



10.4 VICTORIAN GOVERNMENT PUBLIC HOUSING PROJECTS

EXECUTIVE MEMBER: KYLIE BENNETTS, GENERAL MANAGER, CITY GROWTH AND DEVELOPMENT

PREPARED BY: JEREMY ADDISON, HEAD OF CITY POLICY

1. PURPOSE

- 1.1 To seek Council direction on the parameters for involvement in Victorian Government public housing projects within the City of Port Phillip.

2. EXECUTIVE SUMMARY

- 2.1 As of 2021, there were more than 4,000 social (public and community) housing dwellings in the City of Port Phillip. Much of the public housing is aging, in poor condition, and does not meet current housing, accessibility, sustainability and residential amenity standards.
- 2.2 In 2020, the Victorian Government announced the Big Housing Build program to construct 12,000 new homes across Victoria including replacing 1,100 old public housing units. Under this program, Homes Victoria is progressing redevelopment of the Barak-Beacon site in Port Melbourne and the Emerald Hill site in South Melbourne.
- 2.3 The Victorian Government has a number of streamlined planning processes to accelerate approvals for social and affordable housing developments. These processes can limit planning approval requirements and remove opportunities to appeal a decision. The Minister for Planning, rather than Council, will assess and approve proposals under these provisions.
- 2.4 Often a significant amount of the design and planning of social and affordable housing developments is done before being publicly released for Council and community engagement. Council advocates to provide input early in the planning and design processes to maximise the benefits for public housing residents and the surrounding community. To inform Council officer input into the design process for State Government public housing projects, this report recommends adoption of ***City of Port Phillip Guiding Principles for Victorian Government public housing projects within the municipality*** (Guiding Principles).
- 2.5 The Guiding Principles provide parameters for Council officer input into projects, particularly where information from the Victorian Government is provided on a confidential basis and cannot immediately be shared with the community or Councillors. In addition, the Guiding Principles will inform Council's public response to individual public housing projects including submissions made during the formal engagement processes.



3. RECOMMENDATION

That Council:

- 3.1 Endorse the following City of Port Phillip Guiding Principles for Victorian Government public housing projects within the municipality (Guiding Principles).
1. **Strategic alignment** – Projects reflect the values of social equity, diversity and inclusion and have alignment with Council strategic policy directions.
 2. **Social housing yield** – Projects deliver a net increase in social (public and community) housing dwellings and do not reduce the overall number of new bedrooms provided. The people accommodated on the site are increased, resulting in a reduction in the public housing waitlist. Projects are retained in public ownership.
 3. **Dwelling mix** – Projects deliver a mix of housing types, sizes and tenures that meet the needs of existing and future residents and diverse households and needs groups, including families.

Projects ensure that different housing types are integrated and visually indistinguishable, with all residents benefitting from equitable access to residential amenity.
 4. **Holistic consideration of resident needs** – Projects integrate health and wellbeing into design, provide opportunities for social connections, include measures to minimise the cost of living, maintain or improve access to public transport, local services and employment and provide potential for on-site resident support services and social enterprises.
 5. **Design excellence** – Projects deliver a high-quality built environment, universal housing design outcomes and high amenity within buildings and outdoor spaces.
 6. **Sustainability** – Projects incorporate best-practice environmental sustainable design and respond to climate change impacts, including minimising operating costs for residents.
 7. **Neighbourhood integration** – Projects integrate with the surrounding community and public realm, retain valued vegetation and features, prioritise walking and cycling and manage potential impacts on the surrounding community, including amenity, traffic and parking.
 8. **Broader public benefit** – Projects provide quantifiable benefits to the surrounding community, such as public open space, community facilities and/or spaces for not-for-profit organisations and service organisations that support the local community.
 9. **Council jurisdiction** – Projects manage demand and impacts on Council infrastructure, facilities and services including open space.
 10. **Community engagement** – Projects provide inclusive and effective Council, resident and community engagement through all stages of development, that provides opportunities for meaningful input that influences outcomes
- 3.2 Authorises Council officers to apply the Guiding Principles in formulating input to Victorian Government public housing projects within the City of Port Phillip.



4. KEY POINTS/ISSUES

Public housing in Port Phillip

- 4.1 As of 2021, there were 4,145 social (public and community) housing dwellings in the City of Port Phillip (6.5% of total dwellings). Of this number, 58% (or 2,448 dwellings) is public housing owned and managed by the Victorian Government (Department of Families, Fairness and Housing). The remaining 42% (1,697 dwellings) comprises community housing (owned and/or managed by community housing organisations), transitional housing and crisis supported housing.
- 4.2 Public housing in the municipality ranges in size from individual dwellings to large housing 'estates'. The largest housing estates range from 46 to 299 dwellings.
- 4.3 Most of the public housing estates were built by the Housing Commission of Victoria in the 1960s and 1970s. These are now up to 60 years old, are in poor condition, and do not meet current accessibility, sustainability, and residential amenity standards. To date, only the Raglan-Ingles estate in Port Melbourne (46 dwellings) has been redeveloped, in the early 2000s.

Big Housing Build

- 4.4 In 2020, the Victorian Government announced the Big Housing Build program to construct 12,000 new homes across Victoria comprising 9,300 social housing homes and 2,900 new affordable and low-cost homes to help low-to-moderate income earners. The program also includes replacing 1,100 old public housing units.
- 4.5 Under this program, Homes Victoria is progressing redevelopment of two sites in the City of Port Phillip – the Barak-Beacon site in Port Melbourne and the Emerald Hill site in South Melbourne.

Barak-Beacon site, Port Melbourne

- 4.6 The Barak-Beacon site in Port Melbourne has a 2.1ha area and is bordered by Beacon Road, the Boulevard, Barak Road and Howe Parade. It is located close to public open space, public transport, shops and services. There are 89 dwellings on the site, located within 2-4 storey walk-up buildings. The site is shown in the diagram below.



- 4.7 According to Homes Victoria, the site will be redeveloped to provide a mix of social, affordable and market rental homes, along with specialist disability accommodation, in a range of 1-, 2-, 3- and 4-bedroom dwellings. The redevelopment will be delivered under a ground lease model, a private sector led redevelopment and lease of the site to a not-for-profit project group to operate and maintain for 40 years, before handing the land and buildings back to public ownership.
- 4.8 Homes Victoria is currently undertaking the procurement process and has sought Council officer input including on matters to be included in Development Guidelines.
- 4.9 Homes Victoria undertook early engagement on the project with existing residents and the community in June-July 2022 and the relocation of existing residents is underway. Home Victoria has indicated that local transfer outcomes are being prioritised so that residents can remain within their established communities. Homes Victoria has stated that residents will have the first right of return at current rent levels once the redevelopment is completed.
- 4.10 It is understood that the redevelopment will commence in 2023 and be completed in 2025.

5. EMERALD HILL SITE, SOUTH MELBOURNE

- 5.1 The Emerald Hill Court site in South Melbourne has two components – a 1.2ha area bordered by Coventry, Moray and Dorcas Streets (and includes St Luke's Street) and a 0.4ha parcel on the southern side of Dorcas Street. It is located immediately next to the South Melbourne Major Activity Centre and is close to



public transport, shops, services and jobs. There are currently 208 dwellings on the site, located within a 16-storey tower and 4-5 storey walk-up buildings. The site is shown in the diagram below.

- 5.2 The Emerald Hill Housing and Health Precinct Master Plan will provide a high-level spatial plan to direct decisions, improvements or redevelopment. It is intended to be a Homes Victoria and Council collaboration. Council has contributed \$30,000 to the project.
- 5.3 The Master Plan boundary includes Skinners Adventure Playground, which Council owns. It has been included to explore opportunities to improve the layout and interface of the park to meet community needs. Officers propose that any change must ensure the park remains at the same or a better standard and remain accessible to the broader community.
- 5.4 Stage 1 of the Master Plan comprises the Emerald Hill Community Hospital and social housing (known as the Emerald Hill Health & Wellbeing Hub). According to Homes Victoria, this will be a small public hospital providing services for the local community. It will be located on the corner of Dorcas and Moray Streets, South Melbourne and delivered as part of the Victorian Government's Community Hospitals program. Services will include after-hours unplanned care for minor injuries and illnesses, allied health, mental health, women's health, child and family services and chronic disease management. The hospital will be managed by Alfred Health in partnership with Star Health.
- 5.5 The Emerald Hill Health & Wellbeing Hub will also provide at least 70 new social housing dwellings. The project will be delivered by Homes Victoria and the Victorian Health Building Authority. Planning for this facility is underway. Construction is scheduled to commence in 2023 and the completion date is late 2025. Homes Victoria and VHBA have sought Council officer input through the design and planning phase of the Emerald Hill Community Hospital project.
- 5.6 Homes Victoria undertook engagement with existing residents and adjoining property owners / occupiers in September 2022. The relocation process for residents is underway, and it is understood that local transfer outcomes are being prioritised so that residents can remain in their established communities. Homes Victoria has stated that residents will have the first right of return at current rent levels once the redevelopment is completed.
- 5.7 There is currently no timeframe for delivery of the remainder of the Master Plan.



Planning approval processes

- 5.8 In December 2020, Clause 52.20 (Victoria's Big Housing Build) was introduced into the Port Phillip Planning Scheme providing a streamlined planning process to accelerate approvals for social and affordable housing developments. The Minister for Planning, rather than Council, will assess and approve these planning proposals. Planning requirements are confined to matters such as external amenity impacts, internal residential amenity and car parking. The process has a simplified consultation process allowing community and council feedback but does not allow any appeals of a decision. It is understood that the Barak-Beacon project will go through this process.
- 5.9 Social and affordable housing projects outside the Big Housing Build can be assessed under Clause 53.20 (Housing by or on Behalf of the Director of Housing). This clause provides a similar streamlined approval process, limiting planning matters to be considered and removing the advertising and appeal processes.
- 5.10 For projects that aren't entirely for housing, such as the Emerald Hill Community Hospital, the Victorian Government can pursue a site-specific planning scheme amendment via Section 20(4) of the Planning and Environment Act 1987 to deliver a streamlined process. Under this process, the Minister may exempt



public exhibition of the proposal, which removes public notice or review rights. The Minister may refer the proposal to an independent advisory committee for review and advice.

- 5.11 Regardless of the planning process for each public housing project, the Victorian Government has indicated that it will consult with Council and the local community.

Proposed Council Guiding Principles

- 5.12 There is a significant level of public housing in Port Phillip; much of which will need upgrading or redevelopment. In addition, much of the municipality is accessible to local services and public transport, which makes the area suitable for additional public, community and affordable housing.

- 5.13 Through the planning and design processes Council can pursue improved outcomes by ensuring:

- That local community issues are understood and addressed.
- Alignment with Council policy and projects.
- Additional demand and impacts on Council infrastructure, facilities and services including open space are managed.
- Open space and other social infrastructure is accessible to the broader community where appropriate.

- 5.14 To guide Council input on current and future public housing projects, the following ***City of Port Phillip Guiding Principles for Victorian Government public housing projects within the municipality*** (Guiding Principles) are proposed:

1. **Strategic alignment** – Projects reflect the values of social equity, diversity and inclusion and have alignment with Council strategic policy directions.
2. **Social housing yield** – Projects deliver a net increase in social (public and community) housing dwellings and do not reduce the overall number of new bedrooms provided. The people accommodated on the site are increased, resulting in a reduction in the public housing waitlist. Projects are retained in public ownership.
3. **Dwelling mix** – Projects deliver a mix of housing types, sizes and tenures that meet the needs of existing and future residents and diverse households and needs groups, including families.

Projects ensure that different housing types are integrated and visually indistinguishable, with all residents benefitting from equitable access to residential amenity.

4. **Holistic consideration of resident needs** – Projects integrate health and wellbeing into design, provide opportunities for social connections, include measures to minimise the cost of living, maintain or improve access to public transport, local services and employment and provide potential for on-site resident support services and social enterprises.



5. **Design excellence** – Projects deliver a high-quality built environment, universal housing design outcomes and high amenity within buildings and outdoor spaces.
 6. **Sustainability** – Projects incorporate best-practice environmental sustainable design and respond to climate change impacts, including minimising operating costs for residents.
 7. **Neighbourhood integration** – Projects integrate with the surrounding community and public realm, retain valued vegetation and features, prioritise walking and cycling and manage potential impacts on the surrounding community, including amenity, traffic and parking.
 8. **Broader public benefit** – Projects provide quantifiable benefits to the surrounding community, such as public open space, community facilities and/or spaces for not-for-profit organisations and service organisations that support the local community.
 9. **Council jurisdiction** – Projects manage demand and impacts on Council infrastructure, facilities and services including open space.
 10. **Community engagement** – Projects provide inclusive and effective Council, resident and community engagement through all stages of development, that provides opportunities for meaningful input that influences outcomes.
- 5.15 If approved, these Guiding Principles will provide the parameters for Council officer input into projects, noting from time-to-time projects where information from the Victorian Government is provided on a confidential basis and cannot immediately be shared with the community or Councillors. The Guiding Principles will also inform submissions made during the formal engagement processes.

6. CONSULTATION AND STAKEHOLDERS

- 6.1 The Victorian Government is responsible for consulting with the community and relevant stakeholders as part of the public housing projects. Council is one of the key stakeholders that will be engaged.
- 6.2 Council officers are working with Homes Victoria on current public housing projects to provide Council input.
- 6.3 Councillors will be kept updated, with input sought at key times; noting that at times information will be confidential.

7. LEGAL AND RISK IMPLICATIONS

- 7.1 Renewal of public housing sites by the Victorian Government need to meet relevant legislative requirements, including under the *Planning and Environment Act 1987*.
- 7.2 Proactive Council engagement on Victorian Government public housing projects will seek to manage risks, such as:
 - Unreasonable impacts on Council infrastructure, facilities and services.
 - Unreasonable impacts on adjoining properties and the surrounding community, including amenity, parking and traffic.
 - Ineffective community engagement.



8. FINANCIAL IMPACT

- 8.1 Council's direct financial impact is \$30,000 to the Emerald Hill site master plan.
- 8.2 The redevelopment of public housing sites will be funded by the Victorian Government.
- 8.3 A proactive approach to inputting on Victorian Government public housing projects will seek to manage financial impacts on Council, such as increased demand on resources, services and infrastructure.

9. ENVIRONMENTAL IMPACT

- 9.1 A proactive approach to inputting on Victorian Government public housing projects will seek to manage potential environmental impacts, including housing operating costs for residents, through minimising energy and water consumption, managing water, and mitigating against sea level rise and the urban heat island effect.

10. COMMUNITY IMPACT

- 10.1 A proactive Council engagement approach to Victorian Government public housing projects will seek to meet the needs of the community and manage potential impacts, such as unreasonable loss of amenity.
- 10.2 Opportunities will also be sought to influence Victorian Government community engagement activities on public housing projects to ensure they provide clear information and genuine opportunities for input.

11. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

Council Plan

- 11.1 The proposal will help achieve the Inclusive Port Phillip Strategic Direction in the *Council Plan 2021-2031*:

A city that is a place for all members of our community, where people feel supported and comfortable being themselves and expressing their identities.

- 11.2 One of the initiatives under this Strategic Direction is that Council will; *facilitate and advocate for the Victorian Government, community housing organisations, and the philanthropic and private development sectors to facilitate new affordable and social housing within the municipality, including the renewal of existing social housing sites to achieve the outcomes identified in our In Our Backyard Strategy.*

In Our Backyard

- 11.3 Council's *In Our Backyard: Growing Affordable Housing in Port Phillip 2015-2025* is underpinned by the following goal: *Grow the supply and diversity of affordable housing in the City of Port Phillip to address priority local housing needs, including for the most disadvantaged and marginalised.*
- 11.4 A proactive approach to inputting on Victorian Government public housing projects will help deliver outcomes sought by In Our Backyard.



- 11.5 Policy 3 of In Our Backyard seeks to *Facilitate opportunities to increase affordable housing yield and diversity on existing social housing sites through transfer, redevelopment, or sale and reinvestment*. This initiative achieves Action 3.1 under this Policy – *Work with the Victorian Government to identify and facilitate opportunities to pilot new delivery models and increase the yield, diversity and/or quality of housing in existing public housing estates, where there is a clear social benefit*.

Port Phillip Planning Scheme

- 11.6 The guiding principles seek to apply the following objectives of planning in Victoria and their local application through the Port Phillip Planning Scheme:
- (a) To provide for the fair, orderly, economic and sustainable use, and development of land;
 - (b) To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity
 - (c) To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria
 - (d) To conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value
 - (e) To protect public utilities and other assets and enable the orderly provision and co-ordination of public utilities and other facilities for the benefit of the community
 - (f) To facilitate development in accordance with points (a) to (e) above
 - (g) To facilitate the provision of affordable housing in Victoria
 - (h) To balance the present and future interests of all Victorians.

Move, Connect, Live

- 11.7 The guiding principles seek to facilitate implementation of Council's *Move, Connect, Live: Integrated Transport Strategy (2018 - 28)*, through creating 10-minute walkable neighbourhoods, prioritising safety and access, providing spaces for walking, socialising and play and boosting bike riding.

Act and Adapt

- 11.8 The guiding principles align with Council's *Act and Adapt: Sustainable Environment Strategy 2018* promotes working with the development community on initiatives such as:
- 11.8.1 Future proof private infrastructure.
 - 11.8.2 Minimum performance standards to reduce cost of living.
 - 11.8.3 Designing multifunctional spaces that create a greener and cooler city that protects and promotes health and wellbeing.

Declared Climate and Economic Emergencies

- 11.9 The guiding principles respond to the climate emergency that the City of Port Phillip declared in September 2019, through encouraging public housing projects



that reduce emissions and enhance community resilience to future climatic conditions.

12. IMPLEMENTATION STRATEGY

12.1 TIMELINE

- 12.1.1 The guiding principles will inform Council's input on Victorian Government public housing projects in Port Phillip, including current projects in Port Melbourne (Barak-Beacon) and South Melbourne (Emerald Hill Community Hospital and Emerald Hill Housing and Health Precinct Master Plan).
- 12.1.2 Timeframes for each public housing project will be determined by the Victorian Government.
- 12.1.3 It is understood that construction of the Barak-Beacon project will begin in 2024 and be completed in 2025.
- 12.1.4 It is understood that construction of the Emerald Hill Community Hospital will begin in 2023 and be completed in 2025. It is anticipated that the Emerald Hill Housing and Health Precinct Master Plan will be completed late 2023.

12.2 COMMUNICATION

- 12.2.1 Council's guiding principles for public housing projects in Port Phillip will be communicated to the Victorian Government.
- 12.2.2 Council's guiding principles for public housing projects in Port Phillip will be communicated to the community via Council's website and social media platforms.
- 12.2.3 The Victorian Government will develop and implement community engagement plans for each public housing project.
- 12.2.4 Submissions Council makes to the Victorian Government on public housing projects as part of formal planning processes will be made available to the community.

13. OFFICER DIRECT OR INDIRECT INTEREST

- 13.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

Nil