brick, stone and weatherboard



### Landscaping

- Prominent landscaping in front and rear gardens, with mostly native vegetation
- landscaped driveways



### Fences

- Low, transparent or no front fences



### Views

- Frequent views to mountains and tree top views



### Preferred future character

Warburton will have a minimal amount of change, and will remain dominated by detached, low rise dwellings, with extensive setbacks from all boundaries and with large native trees on private and public land. Future dwellings will be characterised by pitched roof forms, with generous front setbacks. Built form will consider the preservation of long-range views. Buildings will be subservient to the landscape, and remnant vegetation in the private and public realms will be protected. Front boundary treatments will continue to be low, permeable, or no front fencing.

This will be achieved by:

- Providing extensive front, side and rear setbacks to buildings that maintain the prevailing pattern of setbacks,
- Having regard to the preservation of long-range views in building design and roof forms
- Buildings over one storey should be set back further,
- Sensitively designing and siting buildings with regard to topography,
- Providing low, visually permeable, or no fencing to front boundaries,
- Encourage native planting in backyards that contributes to the well-treed skyline.

Figure 45. Dwelling in Warburton encompassed by hills and forested backdrop<sup>26</sup>



## 8.2.10 Master planned Estates

This category refers to master planned estates in residential parts of Yarra Ranges. Lot sizes are generally consistent across estates and the architectural style is homogenous due to the houses being developed at the same time. Similarly, the pattern of site cover and setbacks is generally consistent. Street layouts are often curvilinear and/or cul-de-sacs. Streetscapes are dominated by the appearance of built form; however, as these areas age the maturation of street planting will create a greater sense of enclosure and complement the open garden setting of dwellings.

The valued attributes of these areas are:



### Buildings

- consistent building sizes and spacing
- single and double-storey dwellings
- consistent front setbacks



### Roofs

- pitched



### Materials

- brick and contemporary finishes including render



### Landscaping

- open front garden setting
- landscaped driveways



### Fences

- no front fence

Fig 46. The Cloverlea mastepanned estate in Chirnside Park



## Preferred future character

These areas are not anticipated to provide any opportunities for change in the next 15 years. Any replacement of existing dwellings will adhere to the established pattern of site cover, the pattern of front and side setbacks, and maintaining the open front garden character.

This will be achieved by:

- Providing front setbacks consistent with those of adjoining properties facing the same street,
- Providing no front fencing on minor roads to respond to the open garden setting,
- Providing a landscape buffer between the driveway and the boundary.

It is intended that any future development in these areas be governed by the following:

- No change to Rescode provisions
- Application of the NRZ and GRZ
- In determining an appropriate response to neighbourhood character, to have regard to the above general statements of 'Valued attributes' and 'Preferred future character', to be interpreted in the context of the neighbourhood and streetscape character of each distinct estate.

## 8.2.11 Further Work – Low Density Residential Areas

There is a need to assess existing and preferred neighbourhood character for low density residential areas of the municipality. Background work for the Housing Strategy has assessed neighbourhood character for low density land in Warburton only. This will be an action of the Housing Strategy.



## 8.3 Actions

1. Amend the local planning policy in the Yarra Ranges Planning Scheme at Clause 15.01-5L Neighbourhood Character to include strategies for neighbourhood character types and precinct boundaries, consistent with the information contained in this chapter.
2. Prepare neighbourhood character brochures for each neighbourhood character type that includes an existing character statement, valued attributes, preferred future character statement, and include this as a Background Document at Clause 15.01-5L Neighbourhood Character.
3. Implement the recommendations for the Warburton Township through a planning scheme amendment, that also addresses the Low Density Residential Zone.
4. Investigate assessing existing and preferred neighbourhood character in Yarra Ranges' Low Density Residential Zoned areas, and integration of findings into the Planning Scheme.



## 9.0 Housing Diversity

### 9.1 Overview

Based on the analysis discussed in Chapter 5, there is an emerging need for smaller, more affordable medium and high-density housing, and demand for dwellings with one or two bedrooms. This will be concentrated in the urbanised areas of Lilydale, Chirnside Park, Mooroolbark and Kilsyth in well located residential areas close to these centres. More diverse housing will also be needed in large townships serving a regional catchment, specifically Mount Evelyn, Healesville, Yarra Junction and Yarra Glen, where there will be an increased demand for smaller housing options to provide increased housing choices and allow for aging in place.



Providing a better mix of housing options will provide housing choices for residents through different stages of life. Higher proportions of medium and higher density housing will also complement objectives to achieve better housing affordability.

While the issue of housing diversity is often inter-related with that of housing affordability, due to the relationship of lot/house size to price-point, this Chapter will seek to focus on the diversity issue specifically, leaving discussion of affordability to Chapter 10.

Discussion of housing diversity is often accompanied by an underlying assumption that achieving increased diversity must equate to a need for higher residential densities, however the opposite can also be true. Through consultation on the Housing Strategy Discussion Paper, there were suggestions made that larger dwellings in some areas could also cater for multi-generational housing. This is a housing form that can support several generations of one family to live together in the one house and can be easily modified or used in different ways to suit changing household needs. It is particularly valued by some specific cultural groups such as migrants from Asian countries like Myanmar, China and India<sup>11(p.30)</sup> and also by Indigenous communities<sup>24(p.6)</sup>. Community feedback on the Discussion Paper indicated this housing form may also have broader appeal across all cultural groups<sup>24(p.6)</sup>.






In March this year, Infrastructure Victoria released its report **Our Home Choices**, which identified that the ideal home type for Victorians is a detached house with at least three bedrooms in an established suburb, however this is now unaffordable for moderate income households<sup>27(p.22)</sup>. This finding reinforces the value of Yarra Ranges' established suburbs on a metropolitan scale, which provide options for large family homes at a lower price point than found in many more inner urban areas. Planning policy should therefore partly aim to preserve this housing type in Yarra Ranges.

The Infrastructure Victoria report also found there is a lack of diversity among medium and higher density housing options. For example, only one in ten Melbourne apartments have at least 3 bedrooms, meaning they do not offer a substitute for growth area homes<sup>27(p.39)</sup>. For Yarra Ranges, this finding appears contradictory to housing diversity objectives to encourage more smaller homes. However, it indicates that in encouraging medium and higher density housing types, there is also a need to achieve diversity within this category, in order to provide options for families with children and other groups.

Yarra Ranges contains a large diversity of residential areas, with differing neighbourhood and landscape character as outlined in Chapter 8, and therefore a challenge will be how to enable more diverse housing in a way that also responds to valued neighbourhood character attributes of particular areas.

Housing diversity needs in Yarra Ranges do not relate only to dwelling size but also to a variety of other characteristics. Policy will be needed in the Yarra Ranges Planning Scheme to achieve increases in the desired housing types and characteristics.

The following sections further explore housing diversity issues and means of policy implementation under the following four themes:

 Dwelling type and diversity	 Adaptability and accessibility
 Small and non-standard dwelling models	 Achieving housing diversity
 Housing for older people and people with a disability	

## 9.2 Dwelling Type and Diversity

The term **dwelling diversity** is distinct from **dwelling type**, which refers to broad categories of residential development such as detached dwellings, townhouses and units, and apartments. Within any of these dwelling types, there will be a need for diversity of characteristics to adequately provide for housing choice and a variety of life circumstances. These characteristics may include:

- Price
- Lot size (low density or medium density)
- Location (proximity to employment opportunities, public transport and services)
- Tenure
- Accessibility (suitability for varying ages and mobility levels, including for people with a disability)
- Adaptability (the ease with which a building can be modified to suit changing life circumstances)
- Floor area and number of bedrooms
- Amount of open space (large garden areas may be unsuitable for older people due to maintenance implications)
- Amount of parking (for 3+ bedroom retirement-village units a reduced parking rate may be appropriate from the standard under the Planning Scheme, however for large multi-generational houses, increased parking may be needed)

To address housing diversity issues, a new Council policy is needed to encourage specific dwelling types and characteristics in identified locations. This policy would make explicit to the development community the types and characteristics of housing Yarra Ranges is seeking, and would encourage negotiation with developers to reach these outcomes as part of future proposed subdivision and development.

## 9.3 Small-Format and Non-Standard Dwelling Models

As issues of housing availability and affordability, and homelessness have become more prominent at a national level, there are increasing suggestions that more should be done to enable land-owners the flexibility to realise small-format dwelling options on their properties without excessive regulatory burden, which may include options such as:

- Tiny houses
- Dependent persons units (granny flats)
- Relocatable and pre-fabricated buildings
- Secondary dwellings

There are also suggestions for non-standard housing options to be made easier to achieve within the planning system, such as cohousing.

This section further discusses these housing options and the regulatory frameworks needed to achieve them.

### 9.3.1 Tiny Houses

Tiny houses have grown in popularity in recent years and are now widely perceived as a viable small dwelling option. Generally, they range in size from 20-40 square metres, are designed to be transportable on a wheelbase, and are self-contained residences with a kitchen and bathroom. They can include external features such as a lowerable deck. However, the term encompasses a variety of potential scenarios, including:

- Positioned on land on wheels and moveable, or without wheels and resting on supports (skids) or blocks,
- Connected to reticulated sewer or septic system, or unconnected and relying on a composting toilet system or other approach,
- Associated with a larger house on a block (in which case its residents may live between the larger house and the tiny house, relying on some functions of the larger house), or being functionally independent,
- Used commercially, such as for short-term rental accommodation, or non-commercially,
- Occupied permanently, or occasionally,
- Associated with other tiny houses on land (in which case these may share common areas and facilities).

Given these variables, there is currently no standard definition in the Victorian Planning System for tiny houses, but rather Yarra Ranges Council defines and regulates them on a case-by-case basis. For example, if a tiny house is on wheels and moveable, in many cases it is considered a caravan, which is not generally regulated by the Yarra Ranges Planning Scheme but rather is subject to Council's Neighbourhood Amenity Local Law 12.3 (Caravans).

The intention of the Local Law is to provide a level of amenity protection for the use of caravans (which also applies to tiny houses on wheels), in situations where these are part of the primary use of land for a dwelling (i.e. an existing house on land). For example, the tiny house may rely on functions of that house, such as for a kitchen, bathroom, internal living areas, and potentially electrical power via an extension cord. In this case, a tiny house (or caravan) is secondary to the existing house, and part of that land use. Used in this way, Council's Local Law would ensure the tiny house did not cause adverse amenity impacts on neighbours or the local environment.

In the Green Wedge Zone, only one dwelling per lot is allowable, which means that if a lot already has an

existing dwelling, a tiny house that is considered a further dwelling is prohibited.

There is a need for State level policy guidance on how tiny houses should be defined and considered by local governments. As an Action of the Housing Strategy, Council will continue advocating to the State Government for a formal Planning Scheme definition for tiny houses, as well seeking clarity and guidance on their assessment and regulation in the Victorian planning system.

#### Case Study

##### Launch Housing Initiative – Footscray and Maidstone

This project uses vacant State Government owned land to accommodate a community of 57 tiny homes to house people with a chronic experience of homelessness, providing an affordable, long-term housing solution using prefabricated buildings.

This project provides a model that can be explored in other local government areas, including Yarra Ranges, which has been financed through a combination of philanthropic and public funding streams.

More information on the project can be accessed at this link: <https://www.launchhousing.org.au/harris-transportable-housing-project>

Council is interested to hear community views on the potential for this model to be used in residential parts of Yarra Ranges with large, unused areas of government-owned land. Suggestions are invited for any specific areas a project like this may be well-received, or any criteria Council should consider to identify potential sites.

### 9.3.2 Dependent Persons Units (Granny Flats)

Dependent Persons Units (DPU's) are currently allowable under the Planning Scheme in residential areas, generally without a planning permit, and rural areas where a planning permit may be required.

DPU's are small homes that provide accommodation for a person with a care dependence on residents of a larger, primary house on a property. A common example is an

elderly relative. DPU's are intended to be demountable and moveable from place to place on more than one occasion, and must therefore conform to Department of Transport requirements for weight and transportable dimensions, which can be accessed at the link below:

<https://www.vicroads.vic.gov.au/business-and-industry/heavy-vehicle-industry/heavy-vehicle-road-safety/transporting-houses-and-prefabricated-buildings>

DPU's are temporary buildings, even though they may remain on a property for many years. Once the dependent relationship ends between the occupants of the primary house and DPU, the DPU is no longer permissible and must be either moved from the property, or legitimised as a separate dwelling by a planning permit.

### 9.3.3 Relocatable and Prefabricated Buildings

Small, prefabricated buildings, or 'pods', can be moved onto and off sites by crane or other means for a variety of purposes including as a dwelling.

Similar to tiny houses, this can take a variety of forms, and the regulatory approach Council takes will vary according to the specifics of each proposal.

If a pod is moved onto a site as a self-contained residence with bathroom and kitchen, Council considers this under the Planning Scheme as a separate dwelling on a lot. This requires planning permission in residential areas and may be prohibited in rural areas.

Standard residential requirements for connection to sewerage and utilities apply.

The Victorian Government's 'Housing Statement' of 20 September includes an intention to exempt these buildings, if under 60m<sup>2</sup>, from a planning permit. Changes are expected to the Yarra Ranges Planning Scheme to enable this.

### 9.3.4 Secondary Dwellings

In 2020-2021, the Victorian State Government explored the use of a code to enable a streamlined planning approval process for development of one small secondary dwelling on the same lot as an existing dwelling in some residential zones.

A pilot program was trialled in four Planning Schemes, where a secondary dwellings was defined as a single-storey dwelling of less than 60 square metres and located on the same lot as an existing dwelling. Some other parameters governing secondary dwellings were:

- Must be the only secondary dwelling on the lot
- Must not be on a lot that contains a DPU
- Must not exceed 5 metres in height
- Must not be subdivided from the existing dwelling

The purpose of the pilot program was to explore a new way to provide housing options for an ageing population, multigenerational families and lower income households in Victoria, based on similar allowances that exist in other Australian states.

At the completion of the pilot program, the secondary dwelling provisions were removed from the planning schemes of the four participating councils, and since this time, the Victorian Government has not progressed to refine the secondary dwelling provision or extend it to other local government areas.

However, The Victorian Government's 'Housing Statement' of 20 September includes an intention to exempt these buildings, if under 60m<sup>2</sup>, from a planning permit. Changes are expected to the Yarra Ranges Planning Scheme to enable this.

Council will await further detail from the Victorian Government on this.

### 9.3.5 Cohousing

Cohousing is a model for community living developed by the American architect Charles Durrett, where private houses are clustered together on shared land, with communal open space, shared facilities such as laundries, eating areas and kitchens, and car parking at the periphery. Cohousing is not a well-established housing model yet in Victoria, but there is increasing interest in its potential benefits for affordability and environmental sustainability.

There are existing co-housing initiatives in Melbourne, which include:

- Brougham Street, Eltham: <https://broughamstreetcohousing.com/>
- Murundaka, Heidelberg Heights: <https://www.murundakacohousing.org.au/>

There is also a current proposal in Castlemaine targeting older women residents:

<https://winccohousing.org.au/>

Cohousing is allowable under the Planning Scheme in residential zones, and on appropriately zoned land near activity centres. It is not allowable in rural zones. A constraint to realising cohousing initiatives is the need to secure a large, affordable land parcel to build suitable housing – which may be in the form of a small apartment or single dwellings with communal facility areas.

### 9.3.6 Internal Division of Existing Dwellings

Community feedback on the Housing Strategy Discussion Paper indicated frustration that building and planning regulations can make it cost-prohibitive to modify established homes to changing life circumstances, such as to provide for multi-generational living. This is particularly relevant for elderly people who may live alone in large, detached houses. An ability to internally divide an established house, such as to create a separate tenancy under the one roof, may be one solution to providing additional, smaller housing options by better utilising existing housing stock.

However, State level planning and building regulations apply. Much like other non-standard housing options, there are a number of potential variations to this scenario, such as:

- Self-contained units, each with separate parking, open space, kitchen, bathroom and internal living areas, separated by fire-rated walls for safety
- Partially self-contained units, where some features may be shared or in commonly accessible areas
- Units that are not fully separated by fire-rated walls, or may have other kinds of safety risk, lack of disabled access, or other potential regulatory issues

As an action of the Housing Strategy, Council will investigate these regulatory issues and create a fact sheet for clarity.

### 9.3.7 Future Homes Pilot Program

In October 2022, the Victorian Government commenced a two-year pilot project in the Maribyrnong Planning Scheme to allow a streamlined planning process for use of generic apartment architectural designs, with four designs to choose from. The four designs were available

as adaptable templates, compliant with planning scheme policies, and intended as an affordable option for developers to minimise planning and construction costs. The designs were environmentally sustainable and 50% of dwellings within any development were designed to be accessible for people with limited mobility.

Following the Victorian Government's 'Housing Statement' of 20 September, the project was applied to more areas, including parts of Yarra Ranges in a General Residential Zone, which are:

- Within 800m of a railway station
- Within 800m of a major or neighbourhood activity centre

Designs under 'Future Homes' are a maximum of three stories.

One of the main incentives for developers is that in the streamlined approval process, there is no ability for appeals for third party review by the Victorian Civil and Administrative Tribunal (VCAT).

### 9.3.8 Build-to-Rent Schemes

Build-to-Rent is an emerging model of housing in which well-located, high-density housing is developed with the intention that on completion of construction, the development firm will remain the owner of all units, which they will rent out and manage as a complex. This model is anticipated to grow in Australia over coming decades and provides advantages to the more traditional 'built-to-own' model, such as:

- More rental security for tenants, and potential for longer lease periods
- More certainty for tenants over rental price increases
- Flexible rental conditions, over matters such as the keeping of pets
- Good potential for affordable housing outcomes

Yarra Ranges Council will monitor the growth and development of this model in Melbourne with interest, and with a consideration of how it may complement the housing mix in Yarra Ranges in the future.

## 9.4 Housing for Older People and People with a Disability

Within the broader community, there are some groups with specific housing needs, including older people and people with a disability, who may have housing type, accessibility and adaptability requirements beyond those which the housing market would ordinarily provide. In these instances, there may be a need for a Council policy to ensure sufficient appropriate housing is provided so that people are not forced to relocate elsewhere.

### 9.4.1 Housing for Older People

Demographic forecasts indicate that currently 35.9% of Yarra Ranges is aged 50+, which is projected to increase to 38% by 2041<sup>28(p.4)</sup>, largely driven by increases to the number of residents in the 70-79 age bracket<sup>28(p.8)</sup>. Yarra Ranges therefore has an increasing need for a range of housing options for ageing residents, including aging-in-place options, retirement villages and aged care facilities.

Yarra Ranges has a very low provision of aged care places. In June 2016, it had a total of 1,205 places, or 54 places per 1,000 residents aged 65 plus, compared to 80 per 1,000 for Victoria<sup>28(p.13)</sup>. Locations with significant deficiencies are Lilydale, Coldstream, Mooroolbark, and Yarra Valley, Belgrave-Selby, Chirnside Park, Monbulk, Silvan, Mount Dandenong, Olinda, Mount Evelyn, Upwey, Tecoma, Wandin and Seville<sup>28(p.13)</sup>. Provision of aged care facilities is strongly concentrated in the urban parts of Yarra Ranges, even though these still have shortages relative to their needs as indicated above.

From consultation feedback on the Housing Strategy Discussion Paper, it was apparent that ageing residents value opportunities to down-size to stay in their local communities, and that opportunities need to be explored to enable this, not only through traditional forms of retirement home, but also multi-generational housing opportunities<sup>25(p.6)</sup>.

In Yarra Ranges the majority of older residents live in private dwellings, with 95% of residents 65 years or over in private dwellings compared to 92% nationally<sup>30(p.16)</sup>. This figure has implications for the types and locations of new dwellings needed, with a demand for small dwellings located close to facilities and services, and with particular characteristics such as being single level, and with reduced outdoor areas for lower maintenance.

An increased government focus on providing care to older residents in their own homes further supports the need for appropriate private housing for older persons in well located areas.<sup>30(p.17)</sup>



#### Ageing in place

This term refers to elderly people being able to continue living in their community and local area, rather than in an aged care facility. It can take a variety of forms, from downsizing to a smaller dwelling or retirement village unit, living in a multi-generational household, or subdividing a large property to realise a smaller land area with less maintenance requirements.

According to the Australian Housing and Urban Research Institute, between 78 and 81% of Australians over 55 (depending on the age cohort) want to live in their own home as they age.<sup>29</sup>

#### Retirement village

This is typically a multi-residence housing facility intended for people over 55 years old. Residents are generally fully independent and do not need the same level of care required for residents in aged care facilities. This may include communal facilities, such as recreational or medical.

#### Aged care facility

This is a specialist facility that caters for people with either high (i.e. nursing home) or low (i.e. hostel) care needs, and that provides accommodation, personal and nursing care, and social activities for residents.



Despite the large proportion of elderly residents in private dwellings, there is projected to be continued demand for retirement villages and aged care facilities as the Yarra Ranges population ages.<sup>30(p.23-20)</sup> These facilities require sites with certain characteristics including land areas of 0.5 hectares minimum, close to shops and activity centres, with good access to public transport, in areas without environmental risks, and with good access to hospitals and health services<sup>30(p.33-34)</sup>. Due to these factors, the range of available sites are limited. To provide opportunities for aged care facilities and retirement villages in the future, options include:

- Support new proposals for aged care and retirement villages in the urban area close to services and public transport, and consider this need as part of future structure plans.
- Support the expansion and/or redevelopment of existing facilities where demand can be shown for additional accommodation at existing sites.
- Support future facilities in the townships of Healesville, Yarra Glen, Monbulk, Belgrave and Yarra Junction, due to the extent of the population these centres serve and the accessibility to facilities and services.
- Support the provision of aged care facilities within or adjacent to retirement villages to provide an integrated ability for ageing in place.
- In assessing future planning applications, balance the impact on neighbourhood character against the important role of residential aged care provision and policy to provide housing for the expanding older population age group.

#### 9.4.2 Housing for People with a Disability

According to 2021 census data, 5.4% of the Yarra Ranges population reported a need for help in their daily lives due to disability, which was a 0.8% increase from 2016<sup>31</sup>. This statistic relates to a need for assistance due to severe or profound disability.

For people who require specialist housing solutions to assist with support for extreme functional or very high support needs, there is an ability to apply for Specialist Disability Accommodation which is managed by the Victorian Government. Issues relating to the quantity and quality of this housing are beyond the scope of this Housing Strategy.

Disability can also take a variety of forms among people able to live relatively independently outside of specialist housing, such as:

- Mobility and physical impairments
- Intellectual disability
- Mental health conditions
- Sensory impairments
- Neuro-diversities such as Autism Spectrum Disorder (ASD) and Attention Deficit Hyperactivity Disorder (ADHD)

Disability can be a temporary condition, such as a condition that affects a person in the aftermath of an accident or injury, and thus can affect all people at particular stages of life, although it is increasingly more common with age.

Housing design, location, and characteristics can considerably affect the ease with which a person living with a disability can use and maintain household space, both interior and exterior, and get access to nearby commercial areas and services. While the range of housing needs will vary widely depending on the type of disability an individual has, considerations in encouraging housing that is adaptable for the needs of people with a disability include:

- Location - proximity and accessibility to commercial areas and public transport
- Presence of steps and level changes, including around porches and entries, and also to access internal features such as showers
- Internal design, such as the arrangement of doors and corridors, that does not impede movement between spaces
- Accessibility of parking areas to dwellings

To address housing diversity needs, Council will consider integrating the need for disability-friendly dwelling characteristics into a proportion of new dwelling approvals, which would be encouraged through inclusion of planning policy in the Yarra Ranges Planning Scheme.

## 9.5 Adaptability and Accessibility

Livable Housing Australia, which is a national accreditation body for accessible and adaptable homes, defines a 'livable home' as one that is designed to meet the changing needs of occupants across their lifetime. The aim is to provide a safe and functional environment for a variety of mobility levels including people with a disability, older Australians, people with temporary injuries, and families with young children. A livable home is designed to be:

- Easy to enter,
- Easy to navigate in and around,
- Capable of easy and cost-effective adaption,
- Responsive to the changing needs of home occupants.<sup>32</sup>

It is common for people with disabilities or people with limited mobility to make dwelling modifications to make their home better meet their daily requirements. It is therefore important that the initial design of the house is conducive to achieving the modifications needed without extensive and costly renovations.

This is particularly important for rental properties, given that approximately one-third of Australian households now contain a person with a disability.<sup>33</sup>

Current best practice in the design of accessible and adaptable housing is set out in the Australian Standard AS4299 **Adaptable Housing**. Other local governments in Australia have integrated AS4299 requirements into local planning requirements.<sup>34</sup>

In considering the need for specific accessibility and adaptability requirements to apply to new dwelling development, Yarra Ranges will further consider key elements of AS4299, or other requirements, in the development of a new local planning policy for housing diversity.

## 9.6 Seasonal Worker Accommodation

In Yarra Ranges a lack of worker accommodation has created problems for agricultural businesses, which have struggled to attract permanent and seasonal workers.

Despite a recent Victorian Government's funding announcement of \$150 million for regional worker's accommodation, this accommodation is subject to a planning permit process in the Green Wedge zones, which are likely to result in:

- Key businesses and industries being unable to benefit from the Victorian Government's investment in workers' accommodation,
- Accommodation supply continuing to fall short of need,
- Agricultural industries of local, statewide and national significance struggling to meet demand for their products.

An action of the Housing Strategy will be to advocate to the Minister for Planning to consider planning permit exemptions for rural worker accommodation in the Green Wedge Zone.

## 9.7 Achieving Housing Diversity

To achieve greater housing diversity in Yarra Ranges, there is a need to consider development of policy guidance for dwelling design and diversity.

This would require a detailed analysis of diversity incorporating the following variables:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>➔ Specified locations for application of a future housing design and diversity policy, complementary to Council's objectives for neighbourhood character as set out in Chapter 8.</li> </ul>  | <ul style="list-style-type: none"> <li>➔ Priority housing types by location, including for multi-generational housing opportunities.</li> </ul>                             |
| <ul style="list-style-type: none"> <li>➔ Within medium and higher density developments:           <ul style="list-style-type: none"> <li>• encouragement of a diversity of dwelling sizes (i.e. no. of bedrooms) according to projected housing shortfalls</li> <li>• encouragement of a diversity of parking and private open space provisions, according to anticipated demographic characteristics and needs</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>➔ Adaptability and accessibility requirements, including reference to Australian Standard AS4299 <b>Adaptable Housing</b></li> </ul> |

This work would seek to achieve:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>✓ Actions to improve housing diversity</li> </ul>                           | <ul style="list-style-type: none"> <li>✓ Identify specific diversity requirements for aged and disabled residents</li> </ul> |
| <ul style="list-style-type: none"> <li>✓ Identify opportunities to reduce barriers to housing diversity</li> </ul> | <ul style="list-style-type: none"> <li>✓ Implement a data collection and monitoring system</li> </ul>                        |

As part of the Strategy actions, Council may consider advocating to the State Government for an introduction of 'inclusionary zoning' into the Victorian Planning System, which requires developers to include housing diversity in new developments.

## 9.8 Actions

1. Advocate to the State Government for a formal Planning Scheme definition for tiny houses, and clarity and guidance on their assessment and regulation in the Victorian planning system.
2. Investigate issues impacting the regulation of internal division of existing dwellings (to create separate tenancies), and create a fact sheet for clarity.
3. Consider the need for a Housing Design and Diversity Strategy, consistent with Section 9.7.
4. Prepare a new local planning policy in the Yarra Ranges Planning Scheme to support increased housing diversity and guide future use and development outcomes.
5. Explore the use of Australian Standard AS4299 Adaptable Housing, or other requirements, in any local policy.
6. Integrate relevant housing diversity goals into Clause 16.01-1L (Housing) of the Planning Scheme.
7. Advocate to the State Government for the introduction of inclusionary zoning into the Victorian Planning System, to allow Council to specify housing diversity outcomes for the rezoning of land for residential use and development.
8. Support new proposals for aged care and retirement villages in the urban area close to services and public transport, and consider this need as part of future structure plans.
9. Support the expansion and/or redevelopment of existing aged care facilities and retirement villages where demand can be shown for additional accommodation at existing sites.
10. Support future aged care facilities and retirement villages in the townships of Healesville, Yarra Glen, Monbulk, Belgrave and Yarra Junction.
11. Support the provision of aged care facilities within or adjacent to retirement villages to provide an integrated ability for ageing in place.
12. Advocate to the Minister for Planning to consider planning permit exemptions for rural worker accommodation in the Green Wedge Zone.



# 10.0 Affordability

## 10.1 Introduction

Council recognises that access to suitable, secure, and affordable housing is crucial in establishing a diverse community that can actively engage in all aspects of society. Affordable housing is not only essential for individuals and communities but also plays a significant role in bolstering the local economy. It facilitates businesses in attracting and retaining employees while allowing local workers to reside and spend within their communities. Moreover, affordable housing contributes to increased disposable household income, which, in turn, can be directed towards supporting local businesses.

Inadequate affordable housing supply has significant detrimental effects on the community. Unaffordable housing puts immense pressure on individuals, leading to deteriorating health and well-being for households and the community at large. When people are unable to secure or maintain suitable, affordable housing, they may choose, if financially feasible, to relocate to more affordable areas. This results in a fragmented community and undermines the local economy, as families are forced to uproot their children from schools, leave local support networks, and abandon local employment opportunities.

Those without the means to relocate, may resort to temporary and often overcrowded or unsafe living conditions to remain in the area. However, even these suboptimal alternatives are becoming scarce, pushing some individuals to sleep rough in tents, parks, cars, or makeshift shelters. This poses significant health and safety risks for both individuals and the community.

This chapter addresses the magnitude and characteristics of the affordable housing shortage and homelessness issue in Yarra Ranges. It explores the implications for the community and local economy while outlining the interventions and measures the Council can undertake to alleviate the problem.

## 10.2 Housing Affordability vs Affordable Housing

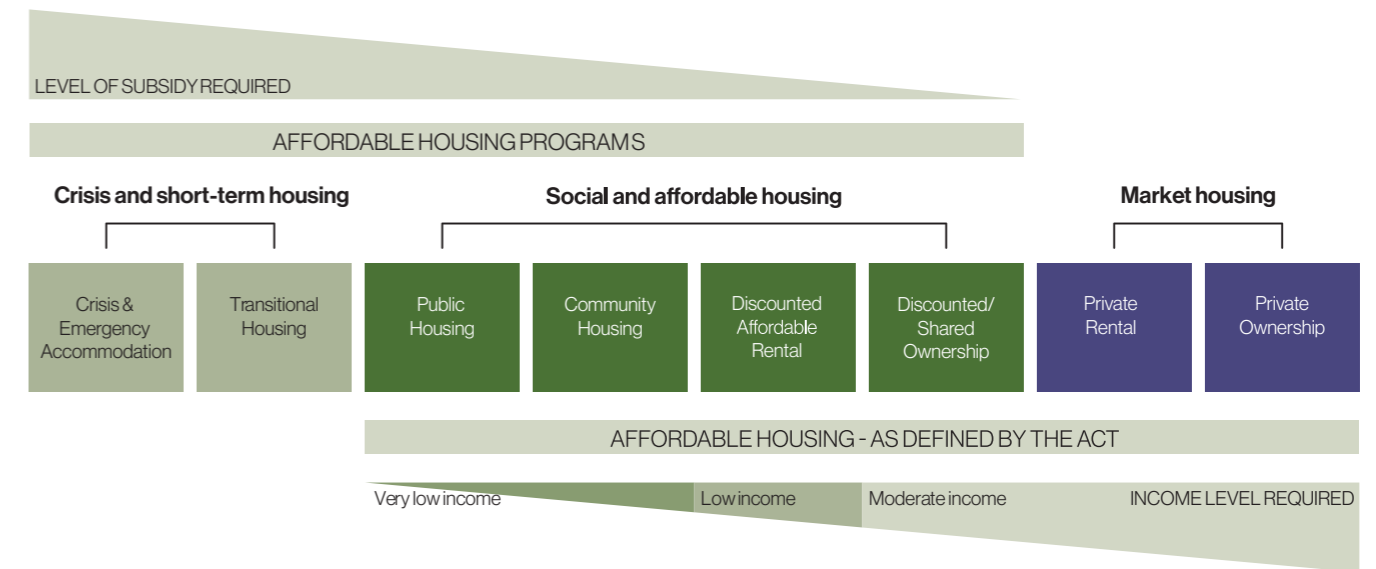
The general measure of housing affordability is the relationship between the cost of housing and household income. Generally, housing is considered affordable when the cost of the housing (rent or mortgage) does not exceed 30% of household income, allowing for sufficient income to cover essential living expenses. Households that surpass this threshold are deemed to be experiencing housing stress.

Housing stress is experienced at varying degrees dependant on household income. For example, a moderate-income household earning \$134,000pa, and spending 35% of their income on rent, will have approximately \$1675 remaining from their gross weekly income. On the other hand, a very low-income household earning \$27,000pa will have only \$337 a week, making the private rental market largely inaccessible for such households.

To address the housing needs of these households, subsidised housing options are necessary, such as social housing (including public and community housing), where rent is typically capped at no more than 30% of household income. Additionally, affordable rental or purchase schemes play a crucial role in supporting these households. This is what the term “social and affordable housing” refers to (see to Figure 47 below).

Affordable housing is defined in the **Planning and Environment Act 1987** (the Act), as housing (including social housing) that is not only affordable for very-low to low- and moderate-income ranges, but also appropriate to their needs in terms of tenure, type, location, integration, and must be allocated according to official estimates of housing need.

Figure 47. The affordable housing spectrum<sup>35</sup>



Source: Adapted from Affordable Development Outcomes (2019)<sup>34(p16)</sup>

## 10.3 Affordability and Availability of Market Housing

The affordability of housing varies across income ranges and household types. The below table outlines the number of properties for sale or rent that were affordable for each income range in the December 2022 quarter, compared to that of pre-covid levels.

Figure 48. Homes affordable by household income<sup>36</sup>

Household income	Homes affordable for purchase				Homes affordable for rent			
	DEC 2022 QTR		DEC 2019 QTR		DEC 2022 QTR		DEC 2019 QTR	
	count	% sales	count	% sales	count	% rentals	count	% rentals
Very Low up to \$52,379	3	0%	15	0.6%	32	2.8%	50	3.0%
Low up to \$83,806	33	1%	113	4.6%	644	57.1%	1095	64.9%
Moderate up to \$125,710	379	15%	861	34.7%	1077	95.5%	1643	97.4%

### 10.3.1 Home Ownership

The municipality has a slightly above average level of outright home ownership (35.1%), and a very high level of households with a mortgage (48.2% compared to the Victorian average of 36.1%) primarily concentrated in Belgrave-Selby, Mount Evelyn and the Upper Yarra Valley.

As of the December 2022 quarter, the median home prices in Yarra Ranges were \$803,000 for a house and \$592,585 for a unit<sup>37</sup>. High house prices are strongly concentrated in the Hills (Mount Dandenong, Belgrave Heights, Kalorama, Kallista, Ferny Creek, Sassafras, Chirnside Park and Olinda), while areas in the Hills and the Yarra Valley such as Wesburn and Millgrove, previously considered affordable, have become less affordable due to significant price growth over the past five years.

Between 2017 and 2022, the highest growth in median house prices was observed in Warburton (97%), Millgrove (82.5%), Belgrave Heights (70%), Kalorama (68%), Launching Place (67%), Wesburn (54%), Kallista (52%) and Badger Creek (50.5%)<sup>37</sup>.

### 10.3.2 Private Rental

#### Supply

Yarra Ranges has the second lowest number of rental properties in metropolitan Melbourne, with only 14% of occupied private dwellings being rentals, compared to 28.5% across Victoria. During and following the pandemic, Yarra Ranges saw a much lower level of rentals coming on to the market for lease. Quarterly listings of new rentals dropped by 22% between December 2019 and March 2023. This decline was the largest among local government areas in Eastern Metropolitan Melbourne, and the fifth largest across all Greater Melbourne.

While the total stock of rental housing is increasing across Melbourne, the total number of rental dwellings in Yarra Ranges is decreasing (by 4.9% between March 2020 and March 2023). This is measured by the number of active bonds which have been steadily declining since the start of the pandemic – a turnaround from the previous twelve years of steady growth. As this relatively low availability of rental accommodation continues to decline, rental values are increasing, as seen in Figure 49.

#### Costs

Rental costs have increased sharply in Yarra Ranges, with the median weekly rent reaching \$480 per week by December 2022.<sup>38</sup> This marks a 23.1% rise over the past five years, compared to a 12.5% rise across metropolitan Melbourne. The number of recipients of rent assistance in Yarra Ranges rose by 12% between June 2019 and June 2021.

In March 2022, only 3.9% of rental properties in Yarra Ranges were affordable for individuals relying on income support, in contrast to 10.1% across Victoria. Notably, no one-bedroom properties were deemed affordable for these households. Figure 50 shows the percentage of rental stock in December 2022 quarter that would have been affordable for households on very-low to low incomes.

Figure 49. Number of new rentals per quarter and median quarterly rental costs<sup>38</sup>

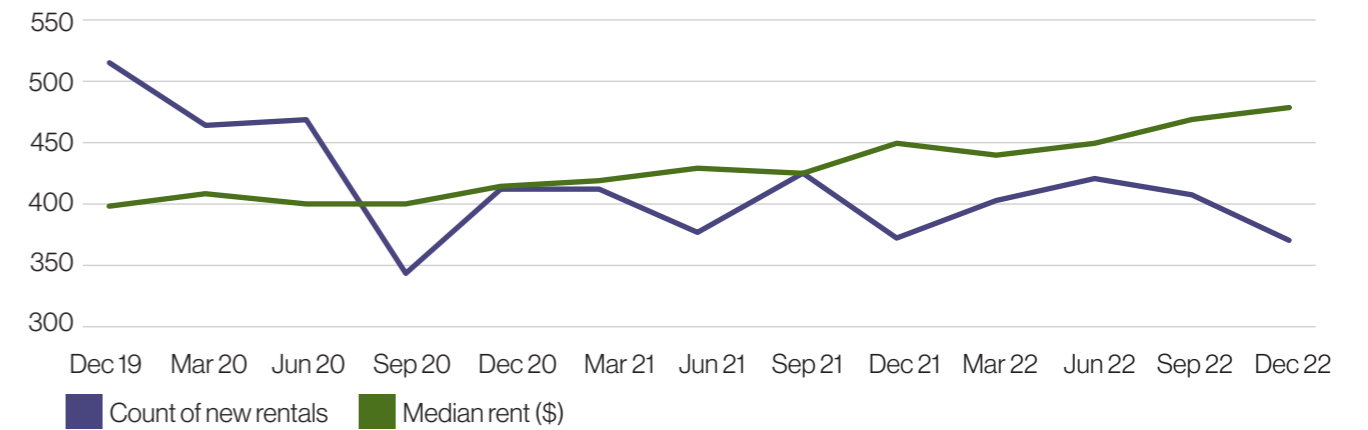
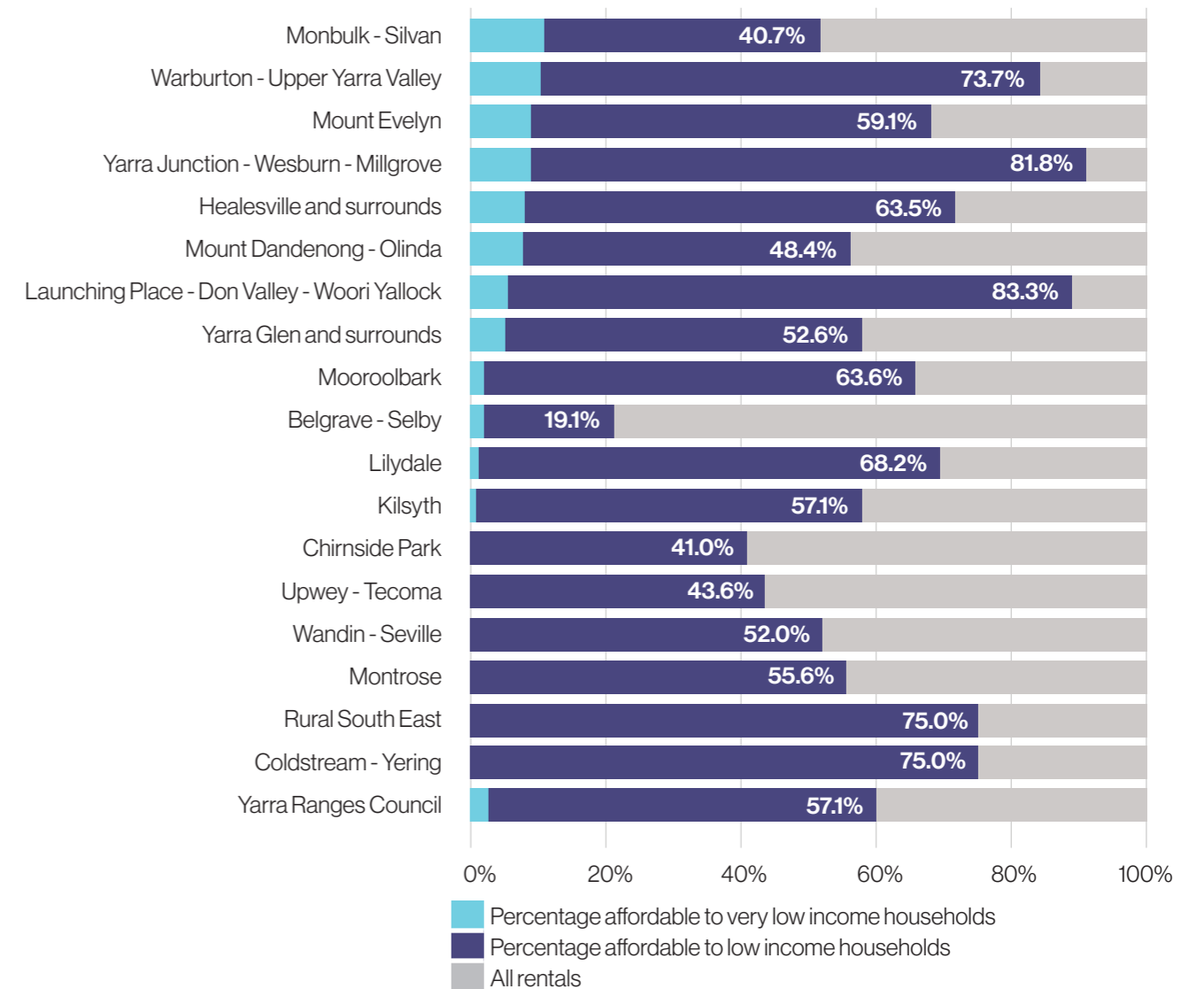


Figure 50. Percentage of rental stock (Dec 2022 Quarter) affordable for lower income households, by SA2 area<sup>36</sup>



### 10.3.3 Household Stress

In the 2021 census year, of the 7,261 households in private rentals in Yarra Ranges, 2,301 (31.7%) were in rental stress, which is higher than the Greater Melbourne average of 26.8%.<sup>37</sup>

On the other hand, among the 26,974 households with a mortgage in Yarra Ranges, 2,950 (10.9%) were in mortgage stress, which is lower than the Greater Melbourne average of 12.7%.<sup>37</sup>

The table below show the concentration of housing stress across different areas and income groups in 2021. Green indicates less than 25% mortgage or rental stress, yellow represents 26-50% stress, light red indicates 51-75% stress, and dark red represents over 75% mortgage or rental stress. The table demonstrates that renters in every area of the municipality are more likely to experience housing stress than those with a mortgage.

### 10.3.4 Geographical vulnerability

The above figure highlights the areas with the highest instances of rental and mortgage stress, indicating geographic vulnerability. In addition, areas characterized by a significant proportion of low-income households and limited availability of affordable rental properties can contribute to geographical vulnerability to housing stress and homelessness.

Figure 52 outlines the areas where over 20% of the households earn less than \$800 per week, along with the corresponding amount of affordable housing as of the December 2022 quarter:

For these 4752 households on less than \$800 per week, only 6 rentals were affordable. The situation is the same across all areas of the municipality; affordable rental availability is in single digits and the number of households on less than \$800 per week in the hundreds.

Specialist Homelessness Services (SHS) provide support to people who are homeless or at risk of homelessness. Whilst most SHS clients in Yarra Ranges come from the Urban Areas, Upper Yarra Valley has the highest rate of clients (clients per 1,000 residents)<sup>41</sup>. This means that absolute demand is highest in the Urban Area, but relative need is highest in the Upper Yarra Valley. The Valley has the same client rate as the Urban Area; the Hills has a comparatively low rate of clients.

Figure 53. Specialist Homelessness Services Clients by Planning Area: Yarra Ranges 2021/22<sup>41</sup>

Yarra Ranges Planning area	2021-22	
	Client count	Clients per 1,000 residents
Hills	322	8.8
Urban Area	1,244	15.0
Valley	579	15.2
Upper Yarra Valley	8	40.8
<b>Total Yarra Ranges</b>	<b>2,171</b>	<b>13.6</b>

Figure 51. Housing Stress concentration across Yarra Ranges<sup>39</sup>

SA2 Area	Very- Low Income households		Low Income households		Moderate Income households	
	Rent	Mortgage	Rent	Mortgage	Rent	Mortgage
Kilsyth	92%	58%	58%	29%	27%	13%
Mount Dandenong - Olinda	87%	54%	53%	31%	30%	13%
Mooroolbark	89%	53%	51%	29%	24%	11%
Lilydale - Coldstream	77%	58%	56%	25%	29%	11%
Chirnside Park	91%	54%	48%	31%	16%	8%
Belgrave - Selby	72%	48%	61%	24%	35%	7%
Healesville - Yarra Glen	80%	51%	53%	25%	27%	10%
Upwey - Tecoma	78%	55%	61%	25%	18%	8%
Yarra Valley	87%	52%	54%	21%	18%	10%
Monbulk - Silvan	66%	59%	44%	24%	27%	14%
Montrose	88%	25%	43%	23%	33%	6%
Mount Evelyn	63%	55%	45%	28%	19%	7%
Wandin - Seville	63%	39%	48%	24%	15%	12%
Upper Yarra Valley	N/A	NA	N/A	33%	N/A	NA

Figure 52. Areas with a high portion of low-income households<sup>40</sup>

Local area	Planning area	Households in area earning less than \$800pw		Rentals affordable to those on very low incomes*	
		Percentage	Number	Percentage	Number
Warburton - Upper Yarra Valley	Yarra Valley	34%	459	10.50%	2
Yarra Junction - Wesburn - Millgrove	Yarra Valley	28%	572	9.10%	2
Healesville and surrounds	Yarra Valley	25%	997	8.10%	6
Kilsyth	Urban	23%	913	0.80%	1
Lilydale	Urban	21%	1366	1.30%	3
Launching Place - Don Valley - Woori Yallock	Yarra Valley	20%	445	5.60%	1

\*Note: The very low-income bracket includes incomes up to \$1007 per week but is the closest bracket available to measure affordability for incomes less than \$800 per week.

### 10.3.5 Households most vulnerable to housing stress or homelessness

Renters on low incomes, particularly lone persons or single parents face the highest vulnerability in the private market. In 2021, 22.9% of households in Yarra Ranges had incomes below \$800pw. This income group represented the most significant change since 2016, with an increase of 1900 households, indicating that the number of vulnerable households is growing at a faster rate compared to those on higher incomes<sup>40</sup>.

Using the 30% benchmark, the following table illustrates the affordability of the average rental property (with a median of \$480 per week) for different household and income types:

Figure 54. Housing stress across different household types and incomes<sup>40</sup>

Household groups	Very low income	Low income	Moderate income
Couple	Stress	At risk	Affordable
Couple family with children	Stress	Affordable	Affordable
Lone person	Stress	Stress	Stress
One parent family	Stress	Stress	At risk
Group household	Stress	At risk	Affordable

In the 2021-22 year there were 2171 people in Yarra Ranges who sought assistance from Specialist Homelessness Services (SHS) because they were homeless or at risk of homelessness.

Compared to Greater Melbourne, Yarra Ranges SHS clients were **more** likely to be<sup>42</sup>:

- female (63.7% compared to 59.3%)
- children aged 0-14 (29% compared to 20%)
- seeking assistance with interpersonal relationships (53% compared to 35%). Of these, far more were female (38.3% compared to 14.5% males).
- at risk of being homeless (71% compared to 59%). Of these, females were much more likely than males to be at risk of being homeless (48% compared to 23% male).

Compared to Greater Melbourne, Yarra Ranges SHS clients were **less** likely to:

- have a current mental health issue (25% compared to 30%). Of these, females were much more highly represented than males (17.7% compared to 7.5% males).
- have problematic drug/alcohol issues (4.8% compared to 8.2%).
- be living alone (10% compared to 17%). Those that were living alone were slightly more likely to be female, which varies to Greater Melbourne where more were male.
- be homeless (23% compared to 33%).

Women are more highly represented across many of the above indicators, demonstrating that women are a cohort that is more vulnerable to housing stress or homelessness.

Other cohorts that are also vulnerability to housing stress and homelessness are those who are more likely to be on lower incomes (or with limited employment opportunity) such as youth, those with a disability and people (particularly women) over 55.

## 10.4 Affordability and Availability of Social Housing

Social housing, including public and community housing, is secure, long-term rental housing for eligible people on low incomes. Rent for social housing is capped at 30% of the tenant's income, ensuring affordability for very-low to low income households. Some moderate-income households may also be eligible for social housing. The Housing Act 1983 governs social housing, and applicants are placed on the Victorian Housing Register (VHR) waiting list.

In June 2022 in Yarra Ranges, social housing comprised only 1.2% of the total housing stock, which is below the Victorian average of 3.0%.<sup>43</sup> Currently, there are no available or anticipated vacancies in social housing, as existing tenants have limited options for relocation.

In December 2022, there were 1612 applicants on the VHR who included who expressed a preference for the Yarra Ranges Rural District. Over half of these applicants (894) were classified as Priority<sup>43</sup>; indicating they require support, due to homelessness, escaping or having escaped family violence, having a disability or significant support needs, or having special housing requirements. Singles, single parents, and elderly singles constitute the majority of these applicants, highlighting that households on a single source of income are more likely to require affordable housing programs. This is supported by the statistics presented in the sections above.

Several studies have assessed the gap in social and affordable housing. A study by the University of NSW (UNSW) City Future Research Centre identified an estimated shortfall of 2,500 social housing units in Yarra Ranges, projected to increase to 3,600 by 2041 if no intervention is implemented<sup>44</sup>.

## 10.5 Relationship of Housing Diversity to Housing Affordability

Yarra Ranges experiences significant lack of housing diversity, with separate dwellings accounting for 93.3% of Yarra Ranges occupied private dwellings, as can be seen in Table 2 (Chapter 4).

Between 2016 – 2021, the highest growth in dwelling-type in Yarra Ranges was observed in 3 and 4 bedroom properties. However, during the same period, the highest growth in household-types was in 1-2 person households. This lack of diversity, coupled with an increasing demand for smaller, higher density housing creates competition and increases the cost of the current supply of smaller dwellings. The household types most likely to need these smaller housing options are also those who are identified as the most vulnerable in the private market; Singles and Single Parents.

This critical need for smaller, affordable properties is evident in the data, as 83% of all applicants on the VHR with a preference for the Yarra Ranges Rural District area are waiting for a 1-bedroom (61%) or 2-bedroom (22%) property<sup>44</sup>.

Increasing stock of smaller dwellings will enhance housing diversity and provide more affordable options, particularly if these units are available for rental. Nevertheless, it is important to note that even with increased supply, this housing would still be unaffordable to those on very low- low incomes, highlighting the necessity for access to social and affordable housing.

## 10.6 Relationship of Housing Affordability to Economic Sustainability

Having an adequate supply of affordable housing is vital for attracting and retaining workers for local industries and small businesses, as well as enabling local residents to remain living (and spending) locally.

In 2021, 34.8% of the Yarra Ranges workforce lived outside the municipality. By improving housing affordability and availability within Yarra Ranges, some of these workers may choose to live closer to their workplaces, leading to increased local spending and support for businesses. The remaining 65.2% of workers were local residents who also require access to affordable housing to continue working and contributing to the local economy. If there is a lack of affordable housing, locals and workers may be compelled to move to more affordable areas, which can negatively impact the local economy, especially in areas with limited access to public transportation.

Yarra Ranges is home to major industries such as Construction, Manufacturing, Education and Training, Health Care and Social Assistance, Agriculture, Forestry and Fishing and Retail. Tourism also plays a significant role in contributing to the vibrancy, liveability, and prosperity of the region. Tourism visitation to Yarra Ranges was rising strongly before Covid and in the year ending March 2020 the region had 3.7 million visitors.

Short Term Residential Accommodations (STRAs) like AirBnB, have contributed to a boom in tourism, resulting in increased local spending, particularly in areas like Healesville and Warburton, which can also create employment options. However, STRAs can also bring the potential to compromise the viability of visitor accommodation businesses such as hotels and motels in these areas, due to their comparative lack of regulation and compliance obligations.

Likewise, there are indications that the prevalence of STRAs, particularly in high-tourism areas like Healesville and Warburton where STRAs are abundant, are also having an impact on the supply of affordable rental housing.

Unlike properties leased under residential tenancy regulations, STRAs are not subject to the same stringent compliance measures. They often generate a higher income for property owners, making this a more appealing model to providing long term rentals. While STRAs support tourism, they are reducing the availability of affordable housing for local workers and residents.

The impact of STRA on the housing and economy of is complex and requires further investigation.



## 10.7 Homelessness

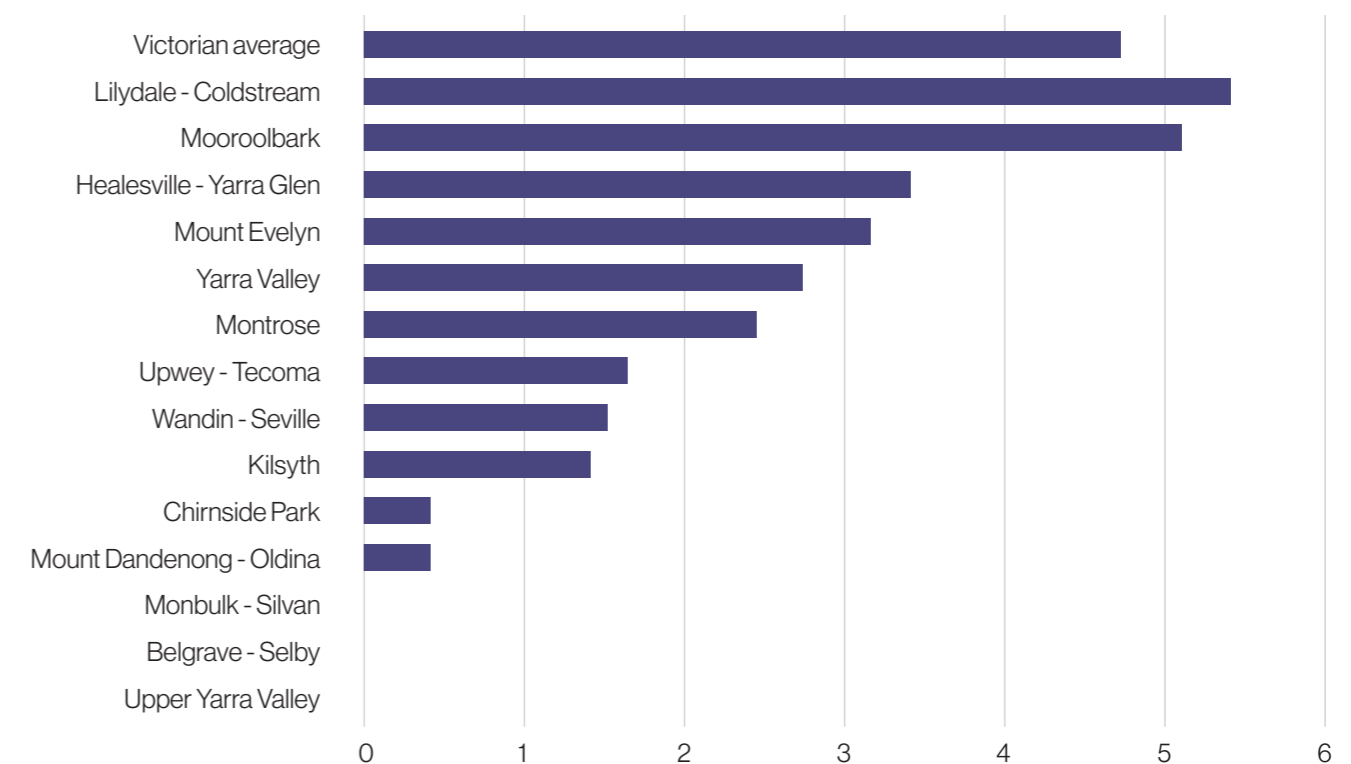
Quantifying the number of people experiencing homelessness is challenging as it often goes under-represented. This is due to the diverse living situations encompassed by the term and in 2021 was further impacted by temporary policies implemented during the COVID-19 pandemic that relocated rough sleepers into accommodations, further impacting the accuracy of representation.

The ABS Census measures homelessness by counting individuals living in severely crowded dwellings, temporary lodgings (including couch-surfing), supported accommodation or boarding/rooming houses or sleeping rough. Other forms of marginalised housing, such as crowded dwellings, caravan parks and other improvised dwellings are captured separately, as "other marginal housing" and should also be considered when quantifying 'Homelessness'.

The combined rate of homelessness and other marginal housing in Yarra Ranges rose by 19% between 2016 and 2021 – a total of 756 people. Homelessness alone rose by 10% in Yarra Ranges, reaching 409 individuals<sup>46</sup>. Notably, while homelessness rates are not increasing at a national level, the situation in Yarra Ranges is comparatively worsening.

Figure 54 below reflects ABS Census data on the rate of homelessness across Yarra Ranges areas. Due to limitations in data, it does not include other marginal housing.

Figure 55. Homelessness rate per 1,000 residents across Yarra Ranges areas<sup>45</sup>



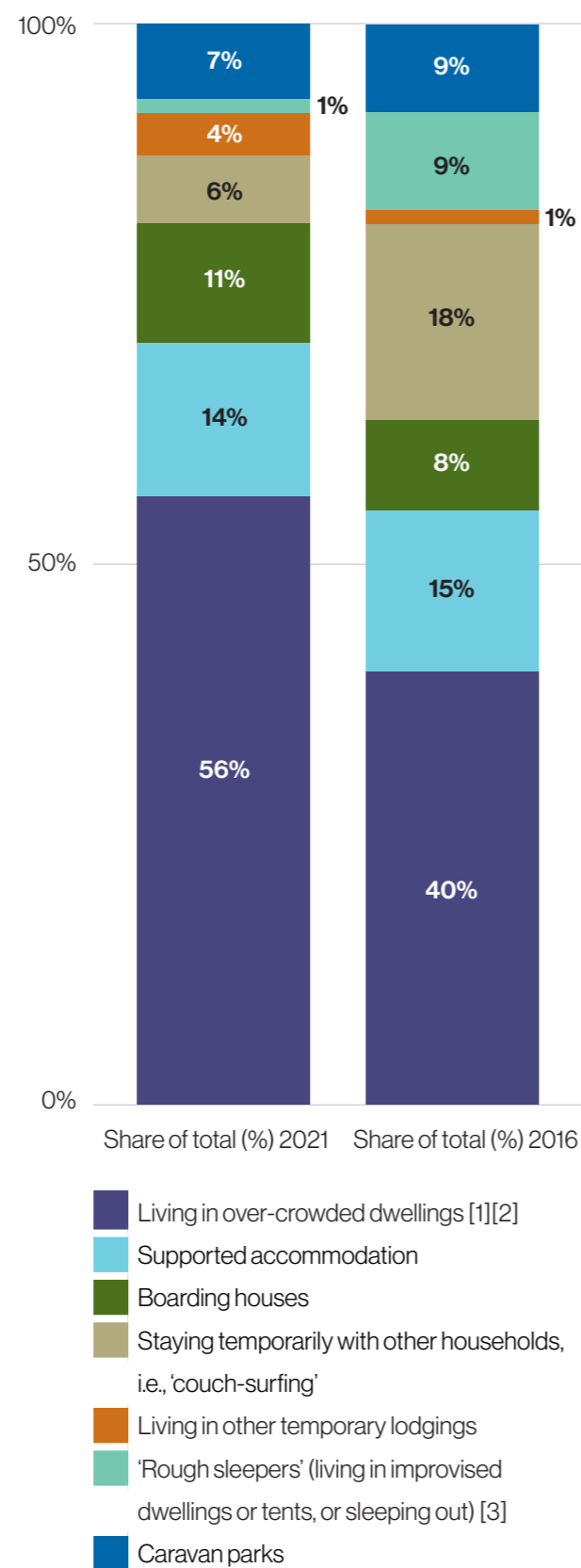
Aside from the Census, homelessness information is also gained from Specialist Homelessness Services (SHS) who provide support to people who are homeless or at risk of homelessness. An outline of those who sought support from these services in 2021/22 is provided in section 10.3.5 above. Although SHS data is quite thorough it is still not a conclusive measure of homelessness as not all people experiencing homelessness approach a service for support, in fact many do not.

## 10.5.2 Forms of Alternate Accommodation

In the absence of suitable, long term, affordable accommodation, people may choose to relocate if they have the means to do so, or they may seek alternative forms of accommodation. These accommodation types are less regulated than private or social housing and less likely to comply with legislation that monitors safety and minimum standards, or with universal design principles for accessibility. The chart below, illustrates the proportions and changes in the use of these forms of accommodation over last five years. A narrative is provided highlighting the shifts and issues with these forms of accommodation.

While Census data provides valuable insights at a specific point in time, it is important to compliment this data with anecdotal knowledge from local agencies to understand the underlying factors behind the shifts observed over the 5-year period, as well as the issues associated with different forms of accommodation.

Figure 56. Homelessness and Marginal Accommodation<sup>45</sup>



### Sleeping Rough / Cars / Camping

Over the last 2 years (as policies that housed rough sleepers through covid are coming to an end) there has been an increase in reports of rough sleepers in Yarra Ranges by residents, local homelessness support agencies, and council staff - particularly of those who are sleeping in their car or in tents near local amenities - but this isn't reflected in 2021 data. This poses safety concerns for the rough sleeper and can impact community wellbeing and the amenity of these areas.

### Caravan Parks

Caravan Parks were not designed as a crisis accommodation model and their use for this purpose is bought on by the lack of crisis accommodation in the area. Service providers report that over the last five years more caravan parks have transitioned into up-market holiday parks, and some require people to own their own van. Park owners that were previously accommodating, are now less likely to accept clients from homelessness services. In cases where they do, they often charge excessive rates. For instance, one park in Yarra Ranges offered a powered tent site for over \$400 a night. Some caravan parks have residential lots where people pay for a 'permanent' site. However, there have been issues with the permanency and the management of these arrangements, and this is not seen by housing support agencies as a secure housing outcome.

### Rooming Houses

Rooming houses (defined as 4 or more unrelated people living in a house, sharing facilities), when properly regulated, can provide a room for those who are unable to secure other housing options. Proprietors of rooming houses are required to register with their local council and comply with legislated minimum standards which include overcrowding, cleanliness, mould, and electricity. Unfortunately, there are many unregistered rooming houses which are unable to be monitored against these regulations. These unregulated rooming houses are often overcrowded, unsafe, and unsanitary. A single room in a rooming house can cost up to \$500 a week and residents may be sharing a toilet and shower with up to ten people. Service providers report that many individuals prefer to sleep rough or in cars rather than subject themselves to the expensive and unsafe environments of unregistered rooming houses. Rooming houses can also impact local amenity and attract petty theft and crime. Council is working in partnership with other agencies to identify potential unregistered rooming houses within the municipality and where possible work towards having these registered.

### Crisis & Transitional Housing

Crisis accommodation and transitional housing is used to temporarily house individuals while they await more secure options. However, there is no crisis accommodation in Yarra Ranges, and transitional homes in the municipality are full due to the lack of longer-term affordable rentals for current occupants to move on to. Consequently, services are forced to accommodate clients in hotels for extended periods, placing a strain on emergency funding. One service provider reported that some clients have stayed in hotels for up to 11 months.

### Couch Surfing/ Staying with Friends or Family

The number of individuals couch-surfing is likely affected by lockdowns. Maintaining connections to local supports and community is vital, particularly for young people whose need for temporary alternate housing is often due to issues at home. There are no youth refuges closer than Ringwood. Service providers report refuges have stricter admission criteria, leaving overnight stays in the city as the only option for some teenagers. Many teens resort to couch surfing, often going unreported, making them a part of the hidden homeless population. Relying on couch surfing can strain relationships and create a dependency that can be abused by the host.

### Share-Housing Sites and Short-Term Accommodation

Due to limited alternatives, short term rentals (STRs) such as AirBnB accommodation options have been used increasingly as a form of emergency accommodation. However, hosts of STRs often only accept clients of homelessness support agencies on a weekly basis, resulting in a transient housing situation. These types of accommodations are not registerable under existing legislative frameworks as they sit outside the legislative definitions (specifically 'prescribed accommodation'). Other share-housing platforms and groups are also growing in popularity, where multiple rooms in a home are rented out to individual people. Both AirBnB and share-housing options are unregulated which can lead the way to overcrowded, and poorly managed, pseudo-rooming house situations that lack security of tenure and can be costly compared to an affordable rental property.



## 10.8 Factors Impacting Housing Affordability

The lack of supply across the housing spectrum, particularly for those on the lowest income ranges, is a significant issue. The factors impacting the supply and affordability of housing, in a context of very low unemployment, are complex and wide-ranging. They include:

### Interest Rates

Due to the interest rate rises over the last 12 months, many homeowners are now struggling to cover the mortgage plus the cost of living, placing them into housing stress. Rentals are also now far more expensive to provide and manage and many rental providers are selling off or moving back in. This leads to further loss of rental stock and an associated increase in rent costs due to supply and demand dynamics. Interest rates also cause rental increases, which is likely to become more common over the next 6-12 months as tenancies hit the 12-month period since the last rate rise enabling rental providers to pass on the financial impact of rate rises to tenants. With recent interest rate rises, home purchase affordability for first home buyers is very low, as is borrowing capacity. Only 15.2% (379) of all sales in the twelve months leading up to December 2022 quarter would have been affordable to a first home buyer on a moderate income with a 20% deposit.

### Taxation

Changes to taxation frameworks can also impact land-owners affect the costs and supply of rental properties. From 1 January 2024 the new COVID Debt Levy will be applied to all investment land holdings; a \$975 fixed cost for holdings above \$100,000 with an additional 0.1% for holdings above \$300,000<sup>46</sup>. This could push some rental providers already struggling with interest rate increases, to pass costs on to tenants or dispose of their investment property. For developments requiring rezoning, a new windfall gains tax will apply from 1 July 2023 where rezoning results in a taxable value uplift to the land of more than \$100,000. A number of exemptions and exclusions apply but for those developments that are ineligible for an exemption this tax could have a significant impact on the economic feasibility of the project and therefore the potential to include any social or affordable housing. This tax may also disincentivise developers in future to pursue a rezoning of land for housing, thus impacting supply.

### COVID 19 Pandemic

During and following the pandemic, Yarra Ranges saw a much lower level of rentals coming on to the market for lease. Quarterly listings of new rentals dropped by 22% between December 2019 and March 2023. This was the largest decline for any local government area in Eastern Metropolitan Melbourne, and the fifth-largest drop across all of Greater Melbourne. The total number of rental dwellings in Yarra Ranges dropped by 4.9% between March 2020 and March 2023, indicating a departure from the previous twelve years of steady growth. Most of the losses occurred during the 2021 calendar year when property prices increased during the pandemic when the sales market was high. This same property boom also impacted the availability of homes for purchase, making it difficult for many households to enter the market due to increased house values. Loss of income during the pandemic may also have increased economic vulnerability, exacerbating housing affordability challenges. Figure 48 shows the impact COVID had on housing affordability.

### Lack of investment in Social Housing

Government investment in Social Housing is pivotal to addressing the housing affordability crisis but there has been little investment in social or affordable housing over the last 30 years. The private rental market is unable to meet demand and current stock is priced out of reach for households on very-low to low incomes – these households require social housing and other affordable housing programs. As of June 2022, only 1.2% of the total housing stock in Yarra Ranges was social housing. This is below the Victorian average of 3.0%. Victoria's Big Housing Build program aims to deliver over 12,000 new Social and Affordable Dwellings Victoria-wide over five years, however this is not enough to address the critical deficit. For Yarra Ranges alone there is estimated to be a current shortfall of 2500 dwellings<sup>44</sup>. The Federal government's new Housing Australia Future Fund could provide the means to start bridging this gap, however at the point of publication this is yet to be passed.

### Planning & Residential Tenancies Legislation

Current Victorian planning legislation does not adequately provide definitions or guidance to help local government respond to the need for affordable housing; There is a lack of direction from state government around planning in outer urban areas, making it difficult for local government to implement the zoning changes required to increase stock and meet demand. Also, the Planning and Environment Act currently only allows for local government to negotiate voluntary affordable housing contributions for new developments and the definitions provided to guide this process fall short of providing the clarity needed to negotiate these agreements effectively and efficiently. Additionally, alternate housing models that may help to bolster supply such as Secondary dwellings and Tiny Homes are either not supported or not adequately defined in current planning legislation.

The Residential Tenancies Regulations 2021 introduced new requirements for safety checks and rental minimum standards that cover a wide range of items that must be monitored bi-annually. Upgrades required under these regulations can be costly, particularly to older homes. This can deter potential rental providers from renting out their property and can result in existing rental providers taking current rentals off the market.

### Short Term Rentals (STR)

See 10.6 Relationship of Housing Affordability to Economic Sustainability

### Rising Living Costs & societal factors

Escalating living expenses, alongside stagnant wage growth, have a direct impact on individuals' ability to meet their rent or mortgage obligations. Furthermore, various additional risk factors exacerbate the challenges, including mental health issues, persistent and complex physical health conditions (including long COVID), caregiving responsibilities for family members who are ill or have a disability, children struggling with school attendance, and the consequences of family violence. These factors contribute to increased costs of living, hinder income stability, impede workforce participation, and elevate the risk of housing instability.



## 10.9 Councils Role in improving Housing Affordability

While the responsibility for planning and providing social housing lies with the State Government, local government plays a crucial role in improving housing affordability, which is outlined below:

Developing effective policies and advocating for commitments that increase Social & Affordable Housing	<b>Strategy and Advocacy</b> Council is legislated through the <b>Local Government Act 2020</b> to achieve the best outcomes for its community and future generations and making policy decisions based on current and future impacts. Council has a critical role in assessing local housing needs, quantifying demand, and establishing targets, and developing long term plans to improve social and affordable housing in Yarra Ranges, not only through the development of the Housing Strategy, but also other relevant strategies like the Health and Wellbeing, Economic Development and Social Policy. Council also has a strong advocacy role, directly and through its membership of regional networks to seek to influence State Government initiatives and improve planning controls that enable the delivery of more affordable housing and to regulate proper use of existing housing. Council is also best placed to raise community awareness of the need for social and affordable housing.
Utilising and improving planning frameworks to improve social and affordable housing outcomes	<b>Planning</b> The provisions of the Yarra Ranges Planning Scheme, including changes proposed in this Housing Strategy, have the capacity to influence housing supply, affordability, and diversity. It can encourage well located and energy-efficient housing, reducing reliance on private transport and utility expenses. Additionally, it is an objective of the <b>Planning and Environment Act 1987</b> that Council, as the responsible authority, facilitate the provision of affordable housing through the planning approval process by negotiating voluntary affordable housing contributions with landowners and developers. Council also have the capacity to offer planning incentives to developers in exchange for the provision of affordable housing.
Proactively seeking internal & external opportunities to increase the supply of social and affordable housing	<b>Assets and Opportunities</b> Council has a role in monitoring the various funding opportunities and policy changes that may create opportunity for local social and affordable housing projects, as well as building relationships with the community housing and development sector to map out opportunities for projects within Yarra Ranges. This also includes mapping out council land and assets that may be suitable for social and affordable housing.
Supporting and enhancing local service responses to homelessness.	<b>Service Enhancement</b> Through the provision of grants, information and networking, council support the work of local service providers who respond to people who are homeless or at risk or homelessness. The work of these agencies can mitigate the impacts of housing stress and homelessness and thus reduce risk of homelessness by providing material and financial aid and other supportive services like meals and food. These agencies also help individuals with emergency housing where possible, and to apply for social housing.

Figure 57. Council's progress on Social and Affordable Housing

	Strategy & Advocacy	Planning Controls	Assets & Opportunities	Service Enhancement
Council's Role	Developing effective policies and advocating for commitments that increase Social & Affordable Housing	Utilising and improving planning frameworks to improve social and affordable housing outcomes	Proactively seeking internal and external opportunities to increase the supply of social and affordable housing	Supporting and enhancing local service responses to homelessness.
Existing Work	<p>Endorsed Guiding Principles Housing and Homelessness to prevent homelessness and increase access to affordable housing.</p> <p>Submission to Parliamentary Inquiry into the rental and housing affordability crisis.</p> <p>Advocated through the Municipal Association of Victoria for a register of short-term residential accommodation.</p> <p>Advocated to Homes Victoria for social housing in the Kinley Development.</p> <p>Member of Eastern Affordable Housing Alliance and Charter Group, raising awareness and lobbying for regional planning and housing policy reform.</p> <p>Procured new data tool Housing Monitor (.id consulting) to help quantify and understand housing need.</p> <p>Internal audit of council policies in regard to Social and Affordable Housing.</p>	<p>Housing Strategy Review underway to guide local planning reforms.</p> <p>Negotiations progressing with Kinley development for the inclusion of social and affordable housing under currently planning controls.</p> <p>Advocating to state government for mandatory inclusions of affordable housing in new developments.</p> <p>Draft Affordable Housing Negotiation Framework</p> <p>Staff capacity building on negotiating and securing agreements for social and affordable housing.</p>	<p>Internal Social and Affordable Housing working group convened to coordinate work related to social and affordable housing projects, clarify council role, and explore actions.</p> <p>Commenced exercise to identify appropriate, surplus council land.</p> <p>Building networks and capacity through the Inter-council Affordable Housing Forum</p> <p>Established relationships with housing agencies and Homes Victoria to gain better understating of sector, opportunities, and challenges.</p>	<p>Update of Yarra Ranges Homelessness Protocol to guide staff in responding to homelessness. Held workshop with Anchor and Community Safety Staff.</p> <p>Support Yarra Ranges Housing Action Group (YRHAG) to advocate for increase social housing and raise awareness of homelessness.</p> <p>Supported Homelessness Week Campaigns.</p> <p>Support Emergency Relief Network (YRERN) of crisis relief agencies.</p> <p>Financial support via grants to community agencies working towards alleviating housing stress and reducing homelessness.</p> <p>Since 2018 we have provided over \$1.2m in grants to housing and homelessness support agencies and community groups and committed a further \$780k so far.</p> <p>Providing accessible information on housing options and homelessness support for the community.</p>

## 10.10 Social and Affordable Housing Actions

This Chapter has shown that issues of rental availability, homelessness, and the quantum of social housing (among others) in Yarra Ranges are acute and becoming more severe over time. In order for Council to effectively address these issues, a range of actions are needed to:

- establish a resolved position on social and affordable housing, regarding how much is needed, the type, the location, and how this will be targeted to vulnerable groups.
- identify advocacy actions to State and Federal Government for issues that are beyond Council's direct control
- identify ways Council can engage with the development sector effectively to encourage a proportion of social and affordable housing within new developments in well located areas
- examine Council and other government-owned land with potential for re-use as social and affordable housing

While Council is dependent on other levels of government, and on the appetite of Registered Housing Agencies to invest in Yarra Ranges, an essential first step is for Council to communicate its position clearly and transparently to all stakeholders.

The list of actions below sets a detailed framework for Council over the next 15 years, which identifies required further work, advocacy, and a range of strategies targeting key issues.

### 10.11 Actions

1. Develop and endorse a Social and Affordable Housing Policy that articulates Council's position on social and affordable housing and outlines the principles, roles and pathways that will encourage and support increased local supply.
2. Contribute to regional working groups and alliances advocating for policy reform for social and affordable housing.
3. Develop a report on housing affordability and homelessness in Yarra Ranges that communicates to a wide range of stakeholders the homelessness and housing issues faced by the community and quantifies the social and affordable housing needed to meet current and future demand.
4. Develop an advocacy paper seeking:
  - Amendments to the Planning and Environment Act 1987 to facilitate the provision of affordable housing more effectively, including the provision of 'inclusionary zoning'.
  - The identification of existing state assets in Yarra Ranges that could be redeveloped for social and affordable housing.
  - A state-wide register for the regulation of Short-Term Residential Accommodation.
  - An increase to Commonwealth Rental Assistance (CRA)
  - A Commitment to meet Yarra Ranges target of social housing properties as defined in the new Yarra Ranges Social and Affordable Housing Policy.
  - Legislative changes that would improve the safety and affordability of rooming houses.
  - State mechanisms to dis-incentivise vacant properties such as further taxation.
5. Develop an advocacy plan to support and coordinate engagement with key stakeholders including government departments and agencies, elected representatives and strategic advocacy alliances.
6. Develop an issues paper on:
  - The demand for seasonal workers including geographical areas and industries that are particularly vulnerable to worker shortages.
  - The impact of Short-term Rental Accommodation on affordable rentals and local economy.

7. Develop a reporting framework and report on agreed indicators quarterly and annually, monitoring social and affordable housing demand and supply, including rates of empty or underutilized property, over the next 20 years.
8. Develop and adopt a Social Affordable Housing Negotiation Framework and evaluation program to guide Affordable Housing Negotiations with developers and landowners, which includes incentives, particularly for sites within Activity Centres.
9. Develop an Investment Attraction Strategy and Asset Management Strategy to publicly identify potential sites for social and affordable housing outcomes, including land suitable for rezoning, and existing property that might be suitable for renewal or redevelopment. Monitor the number of rooming houses and any enforcement incidents in the municipality and explore regulatory changes that would enhance the safety and affordability of this housing option.
10. Monitor the number of rooming houses and any enforcement incidents in the municipality and explore regulatory changes that would enhance the safety and affordability of this housing option.
11. Explore potential for joint planning scheme amendments with other councils to address regional supply of social and affordable housing
12. Include local policy and provisions into the Yarra Ranges Planning Scheme that support the development of social and affordable housing
13. As a general principle where practical, retain land suitable for housing within residential zones to enable opportunities for provision of housing, and to ensure that land is not lost to other land uses, subject to a detailed assessment being undertaken in each case
14. Commission feasibility studies on the development of sites appropriate for social and affordable housing.
15. Explore the use of a Yarra Ranges Housing Trust as a vehicle to increase supply and secure contributions towards social and affordable housing.
16. Explore partnerships with registered housing providers, or one preferred registered housing provider, to work collaboratively to bring more social and affordable housing into Yarra Ranges.
17. Support private landowners and developers to explore innovative solutions such as co-purchasing and shared equity arrangements for the redevelopment of vacant land or unutilised buildings.
18. Implement a training and induction program for the Homelessness Protocol. Develop an internal working group to oversee and monitor the Homelessness Protocol, supporting an ongoing coordinated approach to responding to homelessness.
19. Support local housing support and homelessness agencies via provision of grants and information to support their advocacy.
20. Implement a social change campaign to improve perceptions of social housing via provision of information and case studies to help raise awareness.
21. Support prevention initiatives that reduce the risk of homelessness and housing affordability stress through capacity building projects such as household budgeting, retirement planning, and relationship support including family violence.

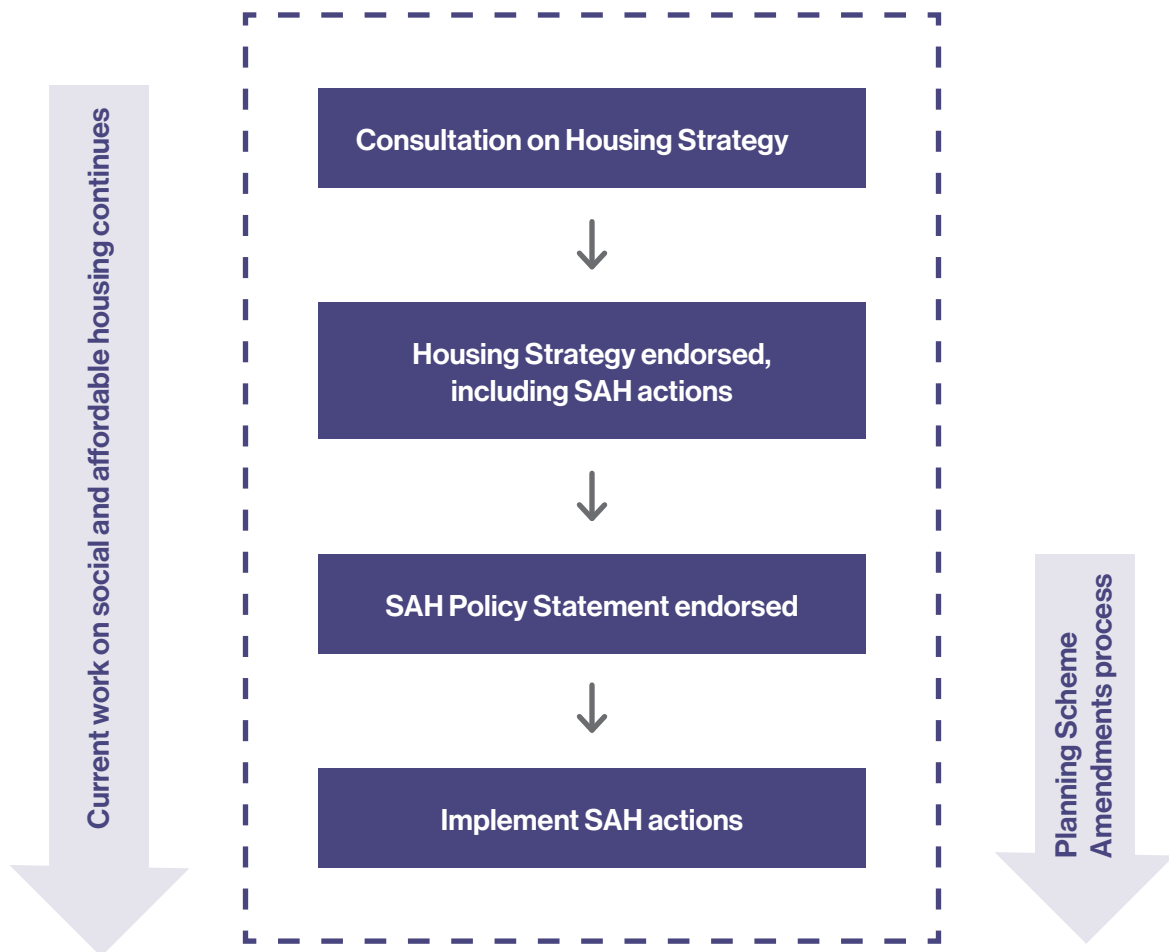
# 10.11 A Planned and Coordinated Approach

The intended progression of steps towards implementing social and affordable housing actions is shown in Figure 58. This is intended to progress concurrently with the work Council is now doing shown in Figure 57, in order to address this complex issue expeditiously. Integral to success is the prioritisation of the following action:

**Action:** Develop and Endorse of a Social and Affordable Housing Policy that articulates Council's position on social and affordable housing and outlines the principles, roles and pathways that will encourage and support increased local supply.

This Action is critical to reach a resolved Council position on key issues that can be used for advocacy, provide confidence for potential investors, and provide the certainty needed to attract investment from providers of social and affordable housing.

Figure 58. Yarra Ranges Social and Affordable Housing Strategic Process





# 11.0 Sustainability

## 11.1 Overview

This Housing Strategy presents an important opportunity to consider how Yarra Ranges can transition to a more environmentally sustainable future, with specific regard to housing.

The policy landscape is changing towards an increased sustainability emphasis at all levels of government, as seen by the recent State Government announcement of no gas to new homes requiring a planning permit from 1 January 2024, and upcoming changes to the National Construction Code for enhanced sustainability outcomes through the building regulatory system.

The need to plan for housing relates to environmental sustainability issues on multiple levels, including:

<b>Proactive planning</b>	<b>Site level</b>	Reducing environmental impacts from new buildings
		Better energy performance
		Designing and constructing in a way that is more responsive to climate change
	<b>Broader area/region</b>	Reducing car dependency by focussing opportunities for medium and high-density housing near shops, services and public transport
		Avoiding urban growth in areas of environmental risk
		Planning for more tree planting in urban areas to address the heat island effect
		Managing waste and recycling issues
<b>Reactive planning</b>	Responding to natural disasters and emergencies	
	Arranging interim housing for households whose residence is destroyed or damaged by natural disasters	

With an increasing need for a robust response to managing climate change risks by governments, Yarra Ranges Council has a dual challenge: how to support communities already being harmed by climate change related impacts such as natural disasters of increasing scale and frequency, while also seeking to reduce carbon emissions into the future.

Transitioning to a more sustainable future brings benefits for housing at a local level, such as:

- Increased affordability of running costs due to enhanced design and construction techniques, and use of renewable energy.
- Housing that is more resilient to change, such as change experienced through rising energy prices, cost of living pressures, and changes to transportation patterns, as well as designed for habitation under changing climate conditions.
- Housing that promotes environmental awareness and responsibility

In December 2022, a new local policy was included in the Yarra Ranges Planning Scheme requiring new residential development to demonstrate an adequate response to environmental sustainability, such as through measures to improve energy performance and minimise environmental impacts (Clause 15.01-2L **Environmentally Sustainable Development**). The newly introduced Clause mirrors similar policies being implemented in Local Government planning schemes across Victoria. This is discussed in more detail under Section 11.2 Planning Approaches to Sustainability.

This Chapter further discusses environmental sustainability issues for residential land use and development in Yarra Ranges under the following three themes:

- + Planning approaches to sustainability
- + Planting and biodiversity
- + Emergency and disaster housing

## 11.2 Planning Approaches to Sustainability

### 11.2.1 Urban Structure

At a broad scale, environmental performance is enhanced by a sustainable urban form, based on the principles of the 20-minute neighbourhood, which encourages increased housing density in locations residents can reasonably be expected to meet most of their daily needs within a 20-minute return walk from home.<sup>47</sup> This encourages walking and cycling as an alternative to car travel, reducing carbon emissions and simultaneously improving other outcomes such as social, health and economic outcomes.<sup>47</sup>

This Housing Strategy supports the principles of a 20-minute neighbourhood by identifying residential areas in and surrounding activity centres as the priority locations for medium and high-density housing.

However, in increasing housing densities, care must be taken not to worsen the heat island effect in urban areas, which is caused by a reduction in tree canopy cover and an increase in impermeable surfaces such as asphalt, concrete and brick.<sup>48(p.22)</sup>

Trees on private land currently comprise 77% of the total canopy cover within Yarra Ranges' urban and township areas,<sup>48(p.15)</sup> showing the importance of private land in mitigating the heat island effect. However, the canopy cover in these areas decreased by roughly 3% between 2014 and 2018<sup>48(p.16)</sup>, showing the need for Council action to encourage the retention of existing trees and planting of new ones. In responding to this, Council's Draft Tree Canopy Strategy seeks to achieve an increased canopy cover across all activity centres by 2042.<sup>48(p.37)</sup>

### 11.2.2 Clause 15.01-2L Environmentally Sustainable Development

In December 2022, a new Clause 15.01-2L (Environmentally Sustainable Development) was introduced into the Yarra Ranges Planning Scheme to ensure new residential development responds appropriately to environmental sustainability measures, including:

- Energy performance: reducing energy use and peak demand through building orientation, design and construction measures.
- Integrated water management: reducing potable water usage and improving the quality, velocity and volume of stormwater run-off and increased rainwater harvesting.
- Indoor environmental quality: achieving a healthy indoor environment through design measures for airflow, daylight, thermal comfort, toxicity of materials and noise.
- Transport: designing development to promote active transport such as walking, cycling and linkages with public transport as well as preparing for the transition to electric vehicles.
- Waste management: Promoting waste avoidance, reuse and recycling at all stages of a development.
- Urban ecology: protecting and enhancing biodiversity through design and landscaping, planting which supports local indigenous biodiversity, passive solar heating and cooling, and food production areas.

The introduction of this Clause was assisted by Yarra Ranges' membership in the Council Alliance for a Sustainable Built Environment (CASBE), with numerous other member council's also introducing similar policies into their planning schemes. The Clause requires an assessment of development applications of defined scales against sustainability scorecard systems.

In coordination with CASBE, Yarra Ranges Council will monitor the effectiveness of Clause 15.01-2L in achieving environmentally sustainable development outcomes, with a view to future refinements if necessary.

### 11.2.3 Additional Planning Issues for Sustainability

Despite the introduction of Clause 15.01-2L **Environmentally Sustainable Development**, there are sustainability issues not addressed by this Clause that Council may need to consider creating policy guidance on, such as:

1. Street Lighting – in subdivisions of various sizes, lighting is required by developers within common areas and new streets. However, guidance may be needed from Council over appropriate lighting for wildlife and for people.
2. Passive design – as Yarra Ranges becomes home to more medium and high-density development, there is a need to consider preferred strategies for passive design, to minimise use of mechanical heating and cooling.
3. Food production areas – smaller garden areas for medium and high-density housing will mean significantly less space for domestic vegetable patches per dwelling. There is a need for Council policy direction on how food production areas can be accommodated within medium and high-density development.

An action of this housing strategy will be to explore the need for Council policy guidance on issues additional to those addressed by Clause 15.01-2L **Environmentally Sustainable Development**.

### 11.2.4 Areas of Environmental Risk

Yarra Ranges contains extensive areas subject to environmental risks, such as bushfire, landslide and flood. Development in these areas is governed by the application of land management planning overlays (Bushfire Management Overlay, Erosion Management Overlay and Land Subject to Inundation Overlay), to determine acceptable locations and construction standards for new buildings. A revision to these requirements is beyond the scope of this Housing Strategy and is periodically carried out, however the Strategy seeks to avoid any intensification of allowable development in areas of identified risk.

On an ongoing basis, Council will assist to monitor the effectiveness of these planning controls in coordination with relevant State Government agencies.



## 11.3 Planting and Biodiversity

As part of the revised approach to neighbourhood character proposed by this Housing Strategy, planning applications for residential development will need to demonstrate an acceptable landscaping response. The amount of new planting required in a new development will depend on the preferred future character of a specific area, with less planting needed in areas prioritised for medium and higher density housing. This is because these areas will have less ground-level surface area available for planting, which will result in fewer and smaller trees than can be accommodated than in other neighbourhood character precincts.

However, these built-up areas are also the locations that are at the most risk of the urban heat island effect. For example, Lilydale has daytime land surface temperatures 6.9°C above the non-urban baseline<sup>(48,p.23)</sup>. Therefore, Council will need to prioritise opportunities to increase public realm planting within the consolidation precincts identified in Chapter 8. In these areas any planting on private land associated with urban development will typically occur in small, constrained areas and will need specific guidance from Council to maximise its benefits. For example, planning decisions will need to ensure there is adequate permeable surface area provided per tree to support tree health, and sufficient spatial separation of future trees from buildings and infrastructure. Council's **Neighbourhood Character Study 2021** contains direction on these issues.

**The Urban Heat Island Effect refers to warmer temperatures experienced in urbanised areas as compared to surrounding rural areas.**

Species selection will also be key. Council will need to provide direction on situations where use deciduous or evergreen species is most appropriate. For instance, deciduous trees may be best used for providing shade to north facing windows in summer while allowing winter sun to reach habitable rooms in winter. Conversely, evergreen trees may be better used for shading east and west facing windows to provide consistent shade year-round.<sup>49(p.9)</sup>

In low density suburban and rural township settings, the neighbourhood character provisions will require tree retention where possible and extensive tree planting and landscaping that will improve environmental values. In any new planting regime, species selection will be critical to maximising biodiversity and habitat benefits. Indigenous plants are recognised as being most effective in creating habitat for birds, insects and other biodiversity<sup>50</sup>. In these areas, landscape approaches should maximise the value of existing features such as large trees, open drainage lines, or areas of remnant vegetation<sup>50</sup>.

Species selection will also need to consider long-term viability of trees. Climate change is anticipated to result in increased extreme weather events and higher average temperatures, which not all native and indigenous trees will adapt successfully to<sup>48(p.26)</sup>.

Planning for bushfire is another factor to consider. Species selection in areas of identified bushfire risk should prioritise low flammability species, particularly in proximity to buildings.

To assist in species selection associated with land development, Yarra Ranges has Landscape Guidelines adopted in 2010, however these need updating with specific species selection and landscape design recommendations to inform a variety of development scenarios.

In areas of identified environmental significance, specific requirements apply through the application of the Environmental Significance Overlay (ESO) in the Yarra Ranges Planning Scheme, to retain existing indigenous vegetation and includes requirements for offset planting in instances where loss of trees cannot be avoided.

## 11.4 Emergency and Disaster Housing

Since 2019, governments at all levels across Australia have experienced dramatically increased pressure to respond to community needs arising from natural disasters.

Part of Council's role in responding to disaster events is to coordinate relief and recovery at the municipal level, including the arrangement of emergency shelter and accommodation for displaced households, and interim accommodation for households whose primary residence is destroyed or damaged.

To this end, Council works collaboratively with the Eastern Metropolitan Council's Emergency Management Partnership, Department of Families, Fairness and Housing (DFFH) and emergency accommodation providers to secure emergency shelter and accommodation options. Arrangements are detailed in emergency plans and agreements, including the Yarra Ranges Municipal Relief Plan and Recovery Plan, and are relevant to both minor and major events causing displacement of households. Examples of major events in Yarra Ranges include bushfires, floods and severe weather.<sup>51</sup>

As the relief stage of a major emergency response transitions into a recovery stage, Council has a role in advocating to the Minister for Planning for planning scheme changes that will enable and expedite community needs for rebuilding. A recent example of this occurred following the June 2021 storm event.

In response to the anticipated increase in the frequency and severity of natural disasters due to climate change, Council will need to continue its advocacy to the Minister for Planning for agile and responsive planning scheme changes to support social recovery through the provision of housing and accommodation.

## 11.5 Actions

1. In coordination with the Council Alliance for the Sustainable Built Environment (CASBE), monitor the effectiveness of Clause 15.01-2L (Environmentally Sustainable Development) in achieving environmentally sustainable development outcomes, with a view to future refinements if necessary.
2. Consider the need for additional strategies for inclusion in Clause 15.01-2L (Environmentally Sustainable Development) in the Yarra Ranges Planning Scheme, for lighting in new subdivisions, passive design strategies, and food production areas.
3. Prioritise opportunities to increase public realm planting within the Urban Consolidation precincts identified in Chapter 8.
4. Update the Yarra Ranges Landscape Guidelines, 2010 to include specific tree species and landscape design recommendations to inform a variety of development scenarios, as well as definitions of large, medium and small trees. Include this as a background document to the Yarra Ranges Planning Scheme.
5. In the aftermath of natural disasters, advocate to the Minister for Planning as required for agile and responsive planning scheme changes to support social recovery through the provision of housing and accommodation.



## 12.0 Infrastructure

### 12.1 Overview

In planning for residential development, a key consideration is the capacity of infrastructure to absorb growth. This includes (but is not limited to) the following infrastructure types:

- Roads and intersections,
- Drainage,
- Parkland and open space, including cycling and walking trails,
- Community infrastructure such as community centres, libraries, and cultural facilities,
- Public transport,
- Educational institutions and services.

Responsibility for the planning and provision of these infrastructure types does not sit solely with Council. For example, drainage infrastructure is provided on a localised level by Council, feeding into larger drains managed by Melbourne Water.

Responsibility for some infrastructure types is beyond Council's role altogether, such as educational infrastructure. However, Council may have an advocacy role in these cases to other levels of government in seeking improvements, such as for additional capacity at local schools.

### 12.2 Identification of Areas for Residential Growth

The proposed residential framework in Chapter 7 identifies areas in and around Major and Large Neighbourhood Activity Centres as priority locations for medium and high-density housing, which is an integrated housing and infrastructure approach driven by State Government policy. **Plan Melbourne 2017-2050** (Melbourne's overall strategic plan) promotes the benefits of compact, sustainable, higher-density neighbourhoods in established areas:

**'It enhances the economic viability of development, improves the economic viability of infrastructure delivery and utilises existing infrastructure'.<sup>52(p.46)</sup>**

In Yarra Ranges, the priority locations for residential development (Substantial Change Areas) are close to established activity centres and typically well equipped with existing infrastructure. However, while they may be generally well positioned to absorb growth, they will all need infrastructure improvements over time to accommodate increases in development. To plan for this, this Chapter seeks to identify implementation mechanisms to achieve the required improvements, and integrate this into Council's infrastructure planning and advocacy programs.

While infrastructure in some areas may not yet be suitable for increased residential development, this will not prevent the rezoning of these areas for increased development, providing the required infrastructure upgrades can be delivered in a timely way. In cases where infrastructure cannot be delivered viably (such as due to environmental or other constraints), land will not be proposed for rezoning to allow for additional development as part of the Housing Strategy.

## 12.3 Traffic and Parking

Community feedback to the Housing Strategy Discussion Paper raised concerns about the impact of medium density development on transport infrastructure, in particular:

- Increased traffic on local roads; and
- Increased on-street parking

These issues are therefore most relevant to the Substantial Change Areas and Increased Change Areas identified in Chapter 7, being the priority locations for medium to high density housing. Yarra Ranges' Integrated Transport Strategy 2020-2040 prioritises these areas for improvements to walking and cycling access and use of public transport, particularly for short trips, as an alternative to increased car traffic<sup>53,p.26,48</sup>.

### 12.3.1 Traffic

To support planning applications for medium density development, developers are required to submit a traffic report demonstrating an acceptable impact on the local traffic network, which is reviewed by Council and can be challenged at the Victorian Civil and Administrative Tribunal (VCAT).

In instances where traffic volumes exceed accepted levels, developers can be asked to make development contributions for infrastructure improvements such as intersection upgrades to maintain a functional road network.

In Yarra Ranges' residential areas, it is rare for traffic generation from new development to be assessed as causing an unacceptable level of congestion for local roads, based on state-wide standards for traffic volumes on local roads.

Notwithstanding this, there are areas with narrow or unsealed roads, or having poor sightlines and visibility, arguably unsuited to support medium density development. The Housing Strategy has sought to reduce allowable development density in some identified areas through the application of revised zones, as detailed in Chapter 7. An example is Black Street in Lilydale, where it is intended to apply a lower-order residential zone than the zone that currently applies, to restrict allowable development.

In addition, Council regularly reviews traffic capacity of local roads and intersections to determine a program for priority improvement works. Where improvements are needed to State-managed major roads and arterials, Council advocates to the State Government to achieve this. An action of the Housing Strategy is to advocate to the State Government for improved road infrastructure, particularly within the Lilydale Activity Centre, Mooroolbark Activity Centre, Chirnside Park Activity Centre, and Substantial Change Areas.

### 12.3.2 On-Street Parking

Additional on-street parking caused by increased residential density can add to traffic congestion issues in local roads, due to a narrowing of the available road width.

This is not an intended consequence of unit and townhouse developments, which are required to provide adequate off-street parking to avoid this issue occurring. However, in practice, it is acknowledged that garages within these new developments are commonly used for varying purposes unrelated to car storage, which results in additional cars parked on local streets.

To address this issue, actions of this Chapter include:

- Explore using a local planning policy to discourage tandem parking arrangements for medium density developments in Substantial Change areas. This is due to tandem parking often resulting in use of designated car parking areas for non-car-storage purposes.
- Explore options to improve on-street parking in areas identified for higher residential densities, and commercial precincts with good public transport accessibility, including the potential introduction of a parking permit system integrated with Council's planning permit system.

Within commercial areas, Structure Plans for Lilydale, Mooroolbark, and Chirnside Park encourage high density apartment development. These are well located areas near public transport, where it is reasonable to expect a reduced reliance on car usage for personal transport purposes. Therefore, in order to make apartment development an attractive option for land developers in these centres, an Action of the Housing Strategy will be to investigate a Parking Overlay as a means to reduce standard parking provision rates under the Yarra Ranges Planning Scheme.



## 12.4 Drainage and Water Sensitive Urban Design (WSUD)

### 12.4.1 Water Sensitive Urban Design (WSUD)

At a State-wide level, there is now increasing policy focus on limiting detrimental environmental effects of stormwater on downstream waterways, such as increased flow velocity after rainfall events, and increased sediment and nutrient flows, which impact the environmental and biodiversity values of waterways<sup>54</sup>. This is particularly important for Yarra Ranges, which contains many priority catchments with high environmental values, where a higher level of stormwater management is recommended, as set out in the Environmental Protection Agency (EPA) Stormwater Management Guidelines.<sup>55(p.8)</sup>

Planning Schemes now require WSUD strategies as part of new development that can reduce impact on downstream waterways by retaining and/or treating stormwater on-site, with an objective to restrict downstream flows to pre-development levels.<sup>56</sup> WSUD strategies may include water tanks or rain gardens within development sites, or at a precinct scale may involve wetlands<sup>54</sup>.

This policy shift has also reduced the pressure on the reticulated drainage system, by directing increased responsibility for stormwater management onto private developers, rather than residing solely with Local and State Government via management of the reticulated drainage system.

### 12.4.2 Reticulated Drainage System

Despite the emergence of Water Sensitive Urban Design (WSUD) in stormwater management, there remain residential areas where the reticulated system lacks the required capacity.

To address this, Council is now undertaking a new Municipal Stormwater Management Plan (MSMP), which will identify gaps in drainage infrastructure and map areas at risk of flooding from the urban drainage system. This work will be done in coordination with the Housing Strategy, with a focus on the Substantial

Changes Areas identified in Chapter 7, being the locations where medium and higher density housing are encouraged. The completion of the MSMP is an action of the Housing Strategy.

## 12.5 Parkland and Open Space

As increased medium and higher-density housing is constructed in Yarra Ranges, the size, distribution and types of open space will also increase in importance. Higher-density development such as apartments, typically have small private outdoor space provided on balconies or roof-top gardens, and therefore rely on residents having good access to high quality, Council-managed open space including walking and cycling paths.

Council has a Recreation and Open Space Strategy (ROSS) adopted in 2013 setting out a strategy and policy framework for open space, including for all associated trails, facilities, and open space functions. However, the ROSS needs updating to reflect changing demographics, development patterns, and open space needs. Council has commenced work on a new Strategy, which will need to integrate with the framework for residential development presented in this Housing Strategy.

An action of the Housing Strategy is to complete a new Municipal Open Space Strategy to create an integrated framework for open space provision.

## 12.6 Other Infrastructure

### 12.6.1 Infrastructure Requiring Council Investment

Other infrastructure planning required by Council includes planning for community centres, libraries, and cultural facilities. This is undertaken on a centre-by-centre basis as needed and when opportunity arises.

An example of this is the Community Heart in Lilydale (CHIL) Project, partly funded by the State Government's Suburban Revitalisation Program, which is based on an identified need for integrated community facilities in Lilydale, including flexible indoor and outdoor public spaces.

Council planning for community infrastructure will continue into the future, for Lilydale and other centres, based on identified need for community facilities.

### 12.6.2 State Government Infrastructure

Public transport and educational facilities are not Council's role to provide directly. However, where shortages are identified, Council advocates to the State Government for improvements. An example of this is the duplication of the rail line between Mooroolbark and Lilydale Railway Stations, which is an item on Council's advocacy program to the State Government.

An action of the Housing Strategy is to advocate to the State Government for improved public transport infrastructure, particularly within Lilydale Activity Centre, Mooroolbark Activity Centre, Chirnside Park Activity Centre, and Substantial Change Areas.

## 12.7 Funding Mechanisms

### 12.7.1 Council's Capital Expenditure Program

This is a recurring 10-year expenditure program used by Council to allocate funding for the majority of new Council-owned infrastructure, and improvement of existing infrastructure and assets, based on identified need.

### 12.7.2 State and Federal Government Grant Funding

Adding to Council's recurring budget, specific infrastructure projects can receive grant funding from other levels of government, such as the Roads for Community Project. In 2019 the Federal Government announced funding for Council to seal roads within the Dandenong Ranges and surrounding areas through this funding program.<sup>57</sup>

### 12.7.3 Development Contributions

Council can collect levies from new development of private land to facilitate the timely provision of planned infrastructure. Outside of defined Growth Areas, this is undertaken through negotiated agreements between Council and a developer or via a formal Development Contributions Plan (DCP). In some instances, levies are limited to specific land areas, such as contributions for the Kinley Estate (former Lilydale quarry) or a defined area such as an Activity Centre. This is intended to avoid infrastructure shortfalls caused by increased population due to a particular development or concentration of development. Alternatively, a municipal wide DCP can be introduced into the Planning Scheme that will require a financial contribution from all new development across the municipality unless specifically exempted.

While Development Contributions Plans (DCPs) can assist in funding new infrastructure they can be costly to establish and administer. In established residential areas such as Yarra Ranges, where growth is limited, they can carry financial risk to Council due to low cost recovery and the levies can vary considerably depending on the location. Due to these uncertainties, an action of the Housing Strategy is to advocate to the Victorian Government for a review of legislation governing DCPs in established residential areas, with a view to creation of more cost-effective DCP approaches.

### 12.7.4 Special Charge Schemes

The Local Government Act 1989 provides Council with the ability to introduce a Special Charge Scheme where landowner contributions can be sought for infrastructure improvement projects, typically roads, footpaths, and drainage. Further information on this is available in Council's Special Change Scheme Policy<sup>58</sup>:

<https://www.yarraranges.vic.gov.au/Council/Corporate-documents/Policies-strategies/Special-Charge-Schemes-Infrastructure-Improvements/Special-Charge-Scheme-FAQs#section-2>

## 12.8 Actions

- 1.** Identify anticipated road, intersection, and drainage infrastructure improvements needed based on the allowable residential densities under the Chapter 7 residential framework and implementation mechanisms and integrate this into Council's future infrastructure planning and advocacy work.
- 2.** Consider planning scheme provisions to discourage tandem parking arrangements for medium density developments in Substantial Change areas.
- 3.** Explore options to improve on-street parking in areas identified for higher residential densities, and commercial precincts with good public transport accessibility, including the potential introduction of a parking permit system integrated with Council's planning permit system.
- 4.** Investigate the use of a Parking Overlay in the commercial areas of Lilydale, Mooroolbark, and Chirnside Park.
- 5.** Adopt a Council Stormwater Management Plan, utilising the information on residential development provided in the Chapter 7 Residential Framework, to inform:
  - a. Priority catchments for drainage improvement strategies
  - b. Identification of required Council capital works projects and timing
  - c. Planning Scheme changes required to reflect areas at risk of inundation caused by overland flows from the urban drainage system, in order to integrate flood mitigation into the design of future development (such as raised floor levels, on-site drainage approaches, overland flow paths, and/or other strategies).
- 6.** Integrate the framework for residential development in Chapter 7 into a new Municipal Open Space Strategy.
- 7.** Advocate to the State Government for improved public transport and road infrastructure within Lilydale Activity Centre, Mooroolbark Activity Centre, Chirnside Park Activity Centre, and Substantial Change Areas.
- 8.** Advocate to the Victorian Government for a review of legislation governing DCPs in established residential areas, with a view to creation of more cost-effective DCP approaches.

# 13.0 Implementation

## 13.1 Planning Scheme Provisions

The above Chapters have shown that Yarra Ranges' existing housing framework from 2013 is in need of update to reflect issues that are not currently well represented in planning policy, including a need for:

- A more robust response to environmental sustainability
- A broader engagement with housing affordability
- Better coordination of housing with infrastructure planning
- A revised approach to neighbourhood character
- Improved direction over housing diversity needs

To address this, a range of actions are required including changes to the Yarra Ranges Planning Scheme to better direct the type of housing preferred in particular areas, supported by adequate infrastructure, and with a strong response to local neighbourhood character.

There are opportunities to better capitalise on central areas of activity centres, where infrastructure, urban design, and open space investment can be concentrated to achieve vibrant, walkable urban centres.

The list of actions in Section 13.2 below sets out a framework for Council and other stakeholders over the next 15 years to achieve a more diverse, inclusive, environmentally sustainable mix of housing options across Yarra Ranges.

### 13.1.1 Planning Policy Framework

The Planning Policy Framework (PPF) in the Yarra Ranges Planning Scheme provides the strategic policy basis for the application of planning scheme controls such as zones and overlays, that govern development. In relation to housing, the PPF provides policy direction over where growth can occur, and how housing diversity and affordability can be achieved.

The PPF will be revised to reflect the residential framework presented in Chapter 7, as well as the objectives for neighbourhood character presented in Chapter 8. The main changes proposed to be made to the Planning Scheme will be:

**Clause 16.01-1L Housing:** updated with criteria and objectives for the role, type, scale, and form of new development within the housing change categories provided in Chapter 7:

- Substantial change
- Increased change
- Incremental change
- Minimal change

**Clause 15.01-5L Neighbourhood Character:** updated with definitions of the neighbourhood character precincts identified in Chapter 8 and preferred future character statements:

- Urban consolidation
- Urban township
- Garden suburban
- Foothills consolidation
- Foothills suburban
- Township consolidation
- Township suburban
- Township rural-residential
- Master planned estates
- Warburton

The proposed changes to Clauses 16.01-1L **Housing** and 15.01-5L **Neighbourhood Character** will provide a clear and comprehensive framework for future residential land use and development.

For added clarity, Clause 15.01-5L will also reference neighbourhood character brochures, that provide guidance on future design and built form. These will be available to planning permit applicants to give guidance at a detailed level on built form expectations.

The Action Plan below under Section 13.2 sets out in detail the planning scheme changes intended to achieve a comprehensive policy framework.

### 13.1.2 Revised Zones

The residential framework presented in Chapter 7 provides a basis for the recommended application of the suite of residential zones. Table 10 summarises proposed variations to Rescode provisions to ensure future housing is consistent in form and scale with the vision presented by the residential framework and neighbourhood character objectives.

Table 10: Revised Residential Zone Controls

Change Area	Proposed Residential Zone	Development Settings and Variations to Rescode Requirements	Typology
<b>Substantial Change</b>	Activity Centre Zone	Discretionary height limits of maximum 3 stories, with an allowance for 4 stories on a small number of sites with consolidation potential	Low rise apartments
	General Residential Zone	Front, side and rear setbacks, greater than Rescode requirements in the GRZ Lower building site cover than Rescode requirements in GRZ Minimum landscaping requirements	Townhouses
<b>Increased Change</b>	General Residential Zone	Discretionary height limits of maximum 3 stories Lower building site cover than Rescode requirements Front, side and rear setbacks, greater than Rescode requirements Restrictions on walls on boundaries Minimum areas for ground level open space (greater than Rescode requirements) Minimum landscaping requirements	Townhouses
<b>Incremental Change</b>	Neighbourhood Residential Zone	Discretionary height limits of maximum 2 stories (NRZ) Lower building site cover than Rescode requirements Higher site permeability than Rescode requirements Front, side and rear setbacks, greater than Rescode requirements Restrictions on walls on boundaries Ground level open space only to be encouraged (rather than balconies or rooftop gardens), with minimum area requirements for ground level open space (greater than Rescode requirements) Minimum landscaping requirements	Townhouses Units Detached houses
<b>Minimal Change</b>	Neighbourhood Residential Zone	Discretionary height limits of maximum 2 stories Lower building site cover than Rescode requirements Higher site permeability than Rescode requirements Front, side and rear setbacks, greater than Rescode requirements Restrictions on walls on boundaries Ground level open space only to be encouraged (rather than balconies or rooftop gardens), with minimum area requirements for ground level open space (greater than Rescode requirements) Minimum landscaping requirements	Units Detached houses

## Revised Zone Area Proportions Across Yarra Ranges Neighbourhoods

The revised application of zones proposed by this Housing Strategy does not make substantial changes to the existing pattern of zone controls. The local area with most significant change is Lilydale, where a large area of Residential Growth Zone (RGZ) is proposed for rezoning to part General Residential Zone (GRZ) and part Activity Centre Zone (ACZ). This change is explained in detail in Section 7.2.2 (Residential Areas).

	Current (hectares)	Proposed (hectares)
Residential Growth Zone (RGZ)	121	17
General Residential Zone (GRZ)	312	386
Neighbourhood Residential Zone (NRZ)	2943	2968
Low Density Residential Zone (LDRZ)	2518	2501
Mixed Use Zone	15	15
Comprehensive Development Zone (CDZ)	144	144
Activity Centre Zone (ACZ)	0	22
<b>Total</b>	<b>6053</b>	<b>6053</b>

## 13.1.3 Revised Overlays

### Design and Development Overlays

Design and Development Overlay 4 (DDO4 Lilydale Town Centre) applies to central Lilydale. Due to the changing nature of land use and development approved by the Lilydale Structure Plan 2022, and as explained under Section 7.2.1.1 of this Housing Strategy, there is a need to review DDO4.

DDOs 5 (Least Change Areas) and DDO6 Incremental Change Areas – Rural and Foothills Townships) apply to areas in the Incremental Change and Minimal Change categories of the residential framework. They contain detailed guidance for design of future building and subdivision. The wording and structure of components of these provisions has been found to unclear, such as the subdivision content of DDO6, which has been contested at the Victorian Civil and Administrative Tribunal (VCAT)<sup>59</sup>. for the DDO5 and DDO6 require review, which is an action of the Housing Strategy.

DDO7 (Lilydale Activity Centre Residential Areas) applies to parts of Lilydale currently in a Residential Growth Zone (RGZ). As explained in Chapter 7, it is intended to rezone RGZ land in Lilydale. DDO7 is inconsistent with the purpose and objectives of the RGZ as set out in Planning Practice Note 91 Applying the Residential Zones in relation to allowable building height and requires revision.

DDO8 applies to residential zoned land nearby Mooroolbark and Kilsyth, as well as centrally located residential land in the townships of Healesville, Yarra Glen, Mount Evelyn and Yarra Junction. It has preferred subdivision sizes (non-mandatory), and design guidelines relating to building design, car access and landscaping. Given that the proposed residential framework in Chapter 7 designates Mooroolbark and Kilsyth in a Substantial Change Area, distinct from the above townships which are in Increased Change Areas, there is a need to revise the DDO8.

A key action of the Housing Strategy is to review existing DDOs 4, 5, 6, 7, and 8 for clarity, to ensure they adequately address interface issues, and provide for built form that is consistent with the intent of the Housing Strategy and Neighbourhood Character Study.

### Significant Landscape Overlays

Many of Yarra Ranges' residential areas are affected by Significant Landscape Overlays SLO22 (Foothills and Rural Townships) and SLO23 (Chirnside Park, Coldstream, Healesville, Kilsyth, Mooroolbark, Lilydale, Mt Evelyn, Yarra Glen and Yarra Junction). These overlays seek to protect significant landscapes by regulating tree removal, building height, and site cover. The key objectives of the overlays are to preserve Yarra Ranges' distinctive neighbourhood character, which is heavily influenced by the type and extent of vegetation in particular areas.

Some of the provisions of SLO22 have been found to duplicate other parts of the Planning Scheme, particularly in its focus on built form, which is more appropriately located in a DDO consistent with State Government advice in 'A Practitioners Guide to Victoria's Planning Schemes, DELWP, 2022.'

An action of the Housing Strategy is to review the application of SLOs 22 and 23 to ensure they regulate vegetation removal in an effective and efficient way.

## 13.2 Action Plan

The following action plan has been formulated based on the preceding chapters.

Role	
Council role	Other role

Priority	
The actions have each been allocated a priority level, which equates to the following timing goals for completion of implementation:	
Short-term: 0-5 years	Medium-term: 5-10 years
Long-term: 10-15 years	Ongoing: continual, or as need arises

### Residential Framework

Action	Role	Priority
1 Amend Clause 16.01-1L (Housing) of the Yarra Ranges Planning Scheme to include a new Residential Framework.	Strategic Planning	Short
2 Amend Clause 02.03-6 (Housing), Clause 02.04-2 (Strategic Framework Plan), and Clause 11.01-1L-01 (Settlement) of the Yarra Ranges Planning Scheme to reflect the revised residential framework under the updated Clause 16.01-1L.	Strategic Planning	Short
3 Review the Yarra Ranges Planning Scheme to alter any contradictory or redundant provisions as a consequence of the implementation of this Housing Strategy.	Strategic Planning	Short
4 Translate the four housing change areas into the Neighbourhood Residential Zone (NRZ), General Residential Zone (GRZ), and Activity Centre Zone (ACZ) and introduce required schedules to the zones to reflect neighbourhood character and development objectives.	Strategic Planning	Short

5	Review and amend where required the following existing Design and Development Overlays (DDOs) for consistency with the revised residential framework: <ul style="list-style-type: none"> <li>DDO4 Lilydale Town Centre</li> <li>DDO5 Least Change Areas</li> <li>DDO6 Incremental Change Areas – Rural and Foothills Townships</li> <li>DDO7 Lilydale Activity Centre Residential Areas</li> <li>DDO8 Neighbourhood Centres and Rural Townships Consolidation Areas.</li> </ul>	Strategic Planning	Short
6	Review the application of the Significant Landscape Overlay Schedule 22 (SLO22) and Schedule 23 (SLO23) to ensure they regulate vegetation removal in an effective and efficient way.	Strategic Planning	Short
7	Implement the actions of the Lilydale Major Activity Centre Structure Plan, 2022, relating to land rezoning, overlay and planning policy changes.	Strategic Planning	Short
8	Upon completion of development of sites in east Lilydale categorised as Incremental Change, review planning controls based on emergent neighbourhood character and built form, consistent with Section 7.4.2 of this Chapter.	Strategic Planning	Short
9	Prepare policy or planning scheme provisions to address how interfaces between housing change areas can be managed and designed to preserve residential amenity.	Strategic Planning	Short
10	Review the application and subdivision provisions of the Low Density Residential Zone.	Strategic Planning	Short
11	Review the application of the Rural Living Zone.	Strategic Planning	Short
12	Review the Significant Landscape Overlays applied to areas zoned Low Density Residential Zone and Rural Living Zone.	Strategic Planning	Short

### Neighbourhood character

Action	Role	Priority
13 Amend the local planning policy in the Yarra Ranges Planning Scheme at Clause 15.01-5L Neighbourhood Character to include strategies for neighbourhood character types and precinct boundaries, consistent with the information contained in this chapter.	Strategic Planning	Short
14 Prepare neighbourhood character brochures for each neighbourhood character type that includes an existing character statement, valued attributes, preferred future character statement, and include this as a Background Document at Clause 15.01-5L Neighbourhood Character.	Strategic Planning	Short

15	Implement the recommendations for the Warburton Township through a planning scheme amendment, that also addresses the Low Density Residential Zone.	Strategic Planning	Short
16	Investigate assessing existing and preferred neighbourhood character in Yarra Ranges' Low Density Residential Zoned areas, and integration of findings into the Planning Scheme.	Strategic Planning	Short

## Housing diversity

Action	Role	Priority	
17	Advocate to the State Government for a formal Planning Scheme definition for tiny houses, and clarity and guidance on their assessment and regulation in the Victorian planning system.	Strategic Planning	Ongoing
18	Investigate issues impacting the regulation of internal division of existing dwellings (to create separate tenancies), and create a fact sheet for clarity.	Strategic Planning	Short
19	Consider the need for a Housing Design and Diversity Strategy, consistent with Section 9.7.	Strategic Planning, Community Wellbeing	Short
20	Prepare a new local planning policy in the Yarra Ranges Planning Scheme to support increased housing diversity and guide future use and development outcomes.	Strategic Planning	Short
21	Explore the use of Australian Standard AS4299 Adaptable Housing, or other requirements, in any local policy.	Strategic Planning, Community Wellbeing, Building Services	Short
22	Integrate relevant housing diversity goals into 16.01-1L (Housing) of the Planning Scheme.	Strategic Planning	Short
23	Advocate to the State Government for the introduction of inclusionary zoning into the Victorian Planning System, to allow Council to specify housing diversity outcomes for the rezoning of land for residential use and development.	Strategic Planning (lead), Strategy and Transformation	Short
24	Support new proposals for aged care and retirement villages in the urban area close to services and public transport, and consider this need as part of future structure plans.	Strategic Planning, Community Support, Planning Services	Ongoing
25	Support the expansion and/or redevelopment of existing aged care facilities and retirement villages where demand can be shown for additional accommodation at existing sites.	Strategic Planning, Community Support, Planning Services	Ongoing

26	Support future aged care facilities and retirement villages in the townships of Healesville, Yarra Glen, Monbulk, Belgrave and Yarra Junction.	Strategic Planning, Community Support, Planning Services	Ongoing
27	Support the provision of aged care facilities within or adjacent to retirement villages to provide an integrated ability for ageing in place.	Strategic Planning, Community Support, Planning Services	Ongoing
28	Advocate to the Minister for Planning to consider planning permit exemptions for rural worker accommodation in the Green Wedge Zone.	Strategy and Transformation	Ongoing

## Affordability

Action	Role	Priority	
29	Develop and endorse a Social and Affordable Housing Policy that articulates Council's position on social and affordable housing and outlines the principles, roles and pathways that will take to encourage, and support increased local supply.	Health and Wellbeing	Short
30	Contribute to regional working groups and alliances advocating for policy reform for social and affordable housing.	Health and Wellbeing	Ongoing
31	Develop a report on housing affordability and homelessness in Yarra Ranges that communicates to a wide range of stakeholders the homelessness and housing issues faced by the community and quantifies the social and affordable housing needed to meet current and future demand.	Health and Wellbeing	Short
32	Develop an advocacy paper seeking: <ul style="list-style-type: none"> <li>Amendments to the Planning and Environment Act 1987 to facilitate the provision of affordable housing more effectively, including the introduction of 'inclusionary zoning'.</li> <li>The identification, of existing state assets in Yarra Ranges that could be redeveloped for social and affordable housing.</li> <li>A state-wide register for the regulation of Short-Term Residential Accommodation.</li> <li>An increase to Commonwealth Rental Assistance (CRA)</li> <li>A commitment to meet Yarra Ranges target of social housing properties as defined in the new Yarra Ranges Social and Affordable Housing Policy.</li> <li>Legislative changes that would improve the safety and affordability of rooming houses.</li> <li>State mechanisms to dis-incentivise vacant properties such as further taxation.</li> </ul>	Advocacy (lead), Strategic Planning	Short

33	Develop an advocacy plan to support and coordinate engagement with key stakeholders including government departments and agencies, elected representatives and strategic advocacy alliances.	Advocacy (lead), Strategic Planning	Short
34	Develop issues papers on: <ul style="list-style-type: none"> <li>The demand for seasonal workers including geographical areas and industries that are particularly vulnerable to worker shortages.</li> <li>The impact of Short-Term Rental Accommodation on affordable rentals and local economy.</li> </ul>	Economic Development	Short
35	Develop a reporting framework and report on agreed indicators quarterly and annually, monitoring social and affordable housing demand and supply, including rates of empty or underutilized property, over the next 20 years.	Social Planning	Medium
36	Develop and adopt a Social Affordable Housing Negotiation Framework and evaluation program to guide Affordable Housing Negotiations with developers and landowners, which includes incentives, particularly for sites within Activity Centres.	Strategic Planning	Medium
37	Develop an Investment Attraction Strategy and an Asset Management Strategy to publicly identify potential sites for social and affordable housing outcomes, including land suitable for rezoning, and existing property that might be suitable for renewal or redevelopment.	Economic Development & Property	Medium
38	Monitor the number of rooming houses and any enforcement incidents in the municipality and explore regulatory changes that would enhance the safety and affordability of this housing option.	Community Housing	Ongoing
39	Explore potential for joint planning scheme amendments with other councils to address regional supply of social and affordable housing	Strategic Planning	Short
40	Include local policy and provisions into the Yarra Ranges Planning Scheme that support the development of social and affordable housing	Strategic Planning	Medium
41	As a general principle where practical, retain land suitable for housing within residential zones to enable opportunities for provision of housing, and to ensure that land is not lost to other land uses, subject to a detailed assessment being undertaken in each case.	Strategic Planning	Ongoing
42	Commission feasibility studies on the development of sites appropriate for social and affordable housing.	Property (lead), Strategic Planning	Medium
43	Explore the use of a Yarra Ranges Housing Trust as a vehicle to increase supply and secure contributions towards social and affordable housing.		Medium
44	Explore partnerships with registered housing providers, or one preferred registered housing provider, to work collaboratively to bring more social and affordable housing into Yarra Ranges.		Medium

45	Support private landowners and developers to explore innovative solutions such as co-purchasing and shared equity arrangements for the redevelopment of vacant land or under-utilised buildings.	Design and Place	Ongoing
46	Implement a training and induction program for the Homelessness Protocol. Develop an internal working group to oversee and monitor the Homelessness Protocol, supporting an ongoing coordinated approach to responding to homelessness.	Community Safety	Short
47	Support local housing support and homelessness agencies via provision of grants and information to support their advocacy.	Community Partnerships	Ongoing
48	Implement a social change campaign to improve perceptions of social housing via provision of information and case studies to help raise awareness.	Health and Wellbeing	Ongoing
49	Support prevention initiatives that reduce the risk of homelessness and housing affordability stress through capacity building projects such as household budgeting, retirement planning, and relationship support including family violence.	Health and Wellbeing	Ongoing



## Sustainability

Action	Role	Priority	
50	In coordination with the Council Alliance for the Sustainable Built Environment (CASBE), monitor the effectiveness of Clause 15.01-2L (Environmentally Sustainable Development) in achieving environmentally sustainable development outcomes, with a view to future refinements if necessary.	Strategic Planning Department, CASBE	Ongoing
51	Consider the need for additional strategies for inclusion in Clause 15.01-2L (Environmentally Sustainable Development) in the Yarra Ranges Planning Scheme, for lighting in new subdivisions, passive design strategies, and food production areas.	Climate and Nature, Resilient Environment	Short
52	Prioritise opportunities to increase public realm planting within the Urban Consolidation precincts identified in Chapter 8.	Trees, Trails and Parks	Ongoing
53	Update the Yarra Ranges Landscape Guidelines, 2010 to include specific tree species and landscape design recommendations to inform a variety of development scenarios, as well as definitions of large, medium and small trees. Include this as a background document to the Yarra Ranges Planning Scheme.	Design and Place, Recreation, Projects and Parks	Short
54	In the aftermath of natural disasters, advocate to the Minister for Planning as required for agile and responsive planning scheme changes to support social recovery through the provision of housing and accommodation.	Strategic Planning	Ongoing



Action	Role	Priority
55 Identify anticipated road and intersection infrastructure improvements required based on the allowable residential densities under the Chapter 7 residential framework, and plan for staged implementation mechanisms to integrate this into Council's infrastructure planning and advocacy work.	Infrastructure Services	Short-medium
56 Consider planning scheme provisions to discourage tandem parking arrangements for medium density developments in Substantial Change Areas.	Strategic Planning	Short
57 Explore options to improve on-street parking in areas identified for higher residential densities, and commercial precincts with good public transport accessibility, including the potential introduction of a parking permit system integrated with Council's planning permit system.	Infrastructure Services	Short-medium
58 Investigate the use of a Parking Overlay in the commercial areas of Lilydale, Mooroolbark, and Chirnside Park.	Infrastructure Services	Short-medium
59 Adopt a Council Stormwater Management Plan, utilising the information on residential development provided in the Chapter 7 Residential Framework of this Housing Strategy, to inform: <ul style="list-style-type: none"> <li>a. Priority catchments for drainage improvement strategies</li> <li>b. Identification of required Council capital works projects and timing</li> <li>c. Planning Scheme changes to reflect areas at risk of inundation caused by overland flows from the urban drainage system, in order to integrate flood mitigation into the design of future development (such as raised floor levels, on-site drainage approaches, overland flow paths, and/or other strategies).</li> </ul>	Infrastructure Services, Strategic Planning	Short-medium
60 Integrate the framework for residential development in Chapter 7 into a new Municipal Open Space Strategy.	Design and Place Department	Short-medium
61 Advocate to the State Government for improved public transport and road infrastructure within Lilydale Activity Centre, Mooroolbark Activity Centre, Chirnside Park Activity Centre, and Substantial Change Areas.	Infrastructure Services	Ongoing
62 Advocate to the Victorian Government for a review of legislation governing DCPs in established residential areas, with a view to creation of more cost-effective DCP approaches.	Strategic Planning	Short

## 14.0 Conclusion

The next 15 years presents numerous complex challenges for housing in Yarra Ranges, which includes a rapidly changing policy landscape placing increased emphasis on issues of housing affordability and environmental sustainability, in particular. The Housing Strategy has identified mismatches between housing supply and demand which need to be addressed. Yarra Ranges needs revised planning policy to encourage a housing mix that is more responsive to our changing demographic characteristics, and changing housing needs.

The Housing Strategy seeks to clearly express Council's actions towards achieving a broader range of housing options for both the urban area and for large rural townships, in order to better provide for ageing in place and increased housing choices, while balancing the need to respect valued neighbourhood character with growth and diversification of the housing stock.

The Housing Strategy identifies a number of critical issues that require action from, and collaboration with, other levels of government and other organisations, and provides a detailed list of actions to target meaningful improvement on these issues.

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