

SOCIAL & AFFORDABLE HOUSING AT HIGHTON VILLAGE SHOPPING CENTRE

25 JUNE 2024



Housing affordability and the supply of social housing is one of the key issues front of mind for the planning actions undertaken by the City of Greater Geelong.

Section 3AA of the *Planning & Environment Act 1987* defines that affordable housing is housing, including social housing, that is appropriate for the housing needs of any of the following— (a) very low-income households; (b) low-income households; (c) moderate income households. Furthermore, Section 3AA(2) of the *Planning & Environment Act 1987* sets out matters that must be given regard to the housing needs of very low, low to moderate income households.

City of Greater Geelong's Social Housing Plan 2020-2041 identifies the importance of providing secure housing for our communities in delivering a more inclusive and sustainable future. With Geelong's population expected to grow by over 150,000 in the next 20 years, it is estimated that there will be a need of 13,500 social housing dwellings by 2041. Council's Social Housing Plan 2020-2041 seeks to increase the supply of social housing to 7% by 2031 (an estimated increase in supply of 6,720 dwellings including the replacement of 750 existing public housing dwellings). To achieve this, the City is encouraging the delivery of social housing with the inclusion of dwellings to be delivered that are consistent with the needs of low-income households in new housing developments.

One of the key strategies of the City's Social Housing Plan is to enable the delivery of more social housing supply through negotiation for a meaningful developer contribution and inclusion of social housing in all new private developments where rezoning and planning approvals add value to land.

The City is actively seeking to include measures in new planning scheme amendments where new housing and increased housing density will be delivered. Effectively, where increased housing density is promoted as a planning policy, there is an opportunity and an obligation of the City to also seek an increase in the social and affordable housing offering. As a Council-led amendment implementing an urban design framework and new development parameters, we are seeking to include contributions wherever possible.

Highton Shopping Centre is designated as an Increased Housing Diversity Area (IHDA) at clause 16.01-1L-02 of the Greater Geelong Planning Scheme. A planning objective of this designation is to evolve the character of the Highton Shopping Centre through more intensive development with this to lead to maximising opportunities for housing by achieving higher densities in the activity centre and encouraging a diversity of housing types to cater for a variety of lifestyles.

Unlike the South Geelong and the Pakington Street North Urban Design Frameworks, the Highton UDF did not include a specific social and affordable housing component. The Highton UDF does though support the growth of the Highton Village Shopping Centre to provide additional commercial and residential development, in line with its inclusion in the Highton IDHA. The UDF supports Council's goal of providing for 50 per cent of future housing needs through urban infill, as well as delivering housing diversity and affordability. For new residential use in Highton Village, this will be achieved through medium density developments most likely in the three and four storey nominated areas adjacent to the Highton Reserve and along Barrabool Road.

Amendment C457gge is an opportunity to include a policy element to encourage social and affordable housing contribution as part of any residential development within the Highton Village Shopping Centre. The Planning Policy Framework of the Planning Scheme already includes support for social and affordable housing, and this is actively being encouraged by the State Government's Housing Statement. The inclusion of

a local policy element that is specific to Amendment C457ggee will further bring alignment between state policy objectives in housing, local policy in the IHDA and opportunity to provide certainty in triggering negotiations for site specific inclusion of social and affordable housing.

With South Geelong UDF Amendment C432ggee, the City has pursued the inclusion of a planning policy in Clause 16.01 that applies to residential development within the UDF area. This is to be implemented through encouraging a 5% affordable housing contribution through agreements with landowners under Section 173 of the *Planning and Environment Act 1987* for mixed use and residential development. This is the approach also being proposed with Highton.

The City's approach is to provide certainty and clarity in the Scheme by adopting the contribution % to be negotiated and the option of providing dwelling or cash. It is intended to trigger negotiations with certainty, while allowing provisions to be discretionary and allowing an appropriate framework for negotiations without stepping away from the hard yardstick set by the state government that negotiations must be only voluntary and not mandatory.

Similar to the South Geelong UDF Planning Scheme Amendment C432ggee, the City intends to apply a 5% contribution negotiation threshold as a starting point to be triggered in the Planning Scheme and allow for applicants to then negotiate and submit a site-specific affordable housing delivery strategy. The provisions are as detailed in Appendix A with a proposed new Clause 16.01 policy to include the provisions to trigger the requirements to negotiate the affordable housing contribution that will be subsequently captured through s173 agreements. The 5% is consistent with the justifications for social and affordable housing areas for other infill areas in Geelong, which is close to 4.6% (or a third of 14%) as suggested in Section 3 of the *Providing Social Housing as Essential Infrastructure in Geelong's Infill Areas* (SGS Economics and Planning Pty Ltd, 7 July 2022) report, without attribution to the wider housing floorspace that reduces contribution to an even lower threshold, e.g. 2.2% for each residential floorspace. Once triggered, it is anticipated that the negotiation process with the developer itself will provide the site-specific attribution to a lower percentage, or discounted dwelling contributions.

The City deems that this is reasonable as it is only applying a discretionary quantum or percentage contribution to trigger site specific negotiations and request to submit a delivery strategy and so it is still in alignment with state government's status quo of not applying a mandatory percentage. Recent inclusion of 5% affordable housing contribution in Saleyards Planning Scheme Amendment, which is an infill area in North Geelong, further supports this approach to Highton UDF.

Appendix A:

City of Greater Geelong

Highton Village Shopping Centre Urban Design Framework

Proposed new PPF clause:

GREATER GEELONG PLANNING SCHEME	
16.01-2L <small>Proposed C457/2024</small>	Social and Affordable Housing
	Policy Application
	This policy applies to a residential development within the Commercial 1 Zone land in the Highton Shopping Centre Increased Housing Diversity Area as identified in the map at Clause 16.01-1L-02 Increased housing diversity areas.
	Strategy
	Encourage social and affordable housing contributions through agreements with landowners under Section 173 of the <i>Planning and Environment Act 1987</i> for mixed use and residential development.
	Policy guidelines
	Consider as relevant:
	<ul style="list-style-type: none">■ Providing at least 5 percent of dwellings as an affordable housing contribution that meets the following requirements:<ul style="list-style-type: none">■ be delivered within the land to which the planning permit application applies.■ be functionally and physically indistinguishable from other dwellings within the development.■ be distributed across the development.■ provide a mix of housing types, including social housing to respond to local housing needs.■ include access to all common facilities within the building at no extra fee for occupants of affordable housing dwellings; and■ allocate one or more bicycle parking space per dwelling for the life of the affordable housing.■ Encouraging the affordable housing contribution to be provided:<ul style="list-style-type: none">■ as a transfer of dwellings to a Registered Housing Association under the <i>Housing Act 1983</i> for zero consideration (Primary Obligation); or■ a monetary contribution to a Registered Housing Association under the <i>Housing Act 1983</i> or as directed by the Responsible Authority, which is of equal value to the Primary Obligation; or■ a combination of the above options; or■ in any other way as agreed between the permit applicant and the Responsible Authority.
	Policy document
	Consider as relevant:
	<ul style="list-style-type: none">■ <i>Highton Village Urban Design Framework</i> (City of Greater Geelong, January 2024)