

## 7.1.5 IMPLEMENTATION OF THE MONASH AFFORDABLE HOUSING STRATEGY- PROPOSED PLANNING SCHEME AMENDMENT

<b>Responsible Manager:</b>	Sean McNamee, Manager Strategic Planning
<b>Responsible Director:</b>	Peter Panagakos, Director City Development

### RECOMMENDATION

That Council:

- 1. Request the Minister for Planning to authorise Council, pursuant to Section 8A of the Planning and Environment Act 1987, to prepare an amendment that implements the adopted Monash Affordable Housing Strategy. The amendment proposes to change the planning scheme including policy statements:**
  - a. about the need for affordable housing in Monash,**
  - b. in support for affordable housing contributions; and**
  - c. requiring the provision of a 6 per cent affordable housing contribution for development of 20 or more dwellings or when land is rezoned.**
- 2. Upon receiving authorisation from the Minister for Planning, prepare and exhibit the amendment in accordance with Section 10 of the Act and any other directions required by the Minister.**
- 3. Authorise the Director City Development to prepare and finalise the documentation for the planning scheme amendment in accordance with this report.**

### INTRODUCTION

The purpose of this report is to consider proposed Amendment C174 that implements the policy changes specified in the Monash Affordable Housing Strategy.

The proposed Amendment implements Strategy 2 and Actions 2.1 and 2.2 of the Monash Affordable Housing Strategy.

Strategy 2 states to “establish strong policy statements about the need for affordable housing in Monash”.

Strategy 2 will be achieved by the following actions:

*Action 2.1- Seek a planning scheme amendment to include a strong statement of support for affordable housing contribution in Monash.*

*Action 2.2 - Include a strong policy statement for the provision of a 6 per cent affordable housing contribution in major redevelopment or through rezoning proposals.*

## COUNCIL PLAN STRATEGIC OBJECTIVES

### Sustainable City

Ensure an economically, socially, and environmentally sustainable municipality.

### Enhanced Places

Pursue a planning framework that meets Monash needs.

### Good Governance

Effectively communicate and engage with the community.

## BACKGROUND

Council adopted the Monash Affordable Housing Strategy on 26 September 2023.

The Monash Affordable Housing Strategy makes a clear case for taking action on the reform of policy settings that impact housing affordability, and to increase the provision of affordable housing in the City of Monash. It demonstrates both the need and economic and community benefits of increasing housing affordability and having more affordable housing.

The objective of the Monash Affordable Housing Strategy is to:

*Identify a clear and practical set of strategies and actions for Monash City Council to support increased housing affordability and supply of affordable housing, within its remit as a local government authority.*

## DISCUSSION

The Monash Affordable Housing Strategy identifies 4 thematic areas for Council involvement; Regulation, Partnership, Investment and Advocacy.

These thematic areas are supported by a total of eleven strategies, with several actions under each strategy.

The changes to the planning scheme proposed under this Amendment are from the Regulation thematic area of the Affordable Housing Strategy.

Strategy 2 sets out a strategy to, “Establish strong policy statements about the need for affordable housing in Monash”.

Strategy 2 will be achieved by the following actions:

*Action 2.1- Seek a planning scheme amendment to include a strong statement of support for affordable housing contribution in Monash.*

*Action 2.2 - Include a strong policy statement for the provision of a 6 per cent affordable housing contribution in major redevelopment or through rezoning proposals.*

Amendment C174 proposes to implement actions 2.1 and 2.2 of the Monash Affordable Housing Strategy. The proposed Amendment includes the following changes to the Monash Planning Scheme:

- Amend existing Clause 21.04- Residential Development to recognise that there has been a significant decline in housing affordability in Monash and action needs to be taken to provide more affordable housing in Monash.
- Amend existing Clause 22.01- Residential Development and Character Policy to introduce an objective and strategies to increase the supply of affordable in Monash. The new objective states: “to facilitate the provision of affordable and social housing in Monash.” These strategies include providing an affordable housing contribution of six per cent when land is rezoned to facilitate residential development or for development of 20 or more dwellings.

Additional strategies relate to supporting development that includes affordable housing and the use of affordable housing contributions. Strategies that facilitate development with a greater diversity of affordable forms of private market dwellings and the provision of well designed affordable housing that is integrated with the remainder of the development are also included in Clause 22.01.

- Amend existing Schedule to Clause 72.08- to include the Monash Affordable Housing Strategy, 2023 as a Background Document to Clauses 21.04 and 22.01.

The proposed wording changes to the clauses are included as **Attachment 1**.

## FINANCIAL IMPLICATIONS

The amendment process and any subsequent panel hearing can be accommodated within existing operating budget allocations.

## POLICY IMPLICATIONS

The Amendment and Monash Affordable Housing Strategy are consistent with a range of strategic policy directions of Monash City Council and the State Government, including:

- Planning & Environment Act, 1987 which, has an overarching objective, at Section 4(1) (fa) “*facilitate the provision of affordable housing in Victoria*”;
- Plan Melbourne;
- Homes for Victorians;
- The Monash Council Plan 2021-2025;
- Gender Equality Act 2020;
- The Regional Local Government and Homelessness and Social Housing Charter 2020; and
- The Monash Social Housing Framework 2020-2025

## CONSULTATION

If proposed Amendment C174 is authorised by the Minister for Planning, it would be exhibited in accordance with the requirements of the Planning and Environment Act 1987 including:

- Notice in the Victorian Government Gazette;
- Direct letters to key stakeholders, including community housing providers, developers and consultants, industry stakeholders and EAHA Councils;
- Letters to persons who made submissions during the consultation process for the Monash Affordable Housing Strategy and advised that they wished to be notified of any project updates;
- An article in the Monash Bulletin;
- Information on Council's website, including a Shape Monash page; and
- Information available at the Civic Centre.

Following the exhibition period, any submissions received will be considered and a further report made to Council.

If there are objecting submissions, Council has the option of making changes to the amendment, or requesting an independent planning panel to hear submissions and prepare a report for Council to consider. Council also has the option of abandoning the amendment.

## **SOCIAL IMPLICATIONS**

The Monash Affordable Housing Strategy recognises that there is a compelling case for increasing the supply of affordable housing in Monash. The benefits will not only go to the people who live in the housing, but it also benefits for the wider community.

Research into the impacts of increased social and affordable housing supply identifies the following key social benefits:

- Reduced disadvantage through lower rates of housing stress and reduced risk of homelessness.
- Improved diversity by creating the opportunity for people across varied income levels to live and work in the Monash community.
- Enabling residents to stay in their local area through different life stages and maintain strong social and community networks.

## **HUMAN RIGHTS CONSIDERATIONS**

Housing and adequate shelter is considered a basic human right.

The lack of access to appropriate and affordable housing may impinge on many human rights that are protected under several international treaties, including the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the Convention on the Rights of the Child.

These rights include the right to an adequate standard of living and privacy.

This Amendment will increase the number of people who have access to affordable housing, which is a basic human right.

## **GENDER IMPACT ASSESSMENT**

A Gender Impact Assessment was completed for the Monash Affordable Housing Strategy. As this proposed Amendment C174 implements one of the strategies and associated actions of the Monash Affordable Housing Strategy, a further Gender Impact Assessment is not required for the Amendment.

## **CONCLUSION**

The adopted Monash Affordable Housing Strategy recognises that the number of households, particularly those with low and very low household incomes has increased and it is predicted that it will continue to do so. There are significant negative social and economic consequences associated with a lack of affordable housing.

The inclusion of specific changes to the Monash Planning Scheme to facilitate the provision of affordable housing through the proposed Amendment C174 will increase the supply of affordable housing in Monash, which will have social and economic benefits to the community.

## **ATTACHMENT LIST**

1. Proposed C 174 - Monash Affordable Housing Strategy Amendment wording [7.1.5.1 - 2 pages]

Attachment 1.

**Amendment C174- Monash Affordable Housing Strategy**

Insertion of additional wording.

Proposed changes to Clause 21.04:

C21.04-1- Overview

Housing affordability

Council adopted the Monash Affordable Housing Strategy in 2023. Rising house prices and rents, low wage growth, taxation settings and limited investment in social and affordable housing have all contributed to a significant decline in housing affordability in Monash. In 2021, almost 1 on 8 Monash households experienced housing stress and are in need of some form of affordable housing assistance. After excluding owner occupiers, this represents nearly half of all rental households.

The Monash Affordable Housing Strategy 2023 makes a clear case for taking action for greater affordable housing provision in the City of Monash.

C21.04-3- Objectives, strategies and implementation

Objectives

- To prioritise, facilitate and increase the availability of affordable housing.

C21.04-4- Background documents

- Monash Affordable Housing Strategy, City of Monash, 2023

Proposed changes to Clause 22.04:

C22.01-2- Objectives

- To facilitate the provision of affordable and social housing in Monash.

C22.01-3- Policy

It is policy to:

Housing affordability

- Support and encourage development that includes affordable housing.
- Strongly support increasing the supply of affordable housing through the use of affordable housing contributions.
- Facilitate and promote development that has greater diversity of affordable forms of private

Attachment 1.

market dwellings.

- Encourage the provision of well-designed affordable housing that is integrated with the remainder of the development.
- Apply an affordable housing contribution of six per cent when land is rezoned to facilitate residential development. The affordable housing contribution should be in the form of land, completed dwellings or equivalent and be transferred to the community housing provider in perpetuity.
- Apply an affordable housing contribution of six per cent for residential development of twenty or more dwellings. The affordable housing contribution should be in the form of land, completed dwellings or equivalent and be transferred to the community housing provider in perpetuity.

C22.01-6- Policy references

- Monash Affordable Housing Strategy, City of Monash, 2023