

Action 21

A clear sequence for growth area development

Prepare a sequencing strategy for PSPs in growth areas for the orderly and coordinated release of land and the alignment of infrastructure plans to deliver basic community facilities with these staged land-release plans. This will include the following tasks:

- Monitor land supply and infrastructure delivery, as well as forecast development patterns and population growth rates across each of the five growth areas.
- Plan for the delivery of the state and local infrastructure identified in PSPs needed to support new communities.
- Identify the timing of funding available from various funding sources. Arrangements with developers such as 'works-in-kind' can assist in bringing forward infrastructure investments.

PLAN MELBOURNE DIRECTION 2.2	
TIMEFRAME	Short
LEAD AGENCY	VPA
IMPLEMENTATION PARTNERS	DELWP, councils

Action 22

Fishermans Bend as Australia's largest urban renewal area

Deliver world-class urban renewal for Fishermans Bend. This includes:

- developing and finalising precinct plans for the Lorimer, Montague, Sandridge and Wirraway neighbourhoods and a framework for the Fishermans Bend employment precinct
- reviewing and updating planning provisions
- finalising transport and community infrastructure plans
- identifying funding models and potential opportunities for delivering additional public open space
- interpreting Aboriginal and European culture and history associated with the area
- embedding the Green Star-Communities requirements into the precinct plans and framework.

PLAN MELBOURNE DIRECTION 2.2	
TIMEFRAME	Short
LEAD AGENCY	DELWP
IMPLEMENTATION PARTNERS	DEDJTR, VPA, Cities of Melbourne and Port Phillip

Action 23

Redevelopment of greyfield areas

Support councils to identify greyfield areas suitable for redevelopment for medium-density housing and lot consolidation.

PLAN MELBOURNE DIRECTION 2.2	
TIMEFRAME	Medium
LEAD AGENCY	DELWP
IMPLEMENTATION PARTNERS	Councils

Action 24

Planning system reforms for social and affordable housing

Reform the planning system to facilitate the supply of social and affordable housing. Reforms should:

- develop and implement definitions of social and affordable housing into the planning system
- formally recognise and give statutory effect to the delivery of social and affordable housing as a legitimate planning outcome in Victoria. This will enable the development of new planning provisions or tools to deliver social and affordable housing including exploring inclusionary zoning and mechanisms to capture and share value created through planning controls
- develop a streamlined planning approval process for social housing projects.

PLAN MELBOURNE DIRECTION 2.3	
TIMEFRAME	Short
LEAD AGENCY	DELWP
IMPLEMENTATION PARTNERS	Councils

Action 25

Surplus government land for social housing

Identify underutilised and surplus government land that has potential to deliver additional social housing. Undertake pilot projects to demonstrate how planning mechanisms can deliver more social and affordable housing.

PLAN MELBOURNE DIRECTION 2.3	
TIMEFRAME	Short
LEAD AGENCY	DELWP
IMPLEMENTATION PARTNER	DHHS

Policy 2.3.3

Strengthen the role of planning in facilitating and delivering the supply of social and affordable housing

There is a pressing need to increase the supply of social and affordable housing for households unable to afford market-rate housing.

The supply of social and affordable housing is largely dependent on the availability of subsidies to cover the gap between what very low income households can pay and the cost of providing housing. However, the land-use planning system can be reformed and strengthened to help support and facilitate the delivery of more social and affordable housing.

There are currently several planning-related barriers to the delivery of more social and affordable housing—including a lack of clarity in legislation and planning provisions on what constitutes affordable housing, and the absence of clear planning tools or mechanisms to require the provision of social or affordable housing as part of the planning process. Current approaches (such as requiring section 173 Agreements under the *Planning and Environment Act 1987* or applying requirements through tools such as Development Plan Overlays) have been criticised for not being sufficiently robust and inequitably applied.

The planning system will be reformed to facilitate the delivery of more social and affordable housing. These reforms will clearly define social and affordable housing, create a clear head of power for affordable housing contributions, and clarify the role the planning system has to play in the delivery of new housing. Reforms will also include new planning provisions or tools to deliver social and affordable housing. These reforms will explore inclusionary zoning and mechanisms to capture and share value created through planning controls.

New provisions or tools will be developed in consultation with the community-housing sector, the residential-development industry and local government.

Policy 2.3.4

Create ways to capture and share value uplift from rezonings

There is an increasing need to encourage the development of more affordable housing, including the integration of social and affordable housing options within major urban renewal developments.

There is scope to capture some of the value created by the rezoning process for policy priorities such as social and affordable housing.

Urban renewal precincts and sites offer significant opportunities to deliver tangible broader public benefit through their rezoning for social or affordable housing, as well as local assets such as open space and community facilities.

Consideration needs to be given to developing a new requirement that when land is rezoned to allow for higher value uses, a proportion of the value uplift should be contributed to the delivery of broader public benefit outcomes such as social and affordable housing.

