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DWELLING DIVERSITY REPORT

Harvest Square – Public Housing Renewal
Gronn Place, Brunswick West

Prepared for
AV JENNINGS
29 June 2020

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EXECUTIVE SUMMARY

Urbis is engaged by AV Jennings to prepare the following Dwelling Diversity Report, a key planning requirement associated with the proposed redevelopment of the Gronn Place, Brunswick West public housing estate. This assessment has been prepared as a supporting document for the consideration of the Development Plan application. The proposed development is referred to as Harvest Square. The site is located within Moreland City Council, and the project is a partnership between the Victorian Government, AV Jennings and community housing provider Women's Housing Limited.

The proposed Harvest Square residential development seeks to combine private and social housing with an appropriate level of dwelling diversity, as required by the Development Plan Overlay – Schedule 12 of the Moreland Planning Scheme.

The project is underpinned by a strong vision to deliver better housing communities through the provision of high quality social and private housing that integrate seamlessly into the existing fabric of the area and is tenure blind to the public realm. It is recognised that dwelling diversity is essential in achieving equitable housing opportunities. It is vital that the development facilitates the provision of well-designed housing that offers greater choice, recognises changing household needs, and meets anticipated housing needs in terms of number and diversity.

This report aims to assess the suitability of the housing profile proposed within the Harvest Square development based on empirical research. The specific objectives of this assessment are to:

- Review existing local government strategies, plans and policies to assess future housing needs within Moreland City Council
- Review the existing and projected local population profile and the likely demand for different housing types
- Assess whether the housing profile of the proposed development scenario will achieve an appropriate level of dwelling diversity, with regard to housing needs and demands for both privately owned dwellings and social housing
- Assess the affordable housing strategy of the overall development proposal and understand how it actively encourages affordable housing opportunities

1. INTRODUCTION

Pursuant to Clause 3 of Schedule 12 to the Development Plan Overlay (DPO12) in the Moreland Planning Scheme, the Development Plan for the Public Housing Renewal project at Gronn Place, Brunswick West needs to include a Dwelling Diversity Report that must:

- *“Demonstrate how the development will achieve an appropriate level of dwelling diversity for both the social and the private components across the site. This should include the number and extent of one, two and three bedroom plus dwellings for social and private housing.*
- *Provide for additional initiatives that actively encourage affordable housing opportunities.”*

The following Dwelling Diversity Report assesses the Development Plan prepared by SJB Architects, dated 8 March 2020, to determine the suitability of the project with regard to the delivery of dwelling diversity across the proposed development, as required by the DPO12. The proposal seeks to redevelop the existing public housing estate and create a new housing community with a mix of social and private housing, with a portion of the development being allocated to Women’s Housing Limited (WHL). The concept plan proposes a mixture of residential densities and types, including apartments and townhouses.

For the site context and design details of the proposed Development Plan, including an assessment of how the proposal achieves tenure equity (i.e. ‘tenure blind’ housing), please refer to the Planning Report prepared by Urbis and the Development Plan prepared by SJB.

The existing and proposed development scenario that the assessment of this report is based upon is summarised as follows:

Table 1 Development Summary

Development Summary – 1 Gronn Place, Brunswick West	
Total site area: 15,112 m ²	
Former Development	
81 public housing dwellings within six 3- and 4-storey apartment buildings	
9 duplexes with frontage to Kitchener Street owned by the Director of Housing (No. 4-20 Kitchener Street, Brunswick West / Lot 2-10 on Plan of Subdivision 33369)	
Proposed Development Scenario	
Ground: Common open space, landscaping, productive gardens, playground, visitor bicycle parking, pedestrian facilities	
Townhouses: 29 private townhouses	
Building A: 59 social housing apartments	
Building B: 50 private apartments	
Building C: 52 social housing apartments	
Building D: 8 community housing apartments allocated to WHL	
Total: 198 dwellings	79 (40%) private dwellings 119 (60%) social housing dwellings (including community housing)

The proposed dwelling mix of the proposed development scenario is summarised as follows:

Table 2 Former and Proposed Housing Profiles

Dwelling mix	Former Public Housing	Proposed Social Housing (Building A, C and D*)
One-bedroom	21 dwellings (26%)	77 dwellings (65%)
Two-bedroom	12 dwellings (15%)	37 dwellings (31%)
Three-bedroom	48 dwellings (59%)	5 dwellings (4.2%)
Total	81 dwellings	119 dwellings
Dwelling mix	Former Private Dwellings (No. 4-20 Kitchener Street)	Proposed Private Dwellings (Townhouses and Building B)
One-bedroom		22 dwellings (28%)
Two-bedroom		33 dwellings (42%)
Three-bedroom		24 dwellings (30%)
Total	9 dwellings	79 dwellings

**Building D allocated to WHL will accommodate 3 one-bedroom and 5 two-bedroom dwellings.*

Figure 1 Building layout – social and private housing tenure



Social Housing and Private Dwellings

- Social Housing
- Private

Source: SJB

2. MORELAND PLANNING SCHEME

The following policy within the Moreland Planning Scheme is relevant to the proposed development and the objectives of achieving dwelling diversity.

2.1. SCHEDULE 12 TO CLAUSE 43.04 DEVELOPMENT PLAN OVERLAY

Schedule 12 to Clause 43.04 Development Plan Overlay (DPO12) of the Moreland Planning Scheme applies to the subject site. Referred to as the “Gronn Place, Brunswick West” “public housing renewal” site, DPO12 includes a concept plan for the subject site. The plan includes three precincts, which are largely proposed to accommodate new residential dwellings, potential new open space areas (including a community gardens), and internal vehicle and pedestrian connections.

DPO12 requires the Development Plan to demonstrate the following:

- *high quality integrated social and private housing that is socially, economically and environmentally sustainable and delivers high levels of residential amenity and liveability*
- *an increase in the number of social housing dwellings that achieves dwelling diversity across the site with a range of one, two and three or more bedroom dwellings balancing issues of equity in the delivery of social and private housing that is well integrated and is visually indistinguishable.*
- *delivery of adaptable buildings and spaces that are accessible and practical for people of all abilities that respond to the future needs of residents.*

DPO12 states that a Dwelling Diversity Report must form part of any Development Plan. This report must:

- *Demonstrate how the development will achieve an appropriate level of dwelling diversity for both the social and the private components across the site. This should include the number and extent of one, two and three bedroom plus dwellings for social and private housing.*
- *Provide for additional initiatives that actively encourage affordable housing opportunities.*

2.2. LOCAL POLICY

The Moreland Planning Scheme includes a suite of planning policies relating to housing affordability and dwelling diversity. These policies are summarised as follows:

- **Clause 21.01-2 ‘The City of Moreland Today – Key Issues’** recognises that the key issues of population growth within Moreland are influenced by housing supply, choice and affordability. These issues include the provision of a diversity of household sizes with different needs and the increasing housing stress experienced by households. Moreland is a popular place to live, where there is a greater proportion of medium density housing stock than the Melbourne average.
- **Clause 21.02-3 ‘MSS Strategic Directions’** includes housing as a strategic direction, which seeks to provide a range of housing sizes and types to accommodate a diversity of household sizes, as well as affordable housing and housing that is adaptable for residents with specific accessibility requirements.
- **Clause 21.03-3 ‘Housing’** aims to provide housing diversity to meet community needs with a balance of 1, 2 and 3+ bedroom dwellings, as detailed in Objective 7. Objective 8 seeks to contribute to housing affordability, with strategies that include reducing ongoing living costs associated with housing by ensuring energy efficient design details are implemented within new development and encouraging affordable rental housing to be transferred to a registered Housing Provider. Objective 9 seeks to ensure housing is accessible and adaptable to meet the needs of different sectors of the community.

3. REVIEW OF HOUSING POLICIES AND STRATEGIES

In addition to the Local Planning Policy Framework, Moreland has prepared a number of strategic documents to guide the delivery of housing. These policies are summarised in the following sections.

3.1. MORELAND AFFORDABLE HOUSING ACTION PLAN (AHAP), 2019/20

The AHAP recognises the lack of affordable and safe housing in Moreland and facilitates the supply of affordable housing in new developments on government owned land.

Relevant strategic actions include:

- 1.1 Facilitate affordable housing through voluntary s.173 agreements, promoting the trial of the Design Excellence Scorecard and in value capture from rezonings.
- 3.3 Encourage new social housing developments in Moreland.
- 4.3 Maintain effective networks with government, community and not for profit organisations.

3.2. A HOME IN MORELAND PREPARED BY .ID (2018)

A Home in Moreland utilises data from the 2016 ABS Census to assess the future housing needs of Moreland. Key issues identified within this document are summarised as follows:

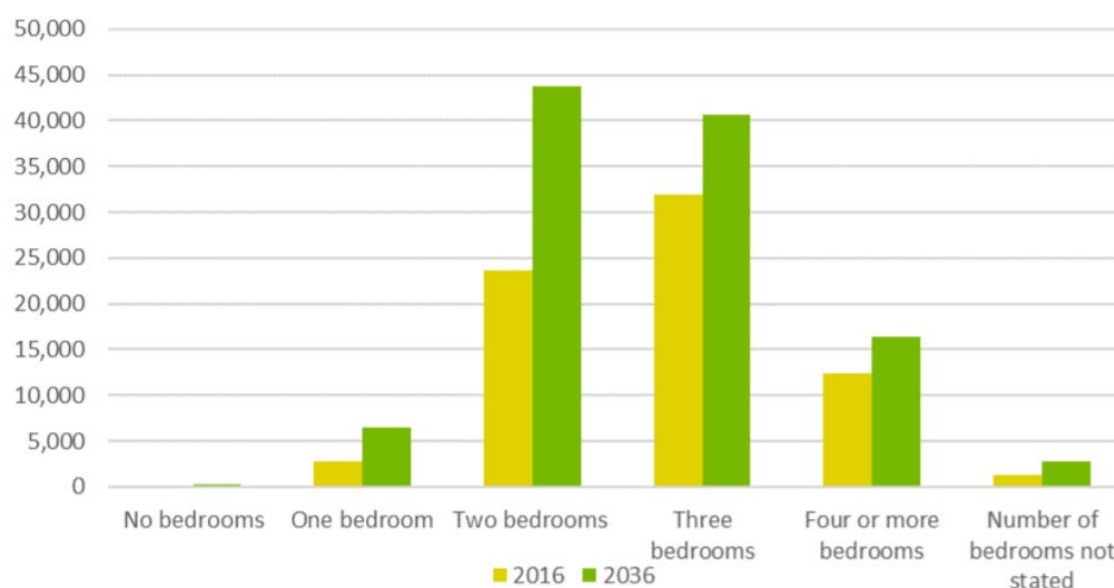
- The rate of population growth in Moreland is comparable to Melbourne's and is creating increasing housing demand.
- The demand for affordable housing within Moreland is increasing. By 2036, Moreland will need 350 new affordable homes each year (7,000 in total by 2036.) This means 18% of new homes would need to be affordable, and 80% of this need is for very low and low income households in rental stress.
- One and two person households are on the rise, and is expected to increase by 19,000 people between 2016 and 2036 (12,000 single person households and 7,000 couple households).
- The average household size in Moreland is expected to decrease from 2.54 persons per household in 2016 to 2.42 in 2036. This is driven by the increase in one person households.
- Within Moreland, 40% of the housing stock comprises small dwellings, which does not meet current demand, where 60% of households are small.
- The demand for smaller dwellings such as units, townhouses and apartments is also influenced by trade-offs between housing type and size, price and location.

3.3. SUPPLYING HOMES IN MORELAND PREPARED BY SGS ECONOMICS & PLANNING (2019)

Supplying Homes in Moreland synthesises the data provided by .id and the 2016 ABS Census to gain a better understanding of future housing needs. The key sections of the report are summarised as follows:

- SGS Economics & Planning has forecasted a demand for 38,000 net additional dwellings within Moreland by 2036.
- There is increasing demand for medium density dwellings, with 68% of the above forecast demand being for medium density dwellings, and 32% for high density dwellings.
- In terms of housing composition, the greatest demand will be for two bedroom dwellings, equating to a need for around 20,000 two bedroom dwellings - or half of all new dwellings. One bedroom and three bedroom dwellings are the next largest categories in terms of absolute growth between 2016 and 2036. The demand for smaller dwellings may be greater when taking into consideration housing affordability pressures.
- To meet affordable housing demand, up to 26% of the forecast 38,000 new dwellings required in Moreland by 2036 would need to be affordable housing.

Figure 2 Forecast of dwellings in Moreland by number of bedrooms, 2016 and 2036



Source: SGS Economics and Planning, 2019

Note: These forecasts use the SGS Housing Demand Model based on Household Forecast data from *A Home in Moreland*

Source: SGS Economics and Planning

3.4. PRELIMINARY SOCIAL INFRASTRUCTURE ASSESSMENT PREPARED BY ASR RESEARCH (2017)

The *Preliminary Social Infrastructure Assessment* presents a development scenario for the site at Gronn Place, Brunswick West and provides indicative estimates for the provision of social housing based on quantifiable demand and supply measures.

The population change for the Brunswick West area from 2016 to 2036 is 4,443 (29%), as shown in the table below.

Figure 3 Brunswick West – Forecast Population and Dwelling Change, 2016-2036

	Year						
	2016	2021	2026	2031	2036	Change from 2016 to 2036	% Change from 2016 to 2036
Average h'hold size	2.2	2.3	2.3	2.3	2.3	0.01	0.4%
Dwellings	7,075	8,374	8,632	8,867	9,102	2,027	29%
Total Population	15,322	18,304	18,818	19,286	19,765	4,443	29%

Source: *Moreland Population and household forecasts, 2011 to 2036, prepared by .id, the population experts, May 2017*

Source: ASR Research

The report assumes a dwelling yield of 268 for the site, which includes 91 public housing dwellings and 177 private dwellings, resulting in an overall residential population of approximately 620 people. ASR Research propose the following public housing profile for the future redevelopment of Gronn Place.

Figure 4 Existing and Proposed Housing Profile of the Gronn Place site (based on dwelling yield assumptions)

	Existing Public Housing No.	Existing Public Housing %	Proposed Public Housing No.	Proposed Public Housing %
1-bedroom	21	26	55	60
2-bedroom	12	15	32	35
3-bedroom	48	59	4	5
Total	81	100	91	100

Source: ASR Research

It is assessed that the above development scenario would cater for the higher demand of smaller one- and two-bedroom dwellings rather than three-bedroom dwellings. It would also replace ageing infrastructure with much needed new dwellings.

4. DEVELOPMENT OUTCOMES

The proposed Harvest Square development is consistent with the key policies and strategies detailed above and satisfies key demands for the supply of housing.

4.1. DWELLING YIELD

The Development Plan proposes a mixture of residential densities and typologies, including apartments and townhouses. The development will generate a dwelling yield of 198 dwellings, including 79 private dwellings and 119 social housing dwellings. The anticipated population yield is 455 (estimated by applying the projected average household size for Brunswick West in 2036 of 2.3 persons per household). Further details of the dwelling yield and housing profile are provided in **Table 1** and **Table 2** in Section 1 of this report.

The proposed development will make a significant contribution to the supply of housing within Moreland City Council and the Brunswick West local area. The subject site will represent:

- 2.2% of all dwellings in Brunswick West by 2036
- 9.8% of all new dwellings to be delivered in Brunswick West between 2016 and 2036
- 2.3% of the total population of Brunswick West by 2036

The proposed dwelling yield is less than the assumed 268 in the *Preliminary Social Infrastructure Assessment* (2017), however, this was not to be interpreted as final provision recommendations. The proposed dwellings provide an appropriate level of medium density housing development, as supported by the increasing demand for medium density dwellings, assessed in the *Supplying Homes in Moreland* strategy.

The proposed social and private dwelling mix is discussed in the following sections.

4.2. SOCIAL HOUSING MIX

A very generous proportion of the proposed residential development will be allocated to the provision of social housing (60%), representing a net increase of 38 dwellings. This is an ambitious target and is a far greater percentage than was assumed in the *Preliminary Social Infrastructure Assessment* (2017). The proposed social housing will contribute to Moreland's housing needs, where 350 new affordable homes are required each year in order to meet demand. In addition, the eight dwellings comprising Building D will be allocated to the WHL, as supported by the local policy of the Moreland Planning Scheme.

The proposed social housing will predominantly be comprised of one-bedroom dwellings (65%) and two-bedroom dwellings (31%). This responds directly to housing demand, where the average household size for Moreland will be 2.42 in 2036. Housing demand is also influenced by housing affordability pressures. It is understood that social housing tenants generally have higher demand for smaller dwelling sizes. Should the need for more two- or three-bedroom apartments arise, selected dwellings have been designed to be adaptable to accommodate potential changes in population trends related to household size and the specific needs of future social housing residents.

Previous tenants of the former public housing estate will have the right to move back to the site once the redevelopment is complete, if they choose to do so. This arrangement is managed between the Director of Housing and their tenants.

4.3. PRIVATE DWELLING MIX

Private dwellings will mostly be comprised of two-bedroom dwellings (42%), which aligns with Moreland's demand for more smaller dwellings, including townhouses and apartments. There is a more even spread in the dwelling mix of the private housing, with 28% allocated one-bedroom dwellings and 30% allocated three-bedroom dwellings. This is representative of a more diverse sector of the population when compared to the needs of social housing tenants.

4.4. ADAPTABLE DWELLINGS

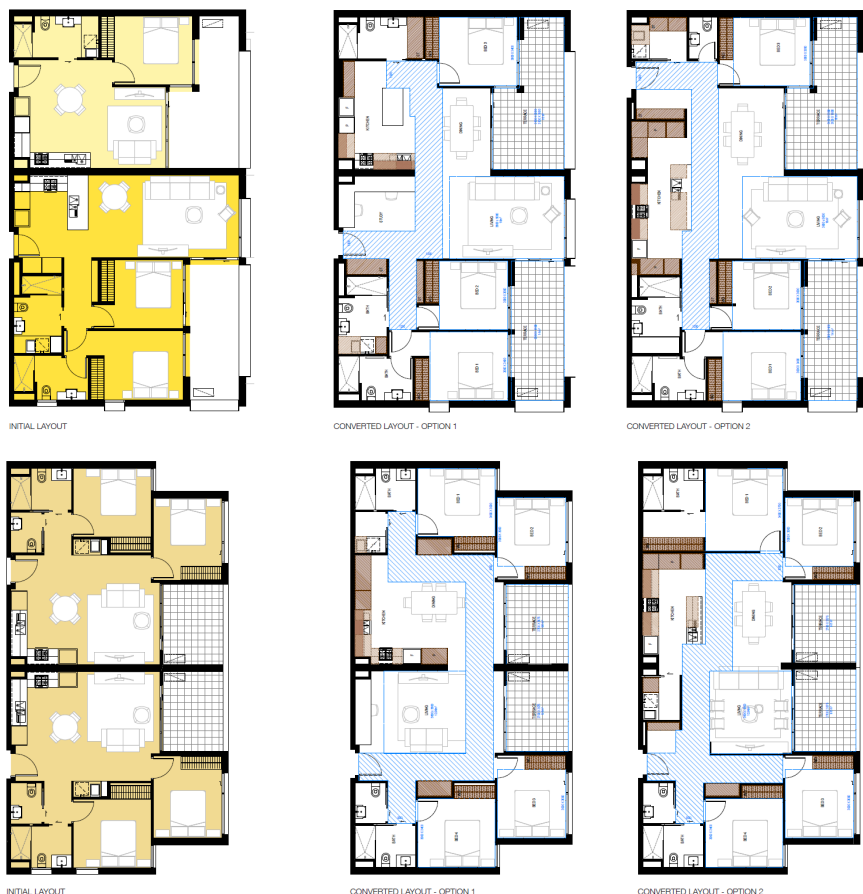
The Development Plan identifies the proposed adaptable dwellings (otherwise referred to as "flexible dwellings") on pages 55 to 66. Pages 44 and 45 outlines the two options for flexible apartments (see Figure

5). These dwellings can be modified to combine 1- and 2-bedroom units, permitting the dwelling mix to be adapted over time as needed.

A total of five pairs of dwellings within Building C (allocated for social housing) are designated as adaptable. Within Building D (allocated to WHL), a total of 3 pairs of dwellings are designated as adaptable. This is a total of 16 adaptable units. The proposed adaptable dwellings are consistent with the requirements of the DPO12 and Clause 21.03-3 (Housing).

Additionally, the social housing will meet the Gold and Silver level of the Liveable Housing Design Guidelines (LHDG), which ensure that buildings are fully accessible with capabilities for cost-effective modification. This will help respond to the changing needs of occupants including helping tenants to age in place. Refer to the Planning Report prepared by Urbis for further detail on this.

Figure 5 Typical flexible apartments



Source: SJB

4.5. AFFORDABLE HOUSING OUTCOMES

The Harvest Square development places affordable living at the forefront of the new residential community with 60% of the overall development designated as social housing. Through a diverse combination of housing typologies, the development proposal will provide affordable housing for different household types across a broad range of income levels.

The development allocates eight of the proposed social housing dwellings to a registered housing provider, WHL, which will be beneficial in providing specialist housing services for women (and potentially their children) who are escaping family violence or older single women who are at risk of homelessness.

Affordability is also considered in the design of the buildings, with regard to ongoing costs. Objective 8 at Clause 21.03-3 (Housing) encourages environmentally sustainable design to ensure ongoing living costs associated with housing are kept to a minimum. The Harvest Square development will achieve 5 Star Green Star ratings and a minimum 7 star NatHERS rating average for each building. This means more comfortable

homes that are easier to cool in summer and heat in winter, resulting in reduced energy consumption and lower utility costs.

AV Jennings proposes to allocate 10% of the private housing stock as affordable housing, which equates to a total of 8 out of the 79 private dwellings. It is also proposed to target the one- and two-bedroom apartments to be priced under \$600,000, totalling 48 private apartments, to enable eligibility for first home buyers under the First Home Loan Deposit Scheme (FHLDS).

Additionally, the development aims to create an inclusive community with high quality social and private housing that integrate seamlessly into the existing fabric of the area and is tenure blind to the public realm. The community spirit will be enhanced through the provision of high quality public spaces with green corridors, community gardens and playgrounds that will be accessible to all tenants.

These initiatives are consistent with the aims of the DPO12 and Local Planning Policy Framework of the Moreland Planning Scheme.

5. CONCLUSION

The proposed development scenario for the Harvest Square development presents a suitable housing profile that corresponds with projected housing demand and population trends. The proposal achieves an appropriate level of dwelling diversity and affordable housing opportunities by providing:

- A net increase of 117 dwellings in the form of apartments and townhouses, which meets Moreland's demands for medium density development.
- Predominantly one- and two-bedroom dwellings which corresponds with Brunswick West's projected average of 2.3 persons per household by 2036 and Moreland's broader housing demands.
- Adaptable dwellings to enable potential changes in demand for larger dwellings.
- Higher allocation of dwellings for social housing to meet future affordable housing demand.
- Affordable housing opportunities in an area with access to transportation and a wide array of services and amenity.

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