

Issues and Options Paper

Developing a new housing strategy for Maroondah

February 2016







**Working towards an attractive,
thriving and well built community**

Prelude

Council is developing a new housing strategy to establish policy directions that will guide future residential development.

The first stage of the process involved the preparation of a range of background technical reports designed to build an evidence base for decision making.

The second stage involved a range of community engagement activities to seek the views of community and key stakeholders on housing needs, services and facilities, housing issues and ways to address these issues.

The third stage is the preparation of this Issues and Options Paper, based on the technical evidence as well as community and industry inputs. The Draft Housing Strategy will be prepared based on the preferred options set out in this report.



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Introduction

The Maroondah Housing Strategy is currently being developed to ensure that the municipality can meet its housing requirements over the coming decades. It will address how land supply and zoning arrangements can meet future housing demands and provide the strategic justification for any changes to planning controls. The strategy will support sustainable growth and management of housing stock, address population growth, and enhance liveability.

Access to housing is a key attribute that affects almost every aspect of a person's life. Access to suitable accommodation not only offers shelter and security, it provides a stable foundation and space from which to build family life and a sense of belonging. It also acts as a springboard to developing other aspects of people's lives, including access to education and employment.

Good housing is an essential part of a successful neighbourhood and local community. As a commodity, housing has a long life-span, often over 50 years. Given the long life span of housing as well as the significant time lag associated with developing new housing, it is critical to plan for anticipated population and demographic changes and their resultant impact on housing requirements now.

This Issues and Options Paper has been prepared to:

- help articulate a vision for housing in Maroondah,
- explore the issues and challenges facing the municipality, and
- suggest a range of options that could be employed to address those issues.

The Issues and Options Paper will inform the Draft Housing Strategy, including a future vision, which will be generated from a selection of the options presented in this report. The approach articulated in the housing strategy will build on Maroondah 2040: Our future together and Plan Melbourne.

Plan Melbourne was released in 2014 and outlines the vision for Melbourne's growth looking ahead to the year 2050. It seeks to define the kind of city that Melbourne will become and identifies the infrastructure, services and major projects which need to be put in place to underpin the City's growth. It is a blueprint for Melbourne's future prosperity, liveability and sustainability. The Victorian Government is currently undertaking an update to Plan Melbourne, known as the Plan Melbourne Refresh. The Plan Melbourne Refresh will address the important issues of housing supply, diversity and affordability and climate change and will reflect current transport network priorities.

The Issues and Options Paper has been developed considering inputs from technical experts, Council departments, and engagement findings from discussions with local groups and members of the wider community. The process thus far has involved a review of the existing Maroondah Housing Strategy (1997) and the preparation of a range of background technical papers (see below). Community consultation has also been undertaken at the Maroondah Festival, the Ringwood Town Square, through three focus groups with key stakeholders, and an online survey. Independent Peer Review has enhanced the robustness of the work completed to date. Nine fact sheets have been prepared to keep stakeholders informed on progress and to summarise the outputs of the engagement activities.

While Council can take the lead in preparing a housing strategy, in order to be meaningful and effective, it needs to be aligned with other Council and State strategies, such as Maroondah 2040: Our future together and Plan Melbourne. Housing is ultimately physically delivered by the development industry and housing agencies and engaging and developing partnerships between public and private sectors is a key challenge.

About Maroondah

Our location, facilities and environment

The City of Maroondah sits at the foothills of the Dandenong Ranges and on the doorstep of the Yarra Valley wine and produce region. Maroondah has the strategic advantage of being located at the north-eastern junction of the Eastern Freeway-EastLink corridor. There are two train lines and a large number of bus routes linking the City with other regions.

Maroondah covers a land area of 61.4 square kilometres in Melbourne's outer east, 22 kilometres from the central business district. It includes the suburbs of Bayswater North, Croydon, Croydon Hills, Croydon North, Croydon South, Heathmont, Kilsyth South, Ringwood, Ringwood East, Ringwood North and Warranwood.

Maroondah is well known for its leafy streets, broad areas of open space, bushland reserves, parks and playgrounds. Sustainable transport links include on-road cycling paths and shared path links to the Mullum Mullum Creek Trail, the EastLink Trail, Taralla Creek Trail and the Dandenong Creek Trail.

The City hosts a regional health precinct including a major public hospital and a large private hospital, educational facilities that cater from early childhood learning to tertiary level, two libraries, arts and cultural centres, an art gallery and a range of community centres.

Maroondah is also home to a range of world-class sporting facilities including Aquanation, a regional recreation and leisure facility incorporating the State Diving Centre.



Our community

The area is a substantially developed municipality, with an estimated population of 111,223 residents. The population is forecast to grow by 18% over the next 20 years to 133,526 in 2036.

Maroondah's age structure (based on the 2011 Census of Population and Housing) demonstrates that 22.7% of the population was aged between 0 and 17 years, and 20.3% were aged 60 years and over. The largest increase by age group over the next 20 years will be in the 70 to 74 age group. It is expected that over the period 2011-2026, there will be a 44% increase in population of retirement aged persons living in Maroondah.

Cultural diversity is increasing with the highest numbers of recent overseas immigrants arriving from Burma, India and China. There is a strong sense of community participation within Maroondah embodied by a large number of committed volunteers.

A higher number of residents in Maroondah have a tertiary qualification and a consistently lower overall level of unemployment compared with Metropolitan Melbourne. There are a smaller proportion of high income households and also a lower proportion of low income households.

Our households

There are an estimated 43,663 households in Maroondah in 2016 with this number forecast to increase to 53,045 households by 2036, although household size is expected to decrease over this period.

Couples with children are the predominant type of household representing a similar proportion to Metropolitan Melbourne. There is a higher proportion of lone person households and couples without children compared to Metropolitan Melbourne. Over the next 20 years, it is expected that lone person and couple family without children households will contribute to the majority of extra households in Maroondah.

Current population density in Maroondah stands at 18.12 persons per hectare, although this varies between suburbs from a low of 9.06 persons per hectare in Kilsyth South to a high of 21.71 persons per hectare in Croydon Hills. The overall density is expected to increase over the next 20 years with an increase in townhouse and apartment.

Our economy

Over 9,000 businesses operate within the City providing employment for almost 37,000 people. The largest industry employers are the manufacturing, retail trade and health care sectors.

The Bayswater North Employment Precinct is a regional economic hub where many national and international firms have established their headquarters. Maroondah also has major retail centres in Croydon and Ringwood, and a further 21 neighbourhood shopping centres throughout the municipality.

What does the evidence tell us?

As a part of the first stage of the preparation of the Housing Strategy, a number of background technical studies and engagement activities were completed. These include:

Housing Supply Analysis – Charter Keck Cramer, May 2015

This paper outlined new housing development activity and identified its spatial distribution across the municipality. The report also examined the types of housing being developed, pricing dynamics, purchaser profiles, and time required to bring new housing to the market, due to planning and building requirements. It made a number of recommendations relating to the on-going monitoring of the housing market, the strategic merit of infill development around smaller activity centres, as well as the role that Council land could play in providing housing.

Housing Demand Study – Maroondah, Spatial Economics, May 2015

This study identified housing market areas in Maroondah for the purposes of analysis and policy formulation based on a range of factors. It set out population projections and examined their implications on housing demand. It also examined current and future socio-economic characteristics of the population and key economic and social drivers affecting housing demand. The study concluded that the municipality will have a requirement for approximately 500 dwellings per annum or a total of 14,970 dwelling between 2011 and 2041, with a greater proportion of future development taking place in designated activity centres.

Sustainable Communities Discussion Paper – Maroondah City Council, 2015

This paper examined current trends towards more liveable and sustainable communities. It examined relevant case studies and made recommendations for consideration in the housing strategy. Given that housing dominates land uses in Maroondah, the paper recommended that the housing strategy be used as an opportunity to consider the wider context in which housing is provided. This included considering opportunities to make Maroondah's housing stock more sustainable, with the aim of improving both resilience and liveability throughout the municipality.

Maroondah Municipal Housing Strategy 1997 Review – Maroondah City Council 2014

This paper considered the key questions addressed in the 1997 strategy and assessed the extent to which it achieved its objectives. It identified where gaps emerged due to policy changes at State level, as well as changes in the population and demographic profile of Maroondah. The review concluded that Council largely acted on the recommendations of the housing strategy. While the strategy underestimated future population growth and issues such as affordability and housing insecurity still persist, a range of measures, such as overlays and other strategies were successfully introduced to address the issues identified.

Maroondah Housing Strategy Housing and Environmental Sensitivities Paper – Maroondah City Council, May 2015

This paper described and analysed potential environmental sensitivities and impacts relevant to the formulation of the housing strategy, with a view to protecting the environment as well as enhancing residential amenity. The paper concluded that the housing strategy should consider a range of issues including neighbourhood character, ridgelines, views (to and from), flooding, water quality, trees and natural habitat (both flora and fauna), heritage, cultural sensitivity, contaminated land and climate proofing. The paper went on to state that careful consideration of these sensitivities combined with sympathetic incorporation into the design of new development provides an opportunity to achieve good planning outcomes.

Physical and Community Infrastructure Background Paper – Maroondah City Council, May 2015

This paper incorporated a high level analysis of the existing state and performance of Maroondah's infrastructure across 12 networks, including electricity, gas, potable water, waste water, stormwater, rail, buses, roads, pathways and trails, national broadband network (NBN), education and open space. The paper acknowledges that the city's infrastructure networks are expected to come under increasing pressure as a result of population increase and climate change over the coming decades. The main areas of concern for essential services identified in the paper relate to storm water and the road network. Other areas of concern relate to open space, the rail network, potable water and waste water. Additional items may also become more pressing as societal needs change over time, such as the NBN.

Opportunities for Residential Development Report – Maroondah City Council & Swinburne University, February 2016

The housing capacity report provided a snapshot of current housing capacity throughout the municipality. Through a geographical analysis, capacity was calculated on a lot-by-lot basis, by estimating the number of new dwellings that could theoretically be achieved on each lot (if any). A range of factors were considered in determining capacity, including market pressures (redevelopment potential index), age of existing buildings, average new lot sizes (dwelling site ratio, calculated by suburb) as well as minimum lot sizes applicable in given areas due to zoning requirements. Once a theoretical maximum capacity was calculated, the likelihood (or propensity for development) of lots being developed was considered to arrive at a final capacity figure by suburb, housing market area, and zone. The capacity analysis confirmed that there is sufficient zoned land available to cater for current demand.

What did the community say?

Consultation and Engagement Activities

From October to December 2015, Council engaged with the local community and key stakeholders on a range of topics including:

- Current and future housing needs
- Housing issues and how they can be addressed
- Priority community infrastructure and services
- A 'greening the greyfields' pilot project (being undertaken in conjunction with Swinburne University)

Input was sought through community open house events, stakeholder focus groups and an online survey. The purpose of these activities was to create a platform to engage with the broader community on housing issues impacting Maroondah; seek their input on what is important to them; and identify what options are preferred to address these issues.

Stakeholder Focus Groups

Three focus groups were held in October 2015 at Maroondah Federation Estate. While the groups consisted of contrasting stakeholders (Group 1 – development and real estate, Group 2 – community and service organisations, Group 3 – neighbourhood, community and environmental groups), there was a surprising degree of agreement on key issues and future development possibilities. A total of 31 people participated in these focus groups over three days.

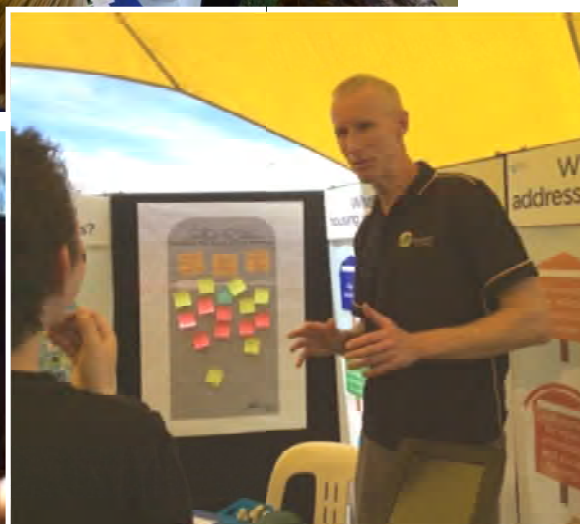


Open House Events

Open house engagement events were run over the first two weekends in November 2015 in both Ringwood and Croydon. Community members were encouraged to 'drop-in' and have their say on: housing issues and how they can be addressed, priority community infrastructure and services, and a 'greening the greyfields' pilot project.

Croydon Open House

The Croydon open house event on Sunday 8 November formed part of Council's Cafe Consult marquee at the annual Maroondah Festival.

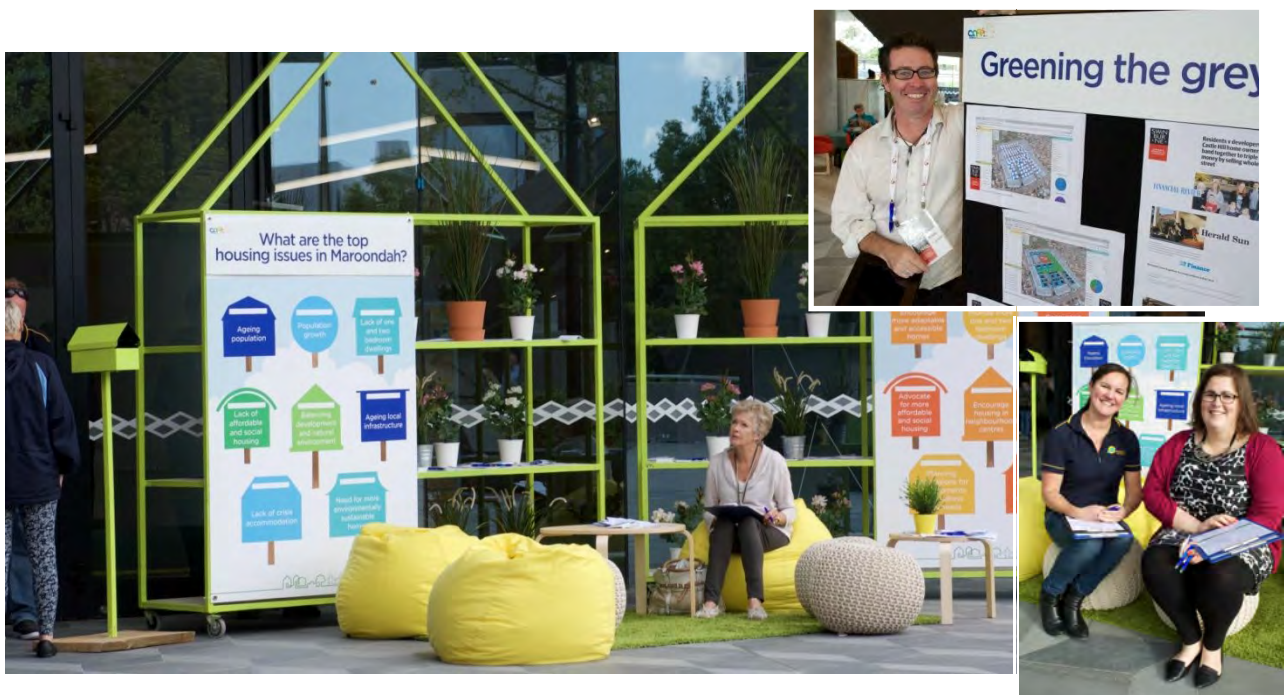


Ringwood Open House

The Ringwood open house event was held on 13-14 November 2015 at Realm in the new Ringwood Town Square adjacent to Eastland. A 'pop-up' lounge room was setup in the Square with beanbags and coffee tables to create interest and engage community members on housing issues and how they could be addressed.

For both events, Council officers and researchers from Swinburne University sought the views of community members on issues including the importance of infrastructure/amenities relative to where people live, a survey to identify the most pressing housing issues and preferred policy responses in Maroondah, and the 'Greening the Greyfields' initiative, whereby lots are assembled in established residential areas to achieve superior outcomes.

Through these open house engagement events, a total of 402 community members participated in the issues and policy options survey, 281 participated in the infrastructure and amenity activity and over 140 were engaged in discussions on the 'Greening the Greyfields' initiative.



Online Survey

In addition to the face-to-face activities, an online survey was prepared to target those who could not attend the open house events, or who wanted to provide additional, more detailed feedback.

The interactive and visual survey asked community members to rank their top five current housing needs and their top five future housing needs from a predefined list of nine options.

Demographic information of participants was also collected. The interactive online survey was live from 27 October until 30 November 2015 and accessed via Council's website or a project specific website address. A total of 115 community members participated in this online survey.

What are the key issues?

Maroondah is a predominantly residential municipality that was developed in the 1950s. There has been a relatively consistent annual rate of growth of 0.9% per annum which is consistent with the average for the Greater Melbourne metropolitan area. In the period 2003 to 2013 the population of Maroondah increased from around 102,000 to 109,500 (Housing Demand Study, Spatial Economics, April 2015). There have been areas identified for higher density housing, being the Ringwood and Croydon Activity Centres and areas identified for low density housing along prominent ridgelines, being the Loughnan-Warranwood Ridge and the Wicklow Hills Ridge.

Given that much of the housing was developed mid-last century, a significant portion of the housing stock is nearing the end of its useful life, or in some cases has already been redeveloped. The original lot layouts were large and based on the population densities of the time. Maroondah is now entering the next phase in its history, where population growth, changing demographics and ageing housing stock are bringing about a new phase of change.

Small households are growing the fastest with lone person and couple families without children households contributing the majority of extra households in Maroondah. It is forecast that there will be a demand across Maroondah as a whole for a 1.0% average annual growth in private residential dwellings from 2011 to 2041. This equates to 499 dwellings per annum or a total dwelling requirement of 14,970. There will continue to be a shift away from the traditional detached housing form to higher density townhouses and apartments.

Maroondah's house prices have consistently followed metropolitan Melbourne's house price trends over the period back to 1985, although in recent years prices for houses have moved from just below to slightly above the Melbourne median to 7.1% per annum (Housing Demand Study, Spatial Economics, April 2015). It is considered that this recent price disparity has the potential to be further exacerbated over-time, therefore compounding the existing housing affordability issues.

Since 1997, Maroondah's population has changed. We're growing older and becoming smaller person households. We are also more diverse, educated, affluent and increasingly moving into medium density housing. Housing has also become more expensive making it harder for some to remain within the area.

Maroondah effectively operates a polycentric model of development, whereby the municipality and wider region is served by a hierarchy of centres. The Ringwood Metropolitan Activity Centre (MAC) is one of 11 MACs around Melbourne, including locations such as Box Hill, Dandenong, Epping and Sunshine. MACs are second only to Melbourne CBD on the Plan Melbourne hierarchy and serve a sub-regional catchment. Much of the medium density development that has occurred in Maroondah over the last 10 years has occurred in the Ringwood MAC.

Following the Ringwood MAC, Croydon, a Major Activity Centre, is next on the hierarchy, followed by Ringwood East and Heathmont, which are Neighbourhood Activity centres. While some medium density housing has taken place in Croydon, it has largely yet to trickle down to neighbourhood or local centres, such as Burnt Bridge, Ringwood North, Canterbury Gardens, or Maroondah Village. While these locations will cater for a different market and demographic to the Ringwood MAC, the ageing and changing population is creating demand for innovative forms of development, close to existing services.

Balancing development and the natural environment, managing population growth, and the lack of affordable and social housing emerged from the consultations as the highest priority issues. Protecting and enhancing vegetation and the tree canopy, ridgelines and landscapes was identified as the highest community priorities in addressing these issues. This was followed by encouraging high quality and innovative development, and advocacy for more affordable and social housing.

Priority housing issues in Maroondah

Issue	Respondents rating issue in top three (%)
Balancing development and the natural environment	53%
Population growth	23%
Lack of affordable and social housing	44%
Need for more sustainable homes	41%
Ageing population	33%
Ageing local infrastructure	28%
Lack of crisis accommodation	18%
Lack of one and two bedroom dwellings	15%

Whilst the issue of balancing development and the natural environment was the highest priority issue overall, this issue was most important to participants aged 50-84 and those who have lived in Maroondah for at least 5 years.

The issue of population growth was most important for participants aged between 18-49 and those over the age of 70. It was seen as much less important by those who had only recently moved into Maroondah.

The lack of affordable and social housing was particularly seen as an issue for participants aged 12 to 24, those who were renting and those who identified as single.

“Providing housing should not just be about minimising how much we upset nature, it should also be about how we provide housing that enhances people’s contact with nature”

Neighbourhood and Environmental Focus Group, 21 October 2015

Priority responses to address housing issues

Approach	Respondents rating approach in top three (%)
Protect and enhance our vegetation, ridgelines and landscapes	56%
Advocate for more affordable & social housing	44%
Encourage high quality and innovative development	43%
Encourage renewal of older housing	40%
Encourage more adaptable and accessible homes	38%
Planning concessions for developments that address local needs	32%
Provide more one and two bedroom dwellings	20%
Encourage housing in neighbourhood centres	12%

Protecting and enhancing our vegetation, ridgelines and landscapes was seen as a particularly important response for participants aged over 60 years, those who have lived in Maroondah for a long time and those living in either Ringwood East or Heathmont.

Advocating for more affordable and social housing was considered very important for participants aged 12 to 34, those who are single and those who are renting.

The concept of encouraging high quality and innovative development was strongly supported by participants aged 25 to 49, those identifying as couples with children and those who have lived in Maroondah for between 1-5 years.

More information on community views relating to housing issues and options can be found in the Housing Strategy Community Engagement Report available online at: www.maroondah.vic.gov.au

Challenges and Opportunities

Liveability is the most important factor in housing in Maroondah. We want the places we live to be liveable.

Liveability is based on the concept of sustainable communities. The Green Building Council of Australia defines a sustainable community as one that “embodies the principles of sustainable development, respecting ecological limits and natural resource constraints, encouraging prosperity and well-being while optimising conditions for human development”.

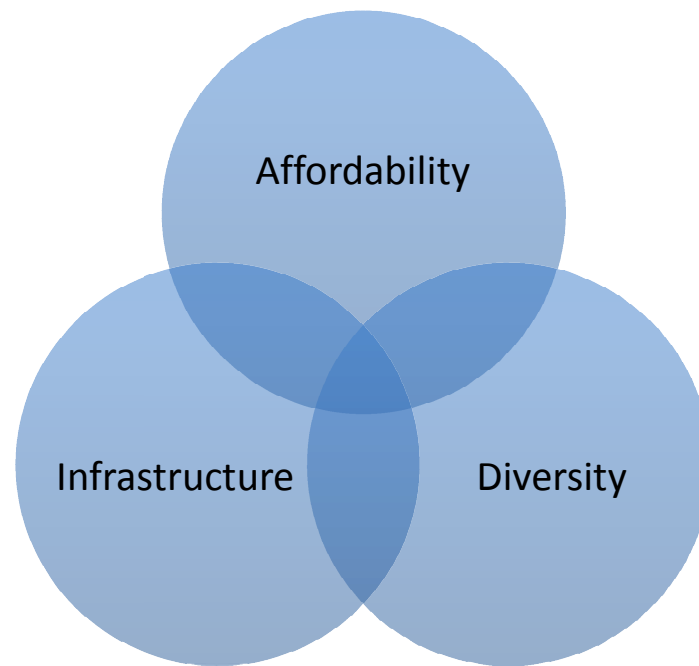
The places we live should be diverse, comfortable, accessible and affordable and have a reduced environmental footprint. Sustainable communities protect and enhance the local and natural environment. They encourage people to be healthy, participate in community life and lifestyles and help people to feel more connected socially and to the natural environment.

The places we live and the housing we occupy greatly affects our wellbeing. Our wellbeing is informed by our ability to realise our potential, enjoy our environment, work or study meaningfully and contribute to our community. Good housing offers a stable foundation from which to build a home, a place that should provide shelter, security, space for family life, privacy, identity, and development. Having a home enables us to develop other aspects of our lives, including education and employment. Given the impact that obtaining suitable housing and building a home has on education and employment prospects, it has a fundamental knock-on effect on society and the economy. A lack of a home, or homelessness, greatly reduces peoples’ potential to be productive in the community and the economy.

Biodiversity, canopy cover and a treed, green and leafy environment are highly valued by the community. Some of the issues to be addressed by new housing in general and particularly by higher density housing are: loss of vegetation and habitat; habitat fragmentation and species extinction; adequate provision of private and public open space; assessment of adequate access to sunlight; disconnection with nature; balance between desired tree canopy and tree species suited to various housing densities.

The development pressures that are currently being experienced as a result of population and demographic change as well as increases in land prices can also represent opportunities to improve liveability. This includes the potential for exemplar environmentally sustainable developments, an uplift in economic activity and local employment options as well as opportunities to fast track infrastructure development, such as the National Broadband Network (NBN).

To help the places we live in to be more liveable, the Housing Strategy needs to address issues associated with affordability, diversity and infrastructure.



Affordability

- Ageing population
- New and diverse housing stock in specific locations
- One and two bedroom housing
- Population growth
- Social Housing
- Affordable Housing
- Gentrification
- Increase in homelessness
- Lack of crisis accommodation

Diversity

- Ageing in place
- Capacity, identifying areas for increased densities
- Housing stock/typology
- Accessible housing stock
- Household demographics/formation
- Population growth

Infrastructure

- Sustainable design
- Improving electricity network reliability
- Maximising alternative water sources
- Green infrastructure to assist with heat waves and the heat island effect
- Equitable access to good transport
- Drainage
- Healthy communities
- Population growth
- Underutilised Public Land

Creating more housing diversity and choice

Maroondah has a small number of development hot-spots, but planning controls over the great majority of the municipality are geared towards the preservation of existing housing form, amenity and values. This is not surprising, as it is in keeping with the State Government's residential zone reforms, initiated in 2014 and has been supported by the local community.

However, it is clear from the evidence base that the housing needs of the Maroondah are rapidly diversifying as the community ages, and as wider societal shifts, including increasing prevalence of single person households and the rise of 'blended families', take hold.

It is debatable whether a small cluster of development hotspots can accommodate this diversified demand, while leaving the majority of Maroondah in a state of minimal change.

The advice from CKC is particularly pertinent in this regard. Their report calls for more distributed growth nodes to facilitate continued provision of scattered small scale infill projects undertaken by *'Mum and Dad'* investors. Council should consider this carefully.

Issues related to diversity were strongly identified by respondents to the issues and policy options survey as part of the community engagement process. Issues of housing diversity were discussed as part of the stakeholder focus groups. Local stakeholders identified that housing diversity is not just about population ageing but also responding to a diversity of needs. As such, housing must be more flexible and adaptable for the different needs of families over time. The housing needs online survey also reflected the importance of diverse range housing to address the needs of an ageing population and different lifestages.

Contributing to affordable housing

As discussed in the research reports, it is important to distinguish between the issues of 'housing affordability' and 'affordable housing'. The former relates to the general affordability of housing, including access to home ownership, for the broader population. Meanwhile, 'affordable housing' refers to the availability of secure and appropriate housing for those in the bottom two quintiles in the income distribution.

Council has an important role in housing affordability, as it effectively controls the supply of development sites through the planning scheme. This power must be used wisely to ensure a competitive housing market while balancing community expectations of amenity protection.

While the planning scheme gives Council a tool to influence affordability, Council's role in the provision of affordable housing is relatively limited. Typically, State and Commonwealth Governments carry the major burden of supplying non-market housing and income support. Nevertheless, Council can make a significant contribution if it recognises this need in the community.

Some Councils, for example, Port Phillip and Yarra, invest directly in affordable housing through registered Housing Associations and Providers.

Council may also consider development of an inclusionary zoning scheme for the City. There are strong arguments for the inclusion of a minimum amount of affordable housing in all neighbourhoods, as this contributes to community sustainability.

It is important that this (and other issues) are addressed across Council in an integrated way, in order to respond to issues of liveability as well as affordability. Changes to housing policy need to be considered in light of the integrated planning of Council and other services and should consider everything from education provision, to community infrastructure and facilities, transportation, ageing and healthy living initiatives, as well as

Council's capital works program. Housing not only needs to be affordable, it needs to be sensitive to the receiving environment, be flexible and resilient.

The community prominently identified issues associated with affordability as key priorities as part of the issues and policy options survey. The perceived lack of both affordable and social housing in Maroondah was the third most prominent housing issue identified by respondents. Affordability was a prominent topic as part of the stakeholder focus group discussions. Local stakeholders identified that there is a need to promote the role and affordability of the rental sector with higher levels of Governments and consider other international models of housing where the rental sector is more viable and affordable. The current and future needs online survey also confirmed that affordability is seen as a current priority by community members, as well as a future priority. Price and affordability was the third highest ranked current housing need and the third highest ranked future housing need by respondents.

Transitioning to more sustainable neighbourhoods

Maroondah has a relatively mature housing stock. Aside from redevelopment hot spots, such as Ringwood and Croydon, significant re-investment can be expected to occur in housing across all neighbourhoods as dwellings and their components reach obsolescence.

This redevelopment/renovation process presents an opportunity to reconfigure neighbourhoods for greater environmental sustainability, through, for example, distributed water harvesting and recycling systems and comprehensive installation of solar and other renewable energy sources.

This will require a highly connected up approach to infrastructure planning, building approvals and infrastructure contributions. Without deliberate steps in this direction, a business as usual approach will see a lock in of current less than sustainable infrastructure systems for another 50 years – the general lifespan of a residential building.

Infrastructure was identified as an issue for consideration by key stakeholders during focus group discussions. Participants said that the development of the Ringwood Metropolitan Activity Centre presents significant opportunities for Maroondah. Other activity centres with railway stations are also important for accessing services, however, it was viewed that many of these local shopping strips need renewal and may be suitable for some future housing development. The importance of infrastructure and amenity to housing need was very prominently expressed by the community.

Access to public transport amenities including buses and trains was seen as the greatest overall priority in the online survey for both current and future housing needs. Also important was the 'closeness to local shops, parks and playgrounds' as the second highest overall priority for both current and future housing needs.

The services and facilities engagement activity further confirmed that access to transport services and facilities was the community's highest priority with most respondents wanting these amenities within a 5-10 minute travel distance from their home. Retail amenities received the second highest number of responses with a considerable majority of respondents preferring to live within 10 minutes of local shopping strips and neighbourhood centres. Sporting and leisure facilities was the third highest priority with respondents willing to travel further to access large parks and aquatic and leisure centres compared with small parks.

More information on community views relating to housing issues, policy options, services and amenities, and housing needs can be found in the Housing Strategy Community Engagement Report available online at: www.maroondah.vic.gov.au

What are the options?

Key directions

1. Advance the core planning framework as provided by the 1997 Housing Strategy
2. Implement the Maroondah 2040 Vision key directions for attractive, thriving and well built and the Active and Healthy Ageing Initiative
3. Set a target for new residential development to be within activity centres of Ringwood, Croydon, Ringwood East and Heathmont by 2040
4. Encourage greater development in lower order neighbourhood activity centres and shop top housing in smaller strip shopping areas to accommodate residential growth
5. Review the reformed residential zones and any unintended consequences of the new zones
6. Work with DELWP and Swinburne University on the idea within Plan Melbourne Refresh and Greening the Greyfields to deliver better development outcomes than existing subdivisions
7. Develop planning concessions to increase community benefits such as affordable or social housing, open space, off street parking or design excellence
8. Strengthen the Local Planning Policy Framework to enhance liveable and adaptable houses, stormwater re-use and ESD, affordable and social housing, diverse housing stock and Greening the Greyfields
9. Advocate to State and Federal Governments on affordable and social housing

Direction 1 – Advance the core planning framework as provided by the 1997 Housing Strategy

Why is this important?

Council balances a broad number of strategic planning objectives included within the Municipal Strategic Statement including transport, accessibility, heritage, open space, retail and commercial activity, industrial land use that balance with increasing need for residential development of housing that is diverse and affordable.

There are three guiding principles of the Maroondah Planning Scheme

1. Ringwood and Croydon Activity Centres
 - Accessible to public transport and shops
 - Increase in focus of apartment style development
2. Wicklow Hills and Loughnan Warranwood ridgelines
 - Subdivision restrictions of 864m² and 2000m²
 - Tree and Canopy cover controls
3. Neighbourhood character and amenity
 - Residential development outside the Ringwood and Croydon Activity Centres
 - Residential 1 Zone – Schedule Variations
 - Industrial and smaller commercial development

Plan Melbourne

The Plan Melbourne Refresh Discussion Paper (October 2015) addresses issues relating to the location of new residential development. At a broader level, it encourages a focus on existing suburbs to accommodate the greater share of the growth, as compared with the growth areas. It also makes reference to clarifying locations that support population growth and new housing (Section 5.3, page 52). Greyfield renewal is discussed and supported (page 57) along with an objective to investigate the planning scheme mechanisms that can be used to achieve the coordinated and sustainable renewal of suburbs.

What did the community say?

The focus groups...

The community focus groups demonstrated strong support for the existing subdivision restrictions and protection of ridgelines, but expressed concerns about the potential for Council to become pseudo architects and stymieing innovation. Protecting and enhancing vegetation, ridgelines and landscapes emerged as the highest priority issue overall throughout the engagement activities.

The focus group held with representatives from real estate and the development industry indicated that they expect an increase in demand for medium density housing in Ringwood as the range of services and amenities improves. The group commented on a shortage of quality three bedroom apartments and good quality medium density housing. The group agreed that there should be an emphasis on higher density development in proximity to railway stations and to a lesser extent around urban villages, such as Ringwood North. Land adjacent to the Maroondah Highway was also seen as a preferred location for future residential development.

The online survey...

Of the 115 community members who participated in the online survey, “*closeness to public transport including buses and train stations*” and “*closeness to local shops, parks and playgrounds*” were respectively ranked as the first and second most important current housing issues. These were also ranked as the top two most important future housing issues. This would seem to support the current approach identified in the Maroondah Planning Scheme and the 1997 Housing Strategy to directing new housing towards activity centres with train stations and/or good access to bus routes.

Community open house events...

“*Balancing development and the natural environment*” was ranked as the number one issue by respondents, with 53% listing it amongst their ‘top three’ issues. In terms of ways to address the eight issues listed, “*Protect and enhance our vegetation, ridgelines and landscapes*” was ranked number one, with 56% of respondents listing it in their ‘top three’. This supports the current approach identified in the Maroondah Planning Scheme and the 1997 Housing Strategy to protect ridgelines and restrict development in biologically sensitive areas.

Support was also expressed for centralising apartment living around train stations and activity centres. However, when it came to prioritising responses to housing issues, only 12% of respondents listed “*Encourage housing in neighbourhood centres*” as a ‘top three’ issue. This policy response was seen as particularly important for respondents aged 50-59 and residents living in Kilsyth South. It was seen as much less important by young adults aged 18-24 years and residents who have lived in Maroondah for less than one year.

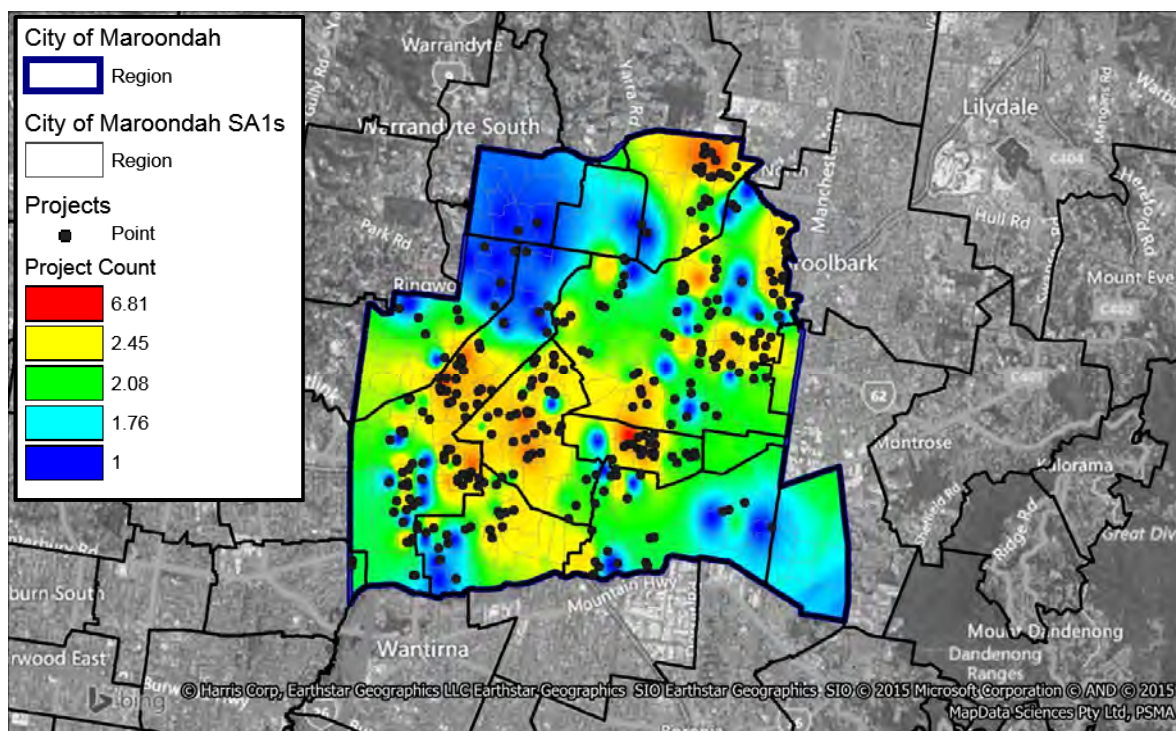
What does the evidence tell us?

The Ringwood and Croydon Activity Centres have long been the focus of Council policy objectives to deliver higher density housing. However, as Charter observe in their Housing Supply Paper (May 2015), housing market activity not only occurs in locations supported by planning policy but also happens opportunistically throughout the municipality in areas not explicitly supported for new development.

Charter identifies the importance of understanding development:

“Spatial analysis of key areas of market activity allows Council to consider how statutory and strategic controls (within Council’s influence) can be tailored to incentivise development activity (measures that Council can take to promote/facilitate private sector development), while also balancing Council’s competing objectives”.

The figure below from the Charter Keck Cramer Housing Supply Report provides the following development intensity mapping:



Intensity of New Housing Projects – Maroondah LGA (2013-14), Charter Keck Cramer, 2015

Charter notes the following from this mapping:

1. The dispersed nature of housing activity across the LGA is reflective of the small-scale and opportunistic form of development, often initiated by landowners rather than developers;
2. The demonstrated ability for planning controls to provide for and limit development activity in areas of community importance such as Warranwood and along the Ridgeline; and
3. The presence of a number of key local development nodes that may not be currently identified as places of strategic importance in the Maroondah planning scheme.

As noted by Charter, Council’s planning controls to limit development within the Wicklow Hills Ridge and the Loughnan-Warranwood Ridge has been successful. These ridgelines physically dominate the municipality and have a prominent role in defining the environmental significance due to the unique flora and fauna characteristics and the extensive coverage of natural bushland and large canopy trees.

Noting the spatial distribution of development, Charter encourage consideration of enabling housing supply where there is expressed demand, as this will maximise opportunities for housing diversity and affordability.

In relation to housing demand and affordability, Spatial Economics (Housing Demand Study, May 2015) states that:

“Housing affordability is likely to be ‘push and pull’ factors in population migration to and from Maroondah. Increasing housing costs elsewhere across Melbourne will likely pull population to Maroondah (based on relative affordability), in the same context rising housing costs within Maroondah are likely to push certain population groups out of the municipality.”

In relation to the municipality's changing demographics and household types, Spatial Economics state that:

"All household types will grow strongly particularly lone person and single parent families. However due to their significant current numbers and projected growth rate, there will be a significant increase in Couple Families with children households. This household type typically desires housing with higher levels of space (internal and external). Within Maroondah the land supply available for this type of housing is effectively fixed.

The significant rate of growth of lone person households will likely see rise in the demand for smaller and affordably priced dwellings. This trend is compounded by the ageing of the population, which leads to higher proportions of one and two person households."

In order to assist with the analysis of housing requirements, the Spatial Economics report defines eight housing market areas based on the local housing market, zoning, administrative boundaries and topography, as follows:

- Ringwood
- Croydon
- Croydon North
- Croydon South
- Maroondah North
- Maroondah Central
- Maroondah South West
- Maroondah South East

The report states in relation to Household and Dwelling projections by Housing Market Area:

"There is forecast to be high growth in the housing markets focussed in key activity centres. The location and type of growth in these areas are well defined in Council's planning strategies.

However, there is still significant growth expected in the other housing markets and Council needs to be clear about the type of outcomes that are desired in these areas and to how to provide for acceptable types and levels of growth in these areas.

Realisable supply opportunities will ultimately direct the rate and quantum of population/household growth by housing market area".

This analysis accords with Charter's comments about the spatial distribution of new housing development.

Spatial Economics go on to explore specific actions which Council could undertake to help the overall projected demand for housing to be met. The report suggests that through its revised housing strategy, Council could help create confidence in the housing construction sector through clear, well defined planning including by:

1. Articulating clear goals for the location, type and quantum of additional housing stock;
2. Seeking to reduce or remove impediments to the market delivering new housing stock that is aligned to council's overall strategic goals, and
3. Working with the development industry to identify housing opportunities that achieve multiple goals, such as increasing overall stock while enabling some social or special needs housing provision.

The way forward

The preferred option is to continue to advance the core planning framework as provided by the 1997 Housing Strategy. The importance of our natural environmental qualities continue to be a highly valued characteristic of the Municipality and as we experience an increasing population these areas are critical in contributing towards Maroondah's liveability.

The planning framework, however does need to change to increase housing opportunities in relation to affordability and diversity. The framework will need to allow for the concentration of growth in lower order activity centres, greening the greyfields and encouraging medium density housing in the Ringwood Housing Market area.

How can we make this happen?

- Update the Maroondah Strategic Framework Plan to identify the potential to encourage medium density housing within the Ringwood Housing Market Area.
- Include the principles associated with Greening the Greyfields to encourage this type of development.
- Development around activity centres - Investigate the designation of new Neighbourhood Activity Centres (NACs) at existing local centres such as Burnt Bridge, Canterbury Gardens, Ringwood North and Maroondah Village. Ensure that no Neighbourhood Residential Zone is located within 400m of activity centres or train stations.
- Concentration of growth - expand the proportion of the municipality that is designated as a Neighbourhood Residential Zone. This would restrict development that could take place in some existing general residential zone (GRZ) areas and concentrate investment and redevelopment in the remaining GRZ locations.
- Greening the Greyfields - Apply a Development Plan Overlay (DPO) to a defined area that only permits redevelopment on sites of a given size. This would require land assembly to take place before redevelopment could occur. The DPO could also specify that a given percentage of the redevelopment site is used for open space, use of shared parking, etc.
- Where required review Maroondah's existing structure plans to ensure the level of development permitted is appropriate in light of population growth.

Direction 2 – Implement the Maroondah 2040 Vision key directions and supporting strategies and plans (e.g. Active and Healthy Ageing Initiative, Health and Wellbeing Strategy, Water Sensitive City Strategy)

Why is this important?

Maroondah 2040: Our future together

The Maroondah 2040 Community Vision captures the aspirations, desires, dreams, and priorities of the community looking ahead to the year 2040 and beyond.

This long term vision provides a ‘roadmap’ for the community, Council and other levels of government to partner together and create a future that enhances Maroondah as a great place to live, work, play and visit.

The Vision provides a blueprint for the future of Maroondah that reflects the aspirations and hopes of our community.

Our community vision is:

In 2040, Maroondah will be a vibrant and diverse city with a healthy and active community, living in green leafy neighbourhoods which are connected to thriving and accessible activity centres contributing to a prosperous economy within a safe, inclusive and sustainable environment.

From the community vision engagement process, a number of preferred future outcomes have been identified as community priorities looking ahead to the year 2040 and beyond.

These future outcomes will drive our shared vision:

Safe, healthy and active

Maroondah is a safe, healthy and active community with local opportunities provided for people of all ages and abilities to have high levels of social, emotional and physical wellbeing.

Accessible and connected

Maroondah is an accessible community for all ages and abilities with walkable neighbourhoods, effective on and off-road transport networks, and access to a range of sustainable transport options.

Prosperous and learning

Maroondah is a thriving centre of economic activity and opportunity within the eastern region where the sustainability and growth of local businesses is supported. All community members, groups, education providers and local businesses have access to a wide range of quality learning resources and facilities.

Attractive, thriving and well built

Maroondah is an attractive community with high quality residential and commercial areas incorporating infrastructure that meets the needs and aspirations of all ages and abilities. A diverse range of housing options are available and thriving activity centres provide a broad range of facilities and services to meet community needs.

Vibrant and culturally rich

Maroondah is a creative cosmopolitan community recognised for its celebration and promotion of arts and culture. There are a broad range of engaging entertainment options, diverse cultural activities and the creation and display of traditional and contemporary forms of art.

Inclusive and diverse

Maroondah is an inclusive community where social connections are strong across generations and diversity is embraced and celebrated.

Clean, green and sustainable

Maroondah is a green leafy community with high levels of waste diversion and sustainable approaches to infrastructure development, urban design and management of natural resources. Our community is resilient and has the knowledge, capacity and resources to make sustainable lifestyle choices.

Well governed and empowered

Maroondah is an empowered community that is actively engaged in Council decision making through processes that consider the needs and aspirations of all ages and population groups. Council provides strong and responsive leadership, ensures transparency, while working with the community to advocate for and 'champion' local needs.



Maroondah 2040 Strategic Framework, 2014

The Active and Healthy Ageing Initiative

“An age-friendly city encourages active ageing by optimising opportunities for participation, health and security in order to enhance the quality of life as people age in our community.

Local governments that plan and take action to accommodate the changing needs of older residents can ensure that their communities remain attractive places to live with features that not only benefit seniors but support the health, safety and participation of residents of all ages.

According to the World Health Organisation (WHO) there are eight age-friendly domains that influence the health and quality of life of people as they age:

1. Outdoor spaces and buildings
2. Transportation
3. Housing
4. Social participation
5. Respect and social inclusion
6. Civic participation and employment
7. Communication and information
8. Community support and health services

Of the above domains, it is worth noting that in Maroondah, housing is the lowest ranked domain. Making our community age-friendly not only supports active and healthy ageing, it also creates sustainable, healthy communities that benefit everyone.”

In relation to housing the Active and Healthy Ageing Initiative states:

“The initiatives reflect our community’s desire to continue living in Maroondah but having access to housing stock that suits their changing needs whilst still ensuring that facilities and amenities are conveniently located and accessible so that they can continue to actively participate in all aspects of Maroondah life. Decreased mobility and confidence as people age requires considerations and encouragement towards more flexible and adaptable housing options based on universal design principles that are conveniently located.”

The Australian Government Department of Industry has produced *‘Housing of the future: The liveable and adaptable house guide’*. The design of flexible volume housing, enable housing to adjust to changing needs over time. These needs might be an expanding family, the onset of old age, or the need to upgrade technology. Flexible housing has social benefits where the house can easily adapt to suit the different life stages of the household.

“When building a new home, many residents anticipate spending a number of years, if not decades, living in it. Others may conceive a shorter stay. Whatever the intention, any new home is likely to have to accommodate changing needs over its lifetime. A liveable and adaptable house is one that is able to respond effectively to these needs without requiring costly and energy intensive alterations.”

Plan Melbourne

Many of the areas covered in the Maroondah 2040 Community Vision are also supported in Plan Melbourne and the Plan Melbourne Refresh discussion paper. Age-friendly urban design initiatives are referenced under the 20-minute neighbourhoods section of the Plan Melbourne Refresh (page 21). Distinctive, attractive places with less noise and pollution and a move away from car-dominated centres generate opportunities for improved liveability and health, according to the document.

What did the community say?

The vision for Maroondah set out in the 2040 document was generally well supported by the community through the community consultation activities that were held during the preparation of that document. Further consultation on the issues has revealed as follows:

The focus groups...

The community consultation report prepared by Spatial Economics addresses the issue of ageing and aged care. These issues featured particularly in the second focus group, which was conducted with community and service organisation groups as well as the session conducted with the community groups themselves. Issues discussed included the numbers of people who will need to cut back on their working commitments to care for ageing relatives, the cost of aged care and the lack of appropriate accommodation. The importance of being able to age within your own community, rather than having to move to accommodation in an area where people have no social connections, or established relationships with medical and social services were considered important.

Attendees at the community focus group stressed the value of constructing flexible housing that can be adapted to the needs of residents as they age. A lack of home care was also seen as a key issue, with attendees commenting that many more older people could remain in their own home if more in-home assistance was available.

The focus group held with the development industry also addressed the ageing population. This group discussed the difficulties associated with finding appropriate land for aged care housing given the site requirements.

One participant spoke about the reluctance of many older people to downsize. Another stated that many older people would be prepared to downsize, if they could remain in the same area where they have established relationships. More spacious, three bedroom apartments were seen as a way for apartment living to appeal to older people.

The online survey...

Respondents to the online survey listed “whether the house can be adapted for ageing or future life stages” as priority seven out of nine current housing issues. When considering future housing needs, the issue increased in importance to fifth place.

Community open house events...

When prioritising the most important housing issues facing Maroondah, respondents at the open house events ranked the “ageing population” in fifth place of the possible eight issues (33% of respondents ranked it as top three priority). In terms of actions to address the eight issues listed, “encourage more adaptable and accessible homes” was also ranked fifth amongst the eight possibilities (38% ranked it as top three action).



What does the evidence tell us?

The Spatial Economics report states that *“In the City of Maroondah in the last year there were approximately 400 new dwellings constructed but over 2,000 residential property sales and over 2,000 new rentals completed.”*

The report goes to state that:

“The largest growth by number in the type of household over this period for Melbourne was in the Couple family with no children group growing by nearly 67,000 households. Lone person and Group households also grew strongly. However, Couple family with children remains the largest group and continues to grow steadily. This suggests that demand into the future will be diverse.”

While there is a significant quantity of new dwellings being brought to the market, ensuring that new housing supports health and wellbeing requires careful consideration of the types of housing being constructed.

In their report, Charter undertook a product analysis, which considers the type of new housing products within each new development, which assists in understanding the type of housing being delivered within the Maroondah housing market. Charter stated that:

“the dominance of double storey townhouses is providing a generic medium density housing type. Greater diversity in dwelling type is required to meet the needs of Maroondah’s population, including the aged cohort.”

Spatial Economics further identifies that:

“Between 2001 and 2011 medium and high density housing grew at more than twice the rate of separate houses although separate houses (137,000) was still larger than townhouses and apartments combined (108,000).

Separate house comprised 71.7% of all dwellings in 2011. Family households preferred separate houses with over 80% living in this type of dwelling.

Interestingly more than half of all lone person households live in separate houses. This can be a factor of choice or simply because there is a predominance of separate houses.

The lesson is that we cannot make simple assumptions about the demand for new dwelling stock based solely on projected household numbers or types.

Encouraging and allowing a diverse range of accessible housing stock will help ensure that specific demands of various sub-markets are met.”

Household life cycles are complex and change, Spatial Economics identify the importance of understanding the changes people make at different ages in their life for future population projections and forecasts. Spatial Economics highlight the likely life stage which the majority of households in an area are going through gives an insight into its location in the suburb life-cycle.

Spatial Economics further explain household cycles by stating “It is important to note that household changes do not necessarily require a new dwelling. Census data shows that across Melbourne around 14% of people moved to a different address in the year prior to the census and around 37% moved residence in the 2006 to 2011 inter-census period. Over the same 5 year period, housing stock only grew by about 9% or 1.7% per annum.”

Spatial Economics identify key issues for Housing Affordability and state

“Across the Maroondah municipal area, a total of 1,300 households are purchasing and in mortgage stress, representing 9% of the total households purchasing a dwelling in the municipality. Based on existing dwelling prices within Maroondah, purchasing a dwelling will result in housing stress for a household on the lowest 40% of income distribution. A likely implication, is the need for an increased supply of affordable rental dwellings and dwellings available for purchase, again in diverse forms/configurations and size to cater for the diverse household types.”

Spatial Economics identify key issues for projections for housing in Maroondah

“The Maroondah population is ageing. The fastest population growth of all age categories being in the 70 to 84 year age group, averaging around 2.3% per annum. This has implications in terms of ageing in place service delivery, the potential ‘churn’ of housing stock (i.e. older households seeking to downsize their dwellings) and the need for aged care housing (both independent and dependent housing/accommodation);

During the period covered by Council’s new housing strategy, if the pattern typically seen in other areas of Melbourne is repeated in Maroondah, we can expect to see the gradual turnover in housing stock resulting in an influx of younger households with the LGA’s age profile becoming more like the metropolitan average.”

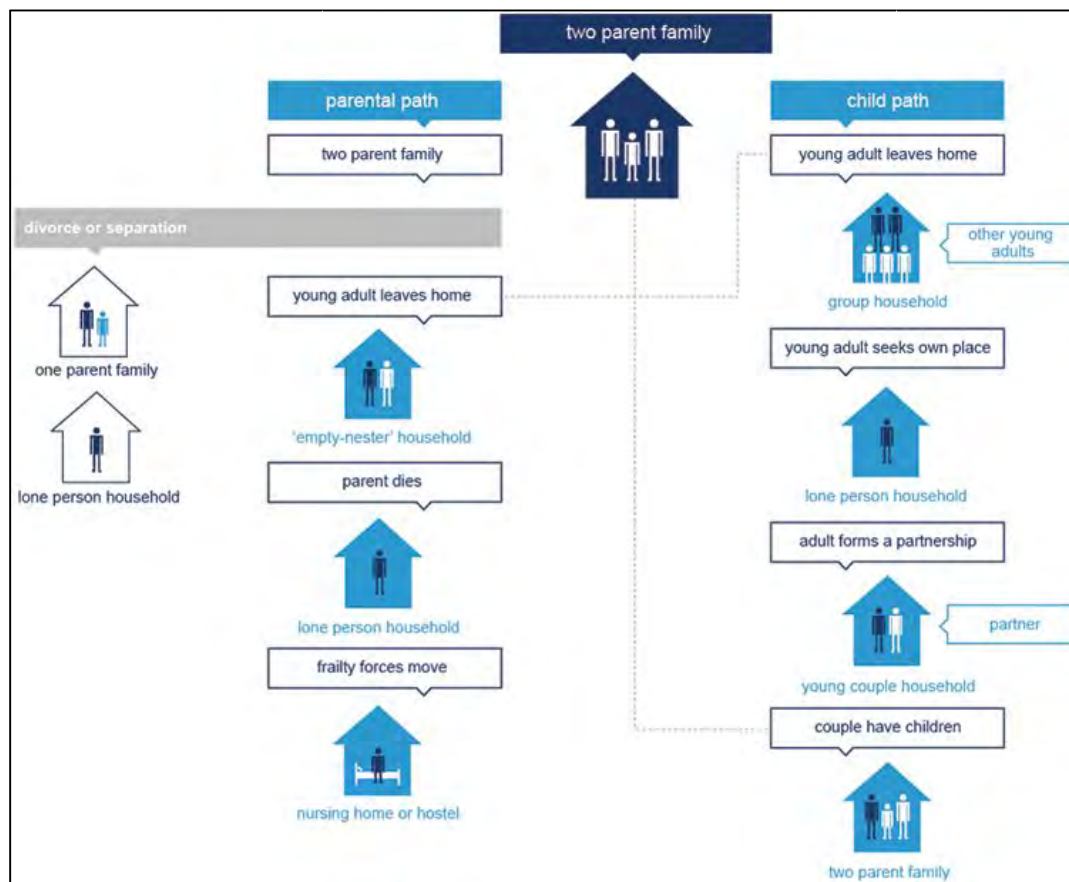
Spatial Economics identify

“Where people search for housing depends both on where households would like to live and where they can afford to purchase or rent. Housing preferences and households search patterns will therefore change over time as the characteristics of particular areas evolve and housing becomes relatively more or less expensive. Settling on long term definitions of housing markets is therefore difficult and adhering to such long term definitions can easily mislead policy and planning decisions.

A major factor in defining sub-regional housing markets is the relationship between the location of a households housing and employment. To a large extent household’s preparedness to buy in an area will depend upon the ability of household members to conveniently access their jobs – and potentially access alternative employment. In this context what is considered to be ‘convenient’ access may vary between households (lower income households often have to trade off increased travel time for more affordable housing prices) but is generally taken to be less than an hour’s commute.

For this reason locations close to major employment clusters (and especially clusters of higher income jobs) tend to attract more interest among buyers and hence higher prices. Ideally households will be able to change where they live as their income changes or as they pass through the different stages of life without having to change jobs. Planning for sub-regional housing markets should therefore provide for a diversity of housing stock and the ability of the stock to be progressively modified as household needs and preferences change.”

Spatial Economics further explain household cycles by stating “It is important to note that household changes do not necessarily require a new dwelling. Census data shows that across Melbourne around 14% of people moved to a different address in the year prior to the census and around 37% moved residence in the 2006 to 2011 inter-census period. Over the same 5 year period, housing stock only grew by about 9% or 1.7% per annum.”



Household Lifecycle Diagram, id Consulting, 2015

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During the period covered by Council's new housing strategy, if the pattern typically seen in other areas of Melbourne is repeated in Maroondah, we can expect to see the gradual turnover in housing stock resulting in an influx of younger households with the LGA's age profile becoming more like the metropolitan average.”

The way forward

The preferred option is to implement the Maroondah 2040 Vision key directions and supporting strategies and plans eg: Active and Healthy Ageing Initiative is Integrating 2040 key directions within the Municipal Strategic Statement and housing policy objectives.

Introducing the vision and objectives of the Maroondah 2040 strategy will help align the planning scheme with the objectives of the wider organisation, so that Council can better engage in integrated planning across the organisation. The introduction of objectives to address the needs of the ageing population of Maroondah is in keeping with Council's approach to being an age-friendly city.

How can we make this happen?

- Prepare a planning scheme amendment that will integrate the vision and objectives of Maroondah 2040 into the Municipal Strategic Statement (MSS). Given that the planning scheme is ultimately a land-use management tool, any changes should focus on appropriate changes to the built environment rather than broad statements that may have limited impact in practice.
- Introduce a new or updated (area appropriate) Design and Development Overlay (DDO) to outline and require age friendly urban design measures. The DDO could be applied in and around activity centres, or in areas that a demographic analysis indicates a substantial proportion of aged residents.

Direction 3 – Set a target for new residential dwellings to be within activity centres of Ringwood, Croydon, Ringwood East and Heathmont by 2040

Why is this important?

One of the biggest challenges Maroondah is facing is affordable housing. In recent years it is well documented that housing affordability has diminished and that the proportion of household income required to purchase the average house has increased substantially. House prices have consistently outpaced household income growth.

Making sure residential development in established areas such as Maroondah can be affordable is one of the challenges.

Plan Melbourne

Plan Melbourne and the Refresh document support the idea of the 20-minute neighbourhood, with a range of amenities all located within short travel distance. The concentration of development within activity centres helps to achieve this objective, as it reduces travel time and provides ready access to facilities and services. While the 20-minute neighbourhood concept applies primarily to Melbourne's approximately 900 neighbourhood centres, similar benefits can still be achieved in larger centres by concentrating housing and services within a defined geographic area. The refresh paper also supports focusing growth in key urban renewal areas and activity centres as it reduces the need to expand the metropolitan boundary to accommodate the growing population (page 24).

Plan Melbourne has established a target of 70/30 where 70% of new housing is to occur in established areas, with only 30% to be in Greenfield. This puts a lot of pressure on areas such as Maroondah to ensure that the increase in residential development within established areas is done in a targeted and strategically located manner. The emphasis on building in established areas reduces social displacement and reduces the demand for new infrastructure on the fringe. It does however place additional pressures on existing infrastructure and community services.

Research indicate that Greenfield development is reducing proportionally, so therefore development in established areas will be the focus for residential development. Greenfield development will continue to supply family housing in new suburbs and new development is typically more affordable for families.

What did the community say?

The focus groups...

Some focus group participants articulated a preference for a more managed approach to development, rather than a market-led, laissez-faire approach. There was also a consensus that central Ringwood, with ready access to transport and services, is very suitable for higher density development. That said, participants also indicated that while Ringwood needs to be a hub, other parts of Maroondah should also take their fair share of development. Areas such as Croydon, Ringwood East, Heathmont and Burnt Bridge should also be considered as they have access to services and opportunities for redevelopment. However, the natural assets of the municipality should be protected.

The focus group held with the development industry indicated support for development in Ringwood and for higher density development around train stations more generally. Opportunities for development along the Maroondah Highway should also be explored. There was also support for doing more intensive development in appropriate locations.

The online survey...

In terms of the current priorities of respondents, “whether the house has a large backyard” was ranked in joint fourth place of nine possible housing needs. When considering future housing needs, the importance of this issue was ranked to eighth. Given that the majority of new dwellings built in activity centres would be townhouse or apartment style, this may indicate a willingness to downsize over time, especially given that proximity to public transport and shops rank as high priorities.

Community open house events...

The preference of respondents for living near transport and services as well as protecting for protecting Maroondah’s natural environment may indicate that an increase in the share of new development taking place in activity centres could be supported by the existing community. However, “Encourage housing in Neighbourhood Centres” was only ranked as a top-three action by 12% of respondents, the lowest of the eight possible responses.

What does the evidence tell us?

Research indicated that between 2013 and 2014 “54% of the major residential projects identified by Charter have occurred within Activity Centres (Ringwood Metropolitan Activity Centre and Croydon Major Activity Centre) which is a positive reflection of Council’s policy objectives.”

Charter’s product analysis found that “the level of apartment activity in Ringwood is increasing the level of housing diversity and affordability within the local market.”

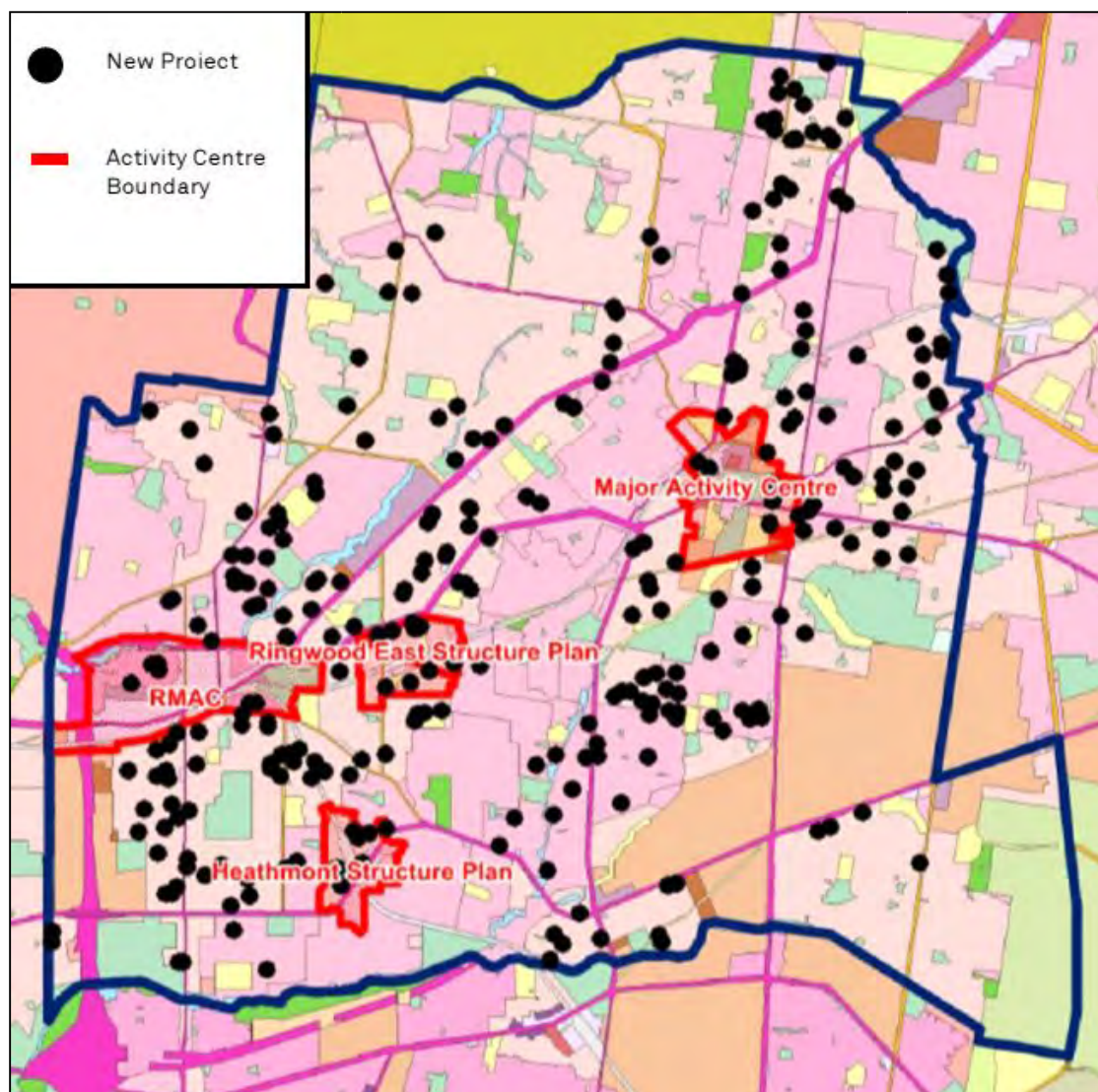
Spatial Economics research found that:

“For the period 2011-2041 it is estimated that the four activity centres within Maroondah will provide 22% of all residential construction. In recent years (2004-2012) this proportion has been only 7%. In the final years of the forecast period construction in activity centres is expected to reach 30% of all construction with a tipping point occurring post 2041 where new residential construction will jump to 40-45% of all residential construction. This significant proportional change in supply type share is primarily due to the depletion of capacity for dispersed infill.

In terms of household types there will be a significant increase in *lone person* households in Ringwood and Croydon with also a significant number of additional *couple families with dependents* forecast for Ringwood. Detailed household type projections by housing market within the municipal area of Maroondah are outlined in section 7.6.2 of the report.”

Spatial Economics went on to conclude that:

“The distribution of this forecast household growth across the municipal area, by housing market is disparate. The Croydon and Ringwood housing market areas are forecast to grow fastest (at about 1.2% per annum). The housing market areas of Croydon South, Maroondah Central and Croydon North are forecast to grow at similar rates to Maroondah as a whole at around 1.0% per annum. Whilst Maroondah North, Maroondah South East and Maroondah South West are forecast to grow at 0.6%, 0.6% and 0.8% respectively.”



All projects by Activity Centre in Maroondah (2013-2014), Charter Keck Cramer, 2015

The way forward

The preferred option is to set a target for new residential dwellings to be within the activity centres of Ringwood, Croydon, Ringwood East and Heathmont and other neighbourhood centres by 2040, increase residential development to 75%.

Encouraging development in neighbourhood centres will increase greater diversity in housing stock and provide more affordable housing options for people to live and stay in Maroondah.

Reducing the proportion of construction in established suburbs now towards activity centres will result in a greater proportion of the growing population living in close proximity to public transport options and existing services. This will in turn help to reduce reliance on the use of the private car. It will make better use of existing infrastructure investments and continue to protect what residents value most about Maroondah, including vegetation, natural assets and the tree canopy cover.

How can we make this happen?

- Introduce a stated target into the Municipal Strategic Statement (MSS). This will need to be followed up with additional policy mechanisms and a phasing schedule to manage change over time.
- Pursue place-making activities in activity centres to improve liveability, thereby improving the attractiveness of living in these areas.
- Review Council's capital investment activities to align with the proposed increase of development in activity centres.
- Introduce requirements for housing diversity in activity centres. For example, more three-bedroom apartments will make apartment living more attractive for families and downsizers.
- Invest in beautification and safety (including CPTED) measures in activity centres to improve their appeal and attractiveness to a wider range of demographics.
- Invest in age-friendly urban-design measures in activity centres, including more senior's facilities and services.
- Ensure that there are sufficient open space amenities both integrated into and within walking distance of activity centres.
- Encourage a broader range of services in activity centres, including medical. This might be achieved by designating and promoting specific medical precincts within activity centres and advocating the benefits to service providers. Any financial incentives could also be investigated and considered.
- Restrict the proliferation of uses in activity centres that might be viewed as inappropriate (e.g. bottle shops, some entertainment uses).
- Encourage the amalgamation of lots in activity centres to achieve higher yields and improved development outcomes through the application of Development Plan Overlays (DPO) or Design and Development Overlays (DDO).
- Expand the geographic extent of neighbourhood residential zones (NRZ), which will restrict housing supply outside of activity centres.
- Introduce minimum lot sizes in Neighbourhood Residential Zone (NRZ) area schedules NRZ3 and/or NRZ4. This is likely to result in less capacity in these areas and direct new supply towards activity centres (as well as General Residential Areas).

Direction 4 - Encourage greater development in lower order neighbourhood activity centres and shop top housing in smaller strip shopping areas to accommodate residential growth

Why is this important?

Council's Strategic Framework Plan, contained within Maroondah's Municipal Strategic Statement, identifies an activity centre hierarchy for Maroondah. The Ringwood Metropolitan Activity Centre and Croydon Major Activity Centre are the commercial and activity focal points. Ringwood East and Heathmont Neighbourhood Centres are next on the hierarchy and are important due to their proximity to train stations along with the commercial and civic uses provided.

There are 9 lower order neighbourhood centres identified on the Strategic Framework Plan. They are

1. Ringwood North Shopping Centre
2. McAdam Square Shopping Centre
3. Maroondah Village Shopping Centre
4. Merrindale Shopping Centre
5. Canterbury Gardens Shopping Centre
6. Burnt Bridge Shopping Centre
7. Kallay Street Shopping Centre
8. Bedford Road Shopping Centre
9. Heathmont East Shopping Centre

Plan Melbourne

Plan Melbourne refers to neighbourhood centres, whose purpose is to provide local access to local goods, services and employment opportunities. It is the responsibility of local government to designate neighbourhood centres. Neighbourhood centres are central to the 20-minute neighbourhood concept and Initiative 4.1.1 is to 'Support a Network of Vibrant Neighbourhood Centres' across Melbourne. The Plan Melbourne refresh document also supports the 20-minute neighbourhood concept.

What did the community say?

The focus groups...

Focus group participants indicated some support for locating new housing development in lower order centres. Burnt Bridge was nominated as a possible location for increased housing densities, given the proximity to services. However, the limited accessibility of some of the local centres by public transport was raised. Participants raised issues about the turnover of tenancies in local centres, buildings being bought up by landlords and then remaining empty or local businesses being priced out.

Development industry focus group participants indicated support for higher density development/ apartment type development in major centres. While the group acknowledged the increase in demand around the train stations, such as Ringwood East and Heathmont, as well as along the Maroondah Highway, higher densities around local centres were not stressed.

The online survey...

The on-line survey revealed that “closeness to public transport including buses and train stations” and “closeness to local shops, parks and playgrounds” were the two top rated issues, in terms of both current and future housing needs. The responses received from participants suggests that given the importance of these issues to current (and presumably prospective) residents, the possibility of locating more new housing in proximity to existing facilities and services should be explored.

Community open house events...

The “lack of affordable and social housing” was ranked by respondents at the open house events as third most important issue facing Maroondah. “Advocate for more affordable and social housing” was ranked as the second most important action. Given that new housing in activity centres (generally townhouses and apartments) tends to be more affordable than traditional detached dwellings in established neighbourhoods, an increase in housing around local centres could help provide more affordable housing options, while providing ready access to existing transport options and services.

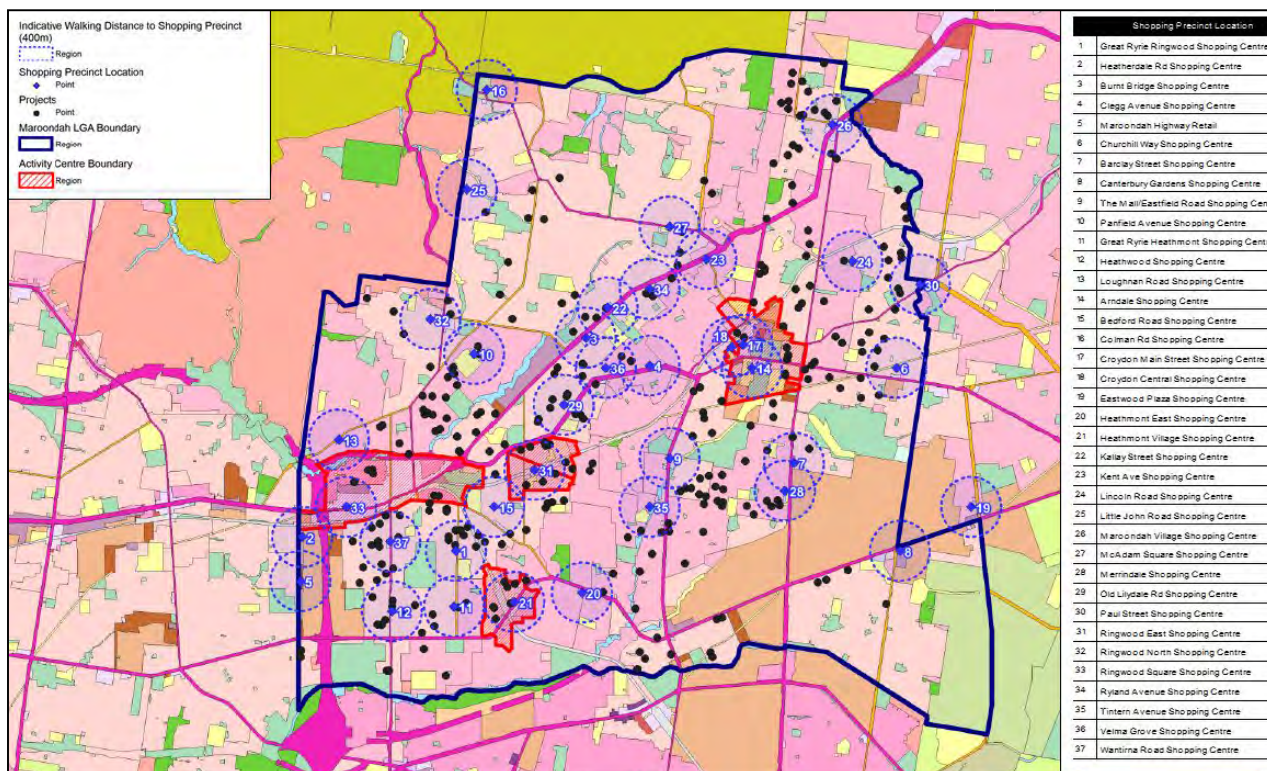
What does the evidence tell us?

Charter noted that “new supply is entering the market at the lowest quartile – 78% of all new supply is less than the established median house price for 2014. This highlights the importance of new supply in providing more affordable housing across the Maroondah LGA.”

They went on to note that “Height restrictions directly impact yield and therefore project feasibility.” There has been an increase in apartment activity in Maroondah. Charter identified that “over the last two years, 50% of new stock in Ringwood has been apartments.”

The Charter report indicates that new housing typically enters the market at a lower price point than housing in existing established areas. The expansion of medium density housing in lower order neighbourhood activity centres could therefore assist in the provision of affordable housing in the municipality. The introduction of diverse housing typologies, such as shop top housing can also help to introduce a different demographic into local centres and aid in the provision of more age friendly housing within walking distance of shops and services.

A separate peer review of this report also indicated strong support for this direction as a means to accommodate additional residential growth.



Development projects (2013-2014) and identified local shopping precincts, Charter Keck Cramer, 2015

The way forward

The preferred option is to investigate lower order activity centres that could accommodate residential growth and encourage residential development in commercial areas in smaller strip shopping centres.

The designation of additional neighbourhood centres across the municipality will enable development to proceed in a more balanced fashion, with an emphasis on smaller sized dwellings of one and two bedrooms, rather than being focused exclusively on Ringwood and Croydon.

These centres have the capability to enhance community infrastructure and facilitating additional medium density housing at these locations aid in the provision of affordable housing, close to services.

How can we make this happen?

- Investigate local shopping precincts to determine if they could accommodate additional residential development.
- Where appropriate, rezone residential land adjacent to lower order neighbourhood centres such as Maroondah Village and Canterbury Gardens to the General Residential Zone and default to the ResCode provisions.
- Develop a local planning policy to further encourage shop top housing to accommodate residential growth that accommodates smaller sized dwellings of one or two bedrooms.

Direction 5 – Review the reformed residential zones and any unintended consequences on residential development

Why is this important

In July 2013 amendments to residential zones were introduced by the State Government into the Victoria Planning Provisions. The Residential Growth Zone, General Residential Zone and the Neighbourhood Residential Zone replaced the Residential 1, 2 and 3 Zone.

An amendment was required to remove the Residential 1 Zone from the Maroondah Planning Scheme and introduce the Residential Growth Zone, General Residential Zone and the Neighbourhood Residential Zone.

Implementing the Reformed Residential Zones into the Maroondah Planning Scheme was done in alignment with Maroondah's Strategic Framework Plan alongside support from the Department of Transport, Planning and Local Infrastructure's Housing Development Data Analysis October 2013 and in accordance with the Planning Practice Note 78. Planning Practice Note 78 provides information and guidance about the purposes and features of the residential zones including how to apply them, and the options available for schedules.

When the Planning Scheme Amendment that introduced the reformed residential zones was approved by the Minister for Planning in June 2014, the approval stated:

“The future housing strategy, Municipal Strategic Statement and local policies reviews that council has committed to undertaking will further refine the application of the new residential zones to land in Maroondah. It is expected that this further work will identify additional areas to be zoned Residential Growth Zone around Croydon and Ringwood.”

Plan Melbourne

Plan Melbourne Refresh considers the role of the reformed residential zones in delivering diversity and is critical of the principle of applying a zone according to percentage (eg: implementing the NRZ across at least 50% of residential land). Plan Melbourne reiterates Practice Note 78 “which indicates that sound strategic planning is vital in implementing the zones and defines the land and built form attributes appropriate for different zones.”

Overuse of the NRZ is cautioned by Plan Melbourne Refresh, however it does identify that “over time, different densities and dwelling types will emerge in each residential zone, with higher density outcomes in the Residential Growth Zone, greater medium-density development in the General Residential Zone and low-density housing retained within the NRZ. When applied on the basis of sound strategic planning, the zones can facilitate housing diversity.”

What did the community say?

The focus groups...

The focus group held with representatives of the real estate and development industry discussed issues relating to zoning generally as well as the new residential zones. The group held strong views on the matter. One representative of the real estate industry commented that the impact could be felt in the market within a month of the new zones being implemented, with a significant change in pricing evident. Participants noted that the impact on affordability of zoning and zoning changes is not always appreciated or acknowledged by government.

The focus group held with representatives of community and service providers identified the lack of affordable and social housing as one of the key issues facing Maroondah. The impacts on individuals, families and social networks of not having access to appropriate housing was discussed in depth. The underlying zoning of land itself didn't feature in the discussion, but the extent to which the issues are interrelated should be carefully considered.

Another participant commented that NRZ had been applied across the municipality in a blanket fashion and that there are areas zoned NRZ that may be appropriate for higher density housing. In addition, the existing 864m² minimum lot size in NRZ2 areas arises from the need to accommodate septic tanks on site and is no longer relevant where access to the reticulated network is available.

The focus group held with community and environmental groups addressed a range of issues that ultimately stem from the zoning of land as well as discussing the implementation of the new residential zones. One participant expressed surprise that the issue had not been considered more broadly, rather than doing a direct zoning translation, citing areas that have been designated GRZ that they believed should have been zoned NRZ to protect existing character.

The online survey...

The comments from the real estate and development industry focus group clearly linked the reformed residential zones to the affordability issue. When considering both current and future housing needs, of the nine possibilities, respondents to the online survey ranked "price and affordability" in third place in order of importance.

Community open house events...

The "lack of affordable and social housing" was ranked as a 'top-three' issue by 44% of participants at the open house events and rated as the third most important issue overall. The extent to which the implementation of the reformed residential zones affects supply and affordability should therefore be carefully considered, as affordable and social housing is a clear priority for the community.

What does the evidence tell us?

When analysing the intensity of new housing projects in Maroondah, Charter identified development nodes. The development nodes are concentrations of medium density development activity of three dwellings or more. These development nodes were identified in 2013-14, prior to the reformed residential zones being implemented.

Spatial Economics identified how state and local governments can and do influence housing demand through planning controls. "... the high levels of population growth forecasts for metropolitan Melbourne means that housing demand pressures will be felt across the region." Demand for new housing is more likely in areas of high accessibility and amenity that are located close to transport, shops or employment.

"The housing demands of households and individuals flow across the metropolitan region from the most sought after locations until they are able to find a location with dwellings that meet their needs and capacity to pay."

"In summary, where there is housing demand driven by population growth, the development industry will seek to respond and provide some form of housing supply. The key control on this supply response is the planning system. There is a feedback loop between broad scale demand and supply and between supply and what planning policy allows. An unfettered supply is likely to cause localised social and economic problems and ultimately a community backlash. But equally controls that are too tight will cause problems of a different kind by restricting housing choice, adversely affecting housing affordability and diverting demand to adjacent areas and if pushed to extremes, limit economic growth, increase housing stress and add to homelessness.

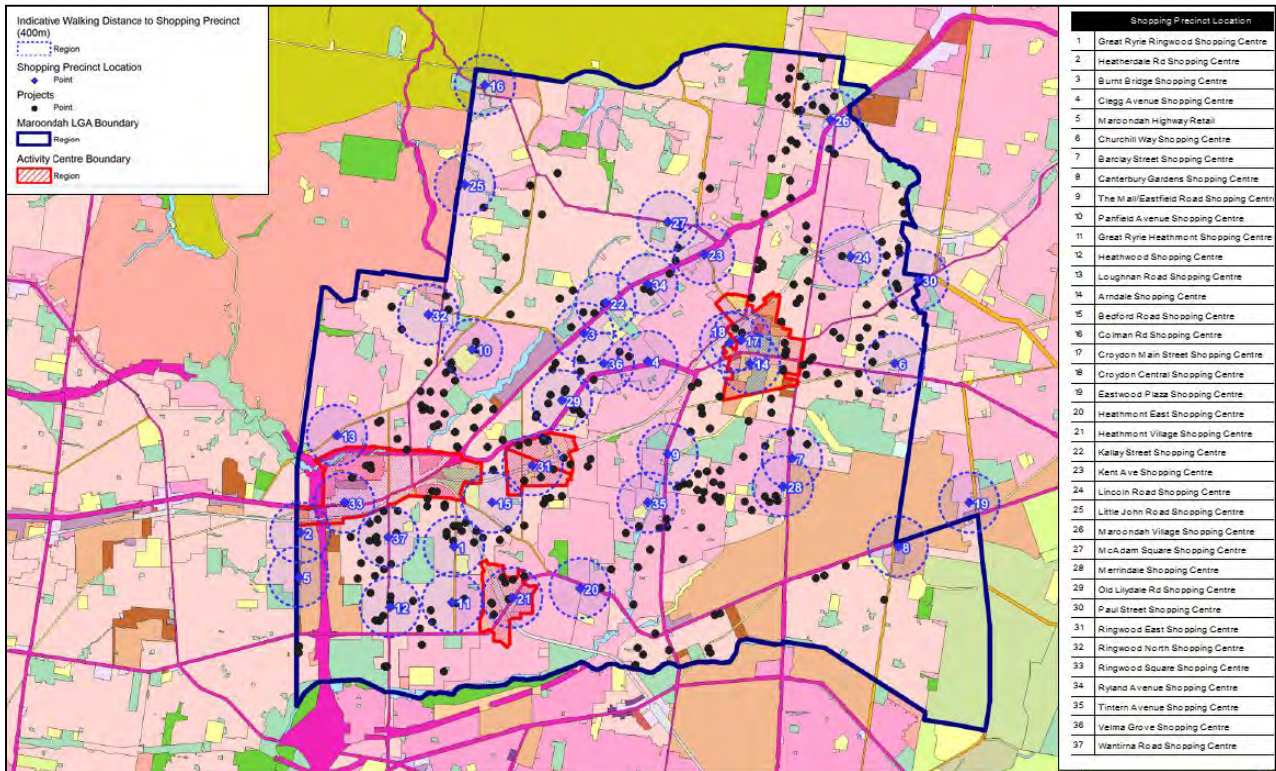
The interrelationships between demand, supply and the limitations imposed by planning policies further add to the difficulties in forecasting both demand and supply at a local level. Generally speaking demand and supply are more difficult to predict with precision, the smaller the local area is that is being considered."

In relation to the development nodes Charter states "Each is relatively well located in relation to nearby centres, and/or public transport, albeit to varying degrees. This highlights the propensity for the market to recognise locational advantage irrespective of whether these areas that are explicitly supported by planning policy to accommodate growth.

Charter highlights "Residential land that is now zoned Neighbourhood Residential Zone 3 is likely to experience a decrease in development activity due to the two dwelling maximum now imposed and the related feasibility constraints."

Charter undertook a spatial impact analysis of Maroondah's planning controls to develop an understanding the relationship between market activity and statutory planning controls. Charter states that "the full impact on the market of the New Residential Zones is not yet known" and states that "almost a quarter of new residential production was located in now NRZ areas." Charter suggests that "NRZ(3) and SLO(3) land should potentially be reviewed considering it accounts for over 26% of all new supply project activity." They state further "... land within the General Residential Zone (GRZ) and Significant Landscape Overlay (SLO4) account for over 51% of all net new dwellings within Maroondah LGA."

Charter suggest that “establishing a policy framework that is based on the identification of Urban Activity Precincts and which explicitly supports new housing will enable Council to deliver new housing that is diverse, more affordable and well located.”



Development projects (2013-2014) and identified local shopping precincts, Charter Keck Cramer, 2015

Spatial Economics describe Maroondah’s housing market,

“At a more local scale the key determinants of differentiation between housing markets are factors such as existing housing form, access to major activity centres, facilities and to transport, physical characteristics such as landform and the character of the local landscape, and administrative boundaries such as school zones. In Maroondah for example the ridge lines running through the middle of the municipality help to define different markets. Planning restrictions can often have the effect of reinforcing perceived differences in local housing markets as some local areas are more or less protected from change, including the introduction of medium/high density development.

Administrative boundaries such as school zones can have a large impact on local housing markets as parents seek to enrol their children in well regarded schools. This can be a very transient effect as schools reputations can grow and fall relatively quickly over time.”

The way forward

The preferred option is to make changes to the zones that are justified within this report and await the outcomes of the Residential Zones Standing Advisory Committee and undertake further strategic work to justify the designation of the reformed residential zones.

How can we make this happen?

- Review Council's strategic planning documents that provided guidance on the implementation of the reformed residential zones being Sites of Biological Significance (1997), Assessment of the Tree Canopy Cover in the City of Maroondah (1995) and Habitat Corridors Strategy (2005)
- Rezone the residential zoned land within the Ringwood Housing Market Area, north and south of the Ringwood MAC, to a General Residential Zone with default ResCode provisions
- Rezone the General Residential Zone land bounded by Wonga Road, the properties to the rear of Warrandyte Road to North Ringwood Reserve to the Neighbourhood Residential Zone Schedule 3.
- Rezone the General Residential Zone land bounded by Hull Road, Ruskin Avenue, Mt Dandenong Road and the Maroondah municipal boundary to the Neighbourhood Residential Zone Schedule 5.
- Engage fully with the Residential Zones Standing Advisory Committee process and outline clearly issues associated with the new zones, as found during engagement activities on the housing strategy as well as through consultation with Council's housing strategy project team.

Direction 6 – Work with DELWP and Swinburne University on the idea within Plan Melbourne Refresh and Greening the Greyfields to deliver better development outcomes than existing subdivisions

Why is this important?

At its meeting on 14 December 2015, Council considered and provided support on the intent and directions of the Plan Melbourne Refresh Discussion Paper.

The heightened emphasis on climate change, housing affordability and support for public transport and active travel are welcomed. A focus on coordinated greyfield renewal in response to a current lack of control over inappropriate adhoc medium density development is also admirable. The emphasis on improved housing diversity, a push for a 'polycentric' city and broadening of activity centre policy are also supported.

Plan Melbourne

The Plan Melbourne Refresh document contains a section on Greyfield renewal and recommends that the updated Plan Melbourne 2016 document contain a statement of support for greyfield renewal along with an objective to investigate planning scheme mechanisms to achieve coordinated and sustainable renewal of greyfield areas.

What did the community say?

The focus groups...

The Neighbourhood and Environmental focus group discussed appropriate locations for future housing development. Whilst the view that Ringwood should accommodate higher yielding developments was voiced, there was also a view that other parts of the municipality should accommodate their fair share of development (while protecting areas of natural significance). The need to bring renewal into areas with aged housing stock that may have become less vibrant over time was also noted.

The online survey...

Similar to the results from the open house activities, those who completed the online survey ranked closeness to transport options, as well as shops, parks and playgrounds as their top two current and future housing needs. Price and affordability was ranked in third place. In response a well designed and located greyfield development can cater to these housing needs.

Community open house events...

The infrastructure engagement activity undertaken at the open house events asked participants to rate the types of infrastructure that are most important to where they live. Transport and accessibility with retail amenities ranked second and sporting and leisure services ranked third. This feedback will inform the selection of appropriate locations for greyfield renewal in a subsequent Council policy.

The open house events also revealed strong support for encouraging the renewal of older housing. When asked to rate their top three approaches to addressing Maroondah's housing issues, 40% of participants listed renewal of older housing as a top three issue.



What does the evidence tell us?

“Greening the Greyfields is a federally funded project that promotes sustainable housing regeneration in the middle suburbs. The term ‘Greyfields’ is a housing redevelopment term for development that is occurring in areas with ageing populations and housing stock, as opposed to Greenfield (urban fringe) and Brownfield (ex-industrial land). The type of redevelopment typical in these areas is currently done on an ad hoc, lot-by-lot basis, with suboptimum outcomes and no additional land provided for social amenity/utility. There is tremendous potential in the middle ring suburbs for housing growth that tackles the issues of age-in-place, downsizing, sustainable and affordable housing and a host of other policy areas. The current system of single lot redevelopment presents significant opportunity cost, in terms of what could be done if it were managed more strategically and done in precincts rather than individually (here a precinct represents any amount of amalgamated lots that can provide broad benefit in terms of design and technology use).” (Swinburne University of Technology).

Charter has identified in Maroondah that “69% of all projects are small scale, resulting in either one or two net additional dwellings”.

The way forward

The preferred option is to implement the objectives of Greening the Greyfields within the Maroondah Planning Scheme. This involves identifying a pilot precinct and working on a site specific planning scheme amendment to implement the greyfield renewal.

Implementing the objectives of Greening the Greyfields into the Municipal Strategic Statement will provide the necessary support for greyfield renewal. This would involve Council proceeding with a site specific planning scheme amendment that includes community engagement.

How can we make this happen?

- Undertake a study to identify possible locations for greyfield development, building on the top rated housing needs from the community consultation as well as technical research.
- Develop a planning scheme mechanism used to deliver greyfield development on large or amalgamated lots. For example, a Development Plan Overlay (DPO) requiring a given lot size, ability to provide meaningful open space area, etc. before any further subdivisions can be approved within the specified DPO area.
- Consider incentives and/or development bonuses, such as increased height, density or flexibility in parking requirements on larger scale greyfield developments.
- Advocate to State government in relation to possible additional planning mechanisms that could facilitate greyfield development.
- Seek expressions of interest from the community to participate in a pilot program. This could involve larger landholdings or a given area where interest exists.

Direction 7 – Develop planning concessions to increase community benefits such as affordable or social housing, open space, off street parking or design excellence

Why is this important?

Maroondah's planning controls are largely homogenous across the municipality. They tend to result in the same housing type of three bedroom, double storey dwellings and cater primarily for couples with children. This built form is more expensive, disadvantages single people and presents a range of accessibility issues.

Plan Melbourne

Plan Melbourne Refresh discusses Housing Diversity and states “Like most growing cities, Melbourne has the challenge of facilitating the mobility, economic opportunities and social needs of its people. Greater housing choice through greater housing diversity is part of the way a city can support the mobility of its citizens.” Providing incentives can increase housing diversity which provides greater housing choice.

What did the community say?

The focus groups...

Feedback received at the real estate and development industry focus group suggested allowing height bonuses where a developer has a larger lot or has amalgamated a number of smaller lots. A height bonus located centrally (pyramid style development) on the site wouldn't significantly affect existing neighbours. Furthermore new residents located adjacent to the taller elements would typically be aware of the heights and any associated issues when they purchased the property.

The online survey...

The online survey didn't touch directly on the issue of development bonuses and planning concessions. However, price and affordability was ranked highly as an issue by participants, especially those in the younger demographics who were less likely to already own their own homes. To the extent to which planning concessions can help to deliver more affordable and social housing, the approach is expected to find support in the community.

Community open house events...

Participants at the open house event were given the opportunity to select three of a possible eight issues that they thought were the most important facing the municipality and the top three actions that they thought could address those issues. “Planning concessions for developments that address local needs” was ranked sixth out of the possible eight actions with 32% of respondents selecting it as a top-three way to address their selected issues.

What does the evidence tell us?

There is a link between housing diversity and affordable housing. Charter analysed purchaser origin to understand who are buying into Maroondah. Charter state that “if housing is unaffordable and there is a lack of diversity of housing, residents in the Maroondah LGA will be priced out of the market.”

“Potential purchasers/residents will be forced to find cheaper housing outside the Maroondah LGA, or they will remain in their existing dwellings.”

“Housing affordability and diversity will enable the needs of the current and future population to be met.”

Charter identify the impact planning controls have on housing production and suggest “The 80sq.m private open space requirements (to allow for canopy trees) in the Neighbourhood and General Residential Zones may also be impacting on the ability for the market to innovate and deliver increasing housing density, due to the increased land take required for private open space which minimises net developable area.”

The way forward

The preferred option is to investigate the introduction of a system of bonuses and incentives for development that meets an identified housing need (e.g. affordable housing). It is considered that this approach will introduce additional flexibility into the planning system and give Council officers additional scope to negotiate with development proponents to achieve planning gain for the community.

How can we make this happen?

- Define a clear definition of ‘affordable housing’ and incorporate into the Maroondah Planning Scheme.
- Define areas where planning concessions are appropriate such as the Ringwood Housing Market, as part of Greening the Greyfields, for lower order activity centres, and Ringwood MAC.
- Remove ResCode schedule variations in appropriate locations.
- Establish a list of people who would qualify for the purchase of affordable units and work with social housing service providers to encourage developers to incorporate social housing into their development.
- Develop a process where development applications are fast tracked where there is a community benefit.

Direction 8 – Strengthen the Local Planning Policy Framework to enhance liveable and adaptable houses, stormwater re-use and ESD, affordable and social housing, diverse housing stock and Greening the Greyfields

Why is this important?

The Maroondah 2040 Community Vision states that Maroondah will be a vibrant and diverse city with a healthy and active community, living in green leafy neighbourhoods which are connected to thriving and accessible activity centres contributing to a prosperous economy within a safe, inclusive and sustainable environment.

Plan Melbourne

Plan Melbourne Refresh identifies key points for Housing: “As a growing city Melbourne needs to facilitate the mobility, education and economic opportunities of its households. Boosting housing choice for all households will have significant social and economic benefits for individuals and all Victorians.” The Plan Melbourne Refresh Discussion Paper builds further on the issue, discussing both housing affordability and diversity. It also lends support to initiatives for greyfield renewal.

Plan Melbourne recognises the Melbourne isn’t just bricks and mortar, its also an urban forest and that increasing tree and vegetation cover across an urban area results in many environmental, social and economic benefits. Plan Melbourne Refresh contains a section (6.8) on Environmentally Sustainable Design (ESD). It proposes to support an integrated planning and building approach to strengthen ESD, including consideration of costs and benefits. It acknowledges the significant potential that exists to deliver improved climate change, water and environmental outcomes through better building design as well as the benefits that ESD can deliver in terms of lowering cost of living over the lifetime of a building.

What did the community say?

The focus groups...

The focus group held with neighbourhood and environmental groups indicated strong support for diversity in the municipality, ranging from people, to the design of housing and other buildings, to the incorporation of new housing typologies built around ESD.

Issues associated with the ageing population were discussed and participants put forward that new housing be designed to be adaptable, so people don’t have to move to alternative accommodation when they get older. The importance of being able to age in place was stressed by the group.

The group favoured a planned approach to development over a laissez-faire approach. This is consistent with the ‘greening the greyfields’ approach.

The group were also concerned about climate change and indicated that sustainability and ESD needs to be incorporated into Maroondah’s housing stock.

The community and service organisations group were also strong supporters of adaptable housing that allows people to age within their own community. People build up social connections over time in their community as well as connections with service and medical providers. Moving to another area breaks these connections and impacts on people’s well being.

One suggestion highlighted the importance of being able to incorporate dual occupancies on an existing lot, whereby a member of the extended family could live beside family, in a temporary dwelling, without being under the same roof. This approach could reduce the demands on crisis and/or assisted living housing.

The focus group held with representatives of the real estate and development industry provided an opportunity to discuss the highly innovative ESD methods that some designers are incorporating into their plans. This can result in dwellings that in some cases don't require a grid connection. It was suggested that more should be done from a policy perspective to support this type of development.

The impact of the policy context and the new residential zones on affordability was also flagged as a significant issue in bringing affordable housing, or alternative forms of housing, such as housing for the aged, to the market. It was suggested that policy makers need to be more mindful of the unintended consequences of the regulatory environment.

Market failures, where developers only tend to provide 1-2 bedroom apartments in new developments as they are the most profitable configuration was also discussed.

The online survey...

The online survey asked people to prioritise the housing issues that are most important to them currently as well as the issues that they think will be important in the future. 'Price and affordability' was rated third out of the nine possible options in terms of both current and future housing needs and was a particular concern to younger respondents. 'Whether the house can be adapted for ageing or future lifestages' was rated as the 7th most important current housing issue and sixth most important future housing issue. In the case of energy and water efficiency, the issue was rated the 8th most important current housing need, and the 6th most important future housing need.

Community open house events...

Researchers from Swinburne University attended both of the open house events to discuss the 'greening the greyfields' initiative with participants and to gauge support for the approach. The researchers found that approximately 60% of people had a very positive response to the initiative, 20% were indifferent to the idea and the remaining 20% thought that it wouldn't work or that developers would take advantage of the process.

When asked to prioritise housing issues and possible responses through a separate activity, 41% of respondents rated the 'need for more sustainable homes' as a top-three issue. 44% of respondents listed 'advocate for more affordable & social housing' as a top three action.

What does the evidence tell us?

Spatial Economics suggested “...a Housing Strategy with the goal of contributing positively to housing affordability may wish to consider how new housing supply opportunities can be maximised in terms of the quantum and diversity in other dwelling types, size and number of bedrooms.”

Spatial Economics identified planning issues in relation to affordable housing and stated:

“Addressing affordability is an issue that is to a large extent beyond the scope of local government. However provision for a range of smaller/lower cost dwelling types, the timely and efficient processing of permits combined with development certainty – through a clear and comprehensive housing strategy – are the best tools available to councils to assist affordability.”

In relation to low income households and special needs housing, Spatial Economics stated:

“Council could, through its revised housing strategy, seek to reduce the ongoing demand pressures on the social housing sector by ensuring that its planning policies do not unnecessarily limit the scope for provision of lower cost options (such as studio apartments) through the private housing market.”

The way forward

The preferred option is to introduce local planning policies.

How can we make this happen?

- Encourage the universal design principles that produce liveable and adaptable houses for all dwellings.
- Implement Maroondah Water Sensitive City Strategy into the Maroondah Planning Scheme.
- Investigate ways to encourage more social and affordable housing in Maroondah.
- Review the Neighbourhood Character provisions to determine ways to encourage housing diversity and opportunities for Greening the Greyfields.

Direction 9 – Advocate to State and Federal Governments on affordable and social housing

Why is this important?

Maroondah 2040's Key direction for a safe, healthy and active community's vision is that "Maroondah will be a safe, healthy and activity community with local opportunities provided for people of all ages and abilities to have high levels of social, emotional and physical wellbeing."

Plan Melbourne

Plan Melbourne Refresh identifies issues associated with affordable and social housing and states "Melbourne's rising housing prices and rents have generated significant housing affordability challenges. Prices have particularly increased in inner and middle suburbs with good access to jobs, which is generating inequality and social exclusion and will likely reduce Melbourne's liveability and productivity."

What did the community say?

The focus groups...

The focus group held with representatives of the real estate and development industry addressed the issue of affordable housing. One participant stated the view that since around 1997, demand in Maroondah has outstripped supply, with more people looking than there are homes available, which has impacted on affordability. The participant highlighted the impact of zoning regulations on land prices and the knock on effect on affordability. Those who grow up in the area find it difficult to afford a home and often have to look to other areas of the city.

The focus group held with representatives of community and service organisations highlighted the issue of affordable housing and the consequences faced by those who are pushed out of the housing market. Participants discussed the issue of a shortfall in the availability of affordable rental housing. Service organisations have seen an increase in demand for services due to social problems associated with substance abuse or domestic violence. These incidences often affect children as well as adults. There is little affordable accommodation available locally for lower income families with children and when households breakdown, families and children often have to move away from the area to find affordable housing, which breaks social connections and affects wellbeing.

Lack of access to affordable age-friendly housing for the ageing population is an increasing source of housing stress. If suitable accommodation and care isn't available, relatives often have to cut back on their work commitments to provide assistance.

The focus group held with members of neighbourhood and environmental groups also addressed the issue of housing affordability. There was concern that rental housing is being lost in Maroondah, presumably with more owner-occupiers moving in. The participant commented that: "we don't have a housing crisis in Maroondah, we have a renting crisis". It was suggested that Council establish a register to help people with spare rooms find renters. Council could support more flexibility in housing, for example the tiny house movement, dual occupancies and caravan parks.

The online survey...

The online survey asked people to prioritise the housing issues that are most important to them currently as well as the issues that they think will be important in future. 'Price and affordability' was rated third out of the nine possible options in terms of both current and future housing needs and was a particular concern to younger respondents.

Community open house events...

Participants in the community open house events were asked to select their top three housing issues in order of importance from a list of eight options. 44% of people ranked 'lack of affordable and social housing' in their top three, putting it in third place in overall level of importance. In terms of issues to address the most important housing issues, 44% of people ranked 'advocate for more affordable and social housing' in their top three, putting it in second place overall.

What does the evidence tell us?

Spatial Economic identified key findings on Housing Affordability and stated:

"Housing affordability is a complex issue with a myriad of views on the causes and appropriate responses. In recent years it is well documented that housing affordability has diminished and that the proportion of household income required to purchase or rent the average house has increased substantially.

The median price for a house in 2013 in Maroondah was \$530,000 (slightly higher than the Melbourne median of \$520,000). Maroondah's house prices have consistently followed metropolitan Melbourne's house price trends."

Spatial Economics identified a key issue for Housing affordability and stated the following:

"In terms of middle income households, home purchase affordability illustrates a 'mixed' story. For *Couple with children* households between 60% (4th income decile) to 98% (6th income decile) of dwelling sales were affordable in 2014. Whereas for *lone person* middle income households, there were virtually no residential dwelling sales that would be deemed affordable. There is limited affordable dwelling stock that was sold in 2014 for *one parent family* households below the 6th income decile range."

Spatial Economics stated:

"Over recent years house prices in Maroondah have tracked metropolitan Melbourne's. In 2013, the median house price was \$531,000 compared to Melbourne's of \$520,000. The annual growth rate since 1985 for houses in Maroondah has been 7.3%. Affordability has decreased in recent years with the proportion of household income required to purchase the average house increasing substantially. As at 2011, 34% of households owned a dwelling outright with 44% paying off a home and 22% of households renting."

"We have estimated the percentage of dwelling sales that would be affordable for the 4th 5th and 6th deciles of incomes by selected household types. To ascertain this proportion we have used the residual income method that applies the cost of a "modest" lifestyle to leave the household with a residual budget for housing. Using this residual income we have estimated the amount of money that each household at the different deciles could afford. This results in the table below:

Percentage of Dwelling Sales Affordable for Middle Income Households (Maroondah) - 2014

Income Decile /Household Type	Couples No Children	Couples with Children	One Parent Family	Lone Person
4th	1%	60%	1%	0%
5th	35%	83%	12%	0%
6th	90%	98%	37%	2%

There are a large proportion of Couples with Children that can afford homes in Maroondah compared to other household types. This is due to the considerably higher income that this cohort earns compared to other types of households. There has been significant variation to this measure over the last 10 years mainly due to the movement in interest rates.”

“Maroondah’s housing supply comprises to a large extent separate housing on substantial blocks. This type of housing is highly desirable to families. Combined with the reasonably affordable cost of housing in the area this tends to mean that there is a self-selection process in the types of households that are able and choose to live in Maroondah. In other words, at a local level, the demand for housing is to a significant extent a function of the supply of housing that exists.”

Spatial Economics further noted:

“The Eastern Affordable Housing Alliance (EAHA) was formed in 2010 in response to diminishing investment in social housing in the region by the State and Federal Governments. The EAHA comprises of six local governments; Knox, Manningham, Maroondah, Monash, Whitehorse and Yarra Ranges.

Social and affordable housing, especially in areas close to transport, employment clusters and community services, provide support to the most vulnerable people in the community. The EAHA aims to increase social and affordable housing within the region by:

- Developing partnerships with researchers around specific strategies that are being trialled globally;
- Identifying practical and creative ways that local government can influence the generation of more social and affordable housing; and
- Advocating to State and Federal Government to invest more in social housing.”

Spatial Economics suggested the following to increase low income households and special needs housing:

“Council’s ability to directly influence achievement of this goal is limited. However there are actions it can undertake to advance achievement of the goal. For example it could:

- Explicitly recognise the critical role of the social and special needs housing sectors in its housing strategy
- Advocate to the State and Commonwealth Governments in relation to the importance of social and special needs housing and the need to increase funding to service providers
- Follow the example set by some inner city councils and look at opportunities to use Council land holdings to facilitate the construction of additional social and special needs housing. This might involve the sale of sites to community housing associations or other service providers at less than market prices, or more novel options such as making available ‘air rights’ above council car parks etc, where this would make it viable for providers to construct additional social or special needs housing
- Commit to facilitating community consultation on and planning approvals for social or special needs housing projects
- Consider the use of techniques such as ‘inclusionary zoning’ to encourage the inclusion of a component of social or special needs housing when the rezoning of significant sites is expected to result in a substantial uplift in land values; and
- Consider options to assist providers of services to the homeless meet escalating costs (such as through considering the provision of Council owned or supported premises to assist the provision of such services) and work with the service providers to facilitate meeting the critical day to day needs of local homeless people.”

Spatial Economics identified as a key issue “Housing affordability and diversity of housing stock will be a major determinant in terms of realised projected housing demand.”

“Among Australian states and territories Victoria has the lowest percentage of its total housing stock provided as social housing. A 2013 analysis by Terry Burke of Swinburne University showed the percentage of social housing in Victoria at 3.4%. This compared to an Australian average of close to 5%. While the private housing market will account for the vast bulk of future housing provision in Maroondah there are, and in future will continue to be, some individuals and households who are unable to find housing they can afford in the private market.

In this context Maroondah will need to actively promote and facilitate local development by the community housing sector if it wishes to see an increase in social housing provision in the local area, as part of its revised Housing Strategy. This could, for instance, involve following the example of a number of inner city Councils in making council land available at a discounted price as sites for community housing projects (in some instances this has involved transferring land holdings or even making available rights for development over council car parks). It could also involve Council committing to an accelerated approval process for community housing projects and lobbying the State Government in relation to the importance of encouraging the continuing growth of the community housing sector.”

“Spatial Economics suggest that for the purposes of its revised housing strategy Council may wish to consider adopting a goal of advocating for and working towards a target of having social housing comprise a designated percentage of the total housing stock within Maroondah. For example to at least reach the national average (approximately 5%) in terms of social housing as a percentage of total housing stock.”

The way forward

The preferred option is to develop a policy position on affordable and social housing that enables Council to advocate to State and Federal Government

Given the extent to which the issue was highlighted in all aspects of community engagement and consultation, it is a central issue for the community, both currently and into the future. The development of an affordable and social housing policy will allow Council to take the initiative in this area and initiate contact and partnerships with community and service organisations.

How can we make this happen?

- Prepare Council strategy to advocate to State and Federal government for the introduction of additional measures to address affordable and social housing issues and identify who is responsible for advocating.
- Initiate contact with inner city Councils who have already introduced initiatives to use Council land holdings to facilitate the construction of social and special needs housing. Examine the approach undertaken, successes, failures and possible learnings for Maroondah.
- Explicitly recognise the critical role of the social and special needs housing sectors in the Maroondah housing strategy.
- Investigate partnerships with research institutions to achieve exemplar affordable housing development on Council owned land.
- Continue Council's support and membership with the Eastern Affordable Housing Alliance.

Next Steps

Council is developing a new housing strategy to establish future policy directions and guide future residential development. The stages in the process are as follows:

- | | |
|----------------|--|
| Stage 1 | The first stage of the process involved project scoping and the preparation of a range of background technical reports designed to build an evidence base for decision making. |
| Stage 2 | The second stage involved a range of community engagement activities to seek the views of community and key stakeholders on housing needs, services and facilities, housing issues and ways to address these issues. |
| Stage 3 | The third stage of the process is the preparation of this Issues and Options Paper, based on the technical evidence as well as community and industry inputs. |
| Stage 4 | The Drafting of the Housing Strategy based on the preferred options set out in this report. |
| Stage 5 | Finalisation of the Housing Strategy and a planning scheme amendment to introduce the strategy into the Maroondah Planning Scheme. |
| Stage 6 | Implement a monitoring and reporting framework to enable ongoing review of policies. This may include annual reporting. |

Based on the above process, this document will form the basis for drafting of the housing strategy.

Future Roles and responsibilities

In order to achieve the objectives set out in the housing strategy, it will be important to set out clear roles and responsibilities across Council, as well as defining the role that other service providers will take. For example, Council owns a number of dwellings that are provided on a subsidised basis. Whether or not Council should be involved in this kind of direct provision should be considered, and if so, responsibility for the upkeep of such housing should be determined. Another example relates to inward investment in housing and the role that might be played by Council's Business and Development Team. Other examples of possible roles and responsibilities might include, but are not limited to, the following:

Council Service Area	Action
Integrated Planning	• Implementation of recommendations in housing strategy relating to changes to the planning scheme, or other strategic planning documents, including structure plans. • Consideration of changes to community infrastructure requirements as a result of demographic changes. • Preparation of active transport and ESD policies and provision of advice to applicants on best practice.
Statutory Planning	• Assess development applications and negotiate with applicants if system of development bonuses is adopted. • Provide on-going inputs on what impact given initiatives are having on the ground. What's working and what isn't?
Assets	• Any changes in strategy will have to align with Council's capital works program. For example, the concentration of new dwellings in activity centres will affect capital requirements in those areas. • Open space management, including any additional open space gained through 'Greening the Greyfields'.
Engineering	• Advising on areas that can accommodate new housing and areas where housing should be limited due to flooding/ drainage reasons etc • Advising on housing development impact, including on the road network.
Business and Development	• Liaising with the business community to understand and advise on the impact that changes to housing policy may have on local businesses. • Reviewing and inputting to housing policy documents.
Communications and Marketing	• Reviewing strategic documents to ensure that housing policy is legible for the general public.
Aged and Disability Community Services	• Liaising with the community to understand housing issues affecting aged people. • Inputting to strategic housing policies and documents to ensure that new housing caters for needs of ageing population.



To contact Council

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