1. PROPOSED REZONING
Summary table of proposed maximum building height and number of dwellings:

<table>
<thead>
<tr>
<th></th>
<th>Maximum residential building height</th>
<th>Maximum number of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Residential Zone, Schedule 1 (GRZ1)</strong></td>
<td>Discretionary 9m</td>
<td>Cannot be specified</td>
</tr>
<tr>
<td><strong>Neighbourhood Residential Zone, Schedule 1 (NRZ1)</strong></td>
<td>Mandatory 8m, unless the slope of natural ground level at any cross section wider than 8 metres of the site of the building is 2.5 degrees or more, in which case the height of the building must not exceed 9 metres.</td>
<td>Two dwellings. This does not apply to an extension of an existing building or the construction of a new building that exceeds the specified number of dwellings, provided that the total number of dwellings on the lot does not exceed the existing number of dwellings on the lot.</td>
</tr>
</tbody>
</table>
2. CRITERIA FOR THE APPLICATION OF THE NEIGHBOURHOOD RESIDENTIAL ZONE (NRZ)

Designation in MSS, Heritage Precinct Overlay and number of dwellings:
3. RATIONALE

CONSULTATION ON THE INITIAL PROPOSAL

On 11 March 2014 the Future Melbourne Committee (FMC) endorsed the consultation on the officer’s New Residential Zones: Analysis and Implementation Report February 2014 qualified with the following resolution:

1.3 Exhibits the 'New Residential Zones: Analysis and implementation Report, February 2014' for at least six weeks for public comment.

1.4 Notes that areas in the municipality which are defined by the MSS as 'stable' areas, fall in heritage precinct overlays and are large contiguous streetscapes consisting almost entirely of single dwelling lots, may meet the purposes and criteria of the Neighbourhood Residential Zone, and requests that these areas be a particular focus of community consultation.

Following the FMC meeting, the potential application of the Neighbourhood Residential Zone was considered by officers including the criteria set out in paragraph 1.4 of the FMC’s resolution and the stated purpose of each zone.

During the consultation period, preliminary maps showing possible NRZ areas were presented by officers and discussed at the public information sessions and at the residents’ groups meetings. Submissions received from the consultation and the above criteria have been factored into the revised recommended replacement of the Residential 1 and Residential 2 Zone.

REVISED RECOMMENDED APPLICATION OF THE NEW ZONES

Neighbourhood Residential Zone (NRZ)

As the NRZ may limit adaptation and reuse in an inner urban context such as the City of Melbourne, it needs to be carefully applied. Given the zone’s purpose and the mandatory nature of its requirements the NRZ has only been proposed to be applied to larger areas with streetscapes (street corner to street corner) comprising almost entirely (at least 80%) of lots with one or two dwellings of one or two storeys.

Application of the NRZ - Maximum residential building height

The NRZ allows variation of the default maximum height. The proposed maximum residential building heights for NRZ areas are either:

- In line with existing height controls, where these already apply through Design and Development Overlays (DDOs); or,
- The default height in the NRZ of 8 metres, unless the slope of natural ground level at any cross section wider than 8 metres of the site of the building is 2.5 degrees or more, in which case the height of the building must not exceed 9 metres. Architectural features and building services are excluded from building height measurement.

In areas where a maximum building height is not already set through a DDO, the default 8 metre height control contained within the NRZ is considered appropriate as it generally allows residential developments up to two storeys, which is in line with the purpose of the NRZ. Where existing buildings exceed 8 metres, the exemptions contained within the NRZ provide some flexibility. As well as the allowance for sloping sites and the allowance for architectural features and building services, the following are exempt from the mandatory maximum residential building height:

- An extension of an existing building that exceeds the specified building height provided that the extension does not exceed the existing building height.
- An extension of an existing building or the construction of a new building that exceeds the specified building height which does not exceed the height of immediately adjacent buildings facing the same street.
• The rebuilding of a lawful building or works which have been damaged or destroyed.
• A building which exceeds the specified building height for which a valid building permit was in effect prior to the introduction of this provision.

The NRZ includes transitional provisions whereby the mandatory maximum residential building height does not apply to an application to construct a dwelling or residential building made before the approval date of the planning scheme amendment that introduced this zone. In these cases, the relevant ResCode requirements, which applied before the said approval date, will continue to apply.

**Application of the NRZ - Maximum number of dwellings on a lot**

The NRZ allows variation of the default mandatory two dwellings per lot. It is not proposed to vary the mandatory maximum of two dwellings per lot through the schedules to the NRZ given that the areas selected for the NRZ are those that provide limited scope for redevelopment by nature of the fact that they comprise essentially single or double storey dwellings located within an identified heritage precinct and are on small lots comprising mostly one or two dwellings.

The NRZ includes transitional provisions whereby the mandatory maximum number of dwellings does not apply to an application to construct two or more dwellings on a lot made before the approval date of the planning scheme amendment that introduced this zone.

Whilst in Kensington and South Parkville suitable areas for the application of the NRZ were more easily identified, some of the street blocks selected in South Yarra, East Melbourne, Carlton and North Melbourne do contain lots with multiple units and flats. It is therefore proposed to include an exemption within the Schedules to the NRZ to ensure existing development rights are maintained where sites contain more than two dwellings.

**Application of the NRZ - Other variables**

It is not proposed to set a minimum lot size or to vary the standard ResCode requirements in the schedules to the NRZ.