New Residential Zones
their application and implications

Presented by
Paul Buxton
Elizabeth Lewis
David Vorchheimer

14 June 2013
Outline

- **Background / context**
  - MAC recommendations, Minister’s response, work undertaken by DPCD
- **Local context**
  - a local government perspective
- **Matters to consider in applying new zones**
  - tricks, traps and shortfalls
Reformed residential zones for Victoria

Presentation by Paul Buxton, Statutory Systems, Department of Planning and Community Development

14 June 2013
Aims of reformed residential zones

Reformed residential zones aim to:

- improve the range of residential zones to better manage growth and protect and maintain liveability and neighbourhood character.
- simplify requirements with greater certainty and clearer rules
- allow a broader range of activities to be considered

A residential zone reform package has now been announced to ensure that the right planning tools are in place to achieve the desired strategic outcomes.
Snapshot of reformed residential zones

<table>
<thead>
<tr>
<th>Existing</th>
<th>Improved</th>
<th>Replaced by</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential 1</td>
<td>Low Density Residential</td>
<td>Neighbourhood Residential</td>
<td></td>
</tr>
<tr>
<td>Residential 2</td>
<td>Mixed Use</td>
<td>General Residential</td>
<td></td>
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<tr>
<td>Residential 3</td>
<td>Township</td>
<td>Residential Growth</td>
<td></td>
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<tr>
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<tr>
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</tbody>
</table>
# Reformed Residential Zones for Victoria

<table>
<thead>
<tr>
<th>Muz</th>
<th>Rgz</th>
<th>Grz</th>
<th>Nzr</th>
<th>Tz</th>
<th>Ldz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mixed Use Zone</td>
<td>Residential Growth Zone</td>
<td>General Residential Zone</td>
<td>Neighbourhood Residential Zone</td>
<td>Township Zone</td>
<td>Low Density Residential Zone</td>
</tr>
<tr>
<td>Improved</td>
<td>New</td>
<td>New</td>
<td>New</td>
<td>Improved</td>
<td>Improved</td>
</tr>
</tbody>
</table>

## What is the Role of the Zone?
- **Muz**: Enables new housing and jobs growth in mixed use areas.
- **Rgz**: Enables new housing growth and diversity.
- **Grz**: Respect and preserve urban character while enabling modest housing growth and housing diversity.
- **Nzr**: Restricts housing growth in areas identified for urban preservation.
- **Tz**: Provides for residential and other uses in small towns. Enables modest housing growth.
- **Ldz**: Enables low density housing.

## Where Will it be Used?
- **Muz**: In areas with a mix of residential and non-residential development. In local neighbourhood centres undergoing renewal and around train stations, where appropriate.
- **Rgz**: In appropriate locations near activity areas, train stations and other areas suitable for increased housing activity.
- **Grz**: In most residential areas where modest growth and diversity of housing is provided, it is consistent with existing neighbourhood character.
- **Nzr**: In areas where single dwellings prevail and change is not identified, such as areas of recognised neighbourhood character or environmental or landscape significance.
- **Tz**: In townships.
- **Ldz**: On the fringe of urban areas and townships where sewerage may not be available.

## Does Rescode Apply?
- **Muz**: Yes (up to 4 storeys)
- **Rgz**: Yes (up to 4 storeys)
- **Grz**: Yes
- **Nzr**: Yes
- **Tz**: Yes
- **Ldz**: No

## What Sort of Housing Can be Expected?
- **Muz**: High and medium density housing
- **Rgz**: Medium density housing
- **Grz**: Single dwellings and some medium density housing
- **Nzr**: Single dwellings and dual occupancies under some circumstances
- **Tz**: Single dwellings and some medium density housing
- **Ldz**: Single dwellings

## Does the Zone Set a Maximum Building Height for Housing?
- **Muz**: No
- **Rgz**: Yes, 13.5 metres
- **Grz**: Yes, 9 metres
- **Nzr**: Yes, 8 metres mandatory
- **Tz**: Yes, 9 metres
- **Ldz**: No

## Can a Permit Be Granted to Exceed the Maximum Building Height?
- **Muz**: When approved by a council.
- **Rgz**: Except when a higher or lower maximum building height has been set which cannot be exceeded.
- **Grz**: Except when a higher or lower maximum building height has been set which cannot be exceeded.
- **Nzr**: Except when a higher or lower maximum building height has been set which cannot be exceeded.
- **Tz**: Except when a higher or lower maximum building height has been set which cannot be exceeded.
- **Ldz**: No

## Is a Structure Plan or Design Framework Required for the Zone to be Applied?
- **Muz**: No
- **Rgz**: No
- **Grz**: No
- **Nzr**: No
- **Tz**: No
- **Ldz**: No
Key features of the residential zones

- The purpose of each new zone clearly defines the zone.
- Multiples schedules allowed to each zone.
- A maximum building height of a dwelling or residential building can be specified via a schedule (except for the LDRZ).
- The operation of the ResCode provisions is maintained (except in the LDRZ), with additional amenity provisions included in the RGZ and MUZ to land abutting other residential zones.
- Nine residential siting and amenity variations are allowed via the schedule to the zone (except for the LDRZ).
- A planning permit threshold of 300 sq m to construct or extend one dwelling on a lot or as increased via a schedule where allowed (except for the LDRZ).
- Application requirements, decision guidelines and other requirements can be specified via a schedule (except for the LDRZ).
- Third party notice, objection and review rights in all zones for section 2 uses and buildings and works applications associated with a section 2 use.
Key features of the residential zones

- Less restrictions on non-residential land uses in the RGZ and MUZ (for food and drink premises, medical centre, office, place of worship, and shop).
- Uses either prohibited or additional conditions included against uses in the GRZ and NRZ for convenience restaurant, food and drink premises, medical centre, office, place of worship, retail premises (including shop) and take away food premises.
- Bed and breakfast allows for 10 persons as of right in all zones.
- In the LDRZ the default minimum lot size for subdivision of land connected to reticulated sewerage has been decreased to 0.2 hectare.
- Existing schedules to the LDRZ will continue to operate.
- Objectives can be specified in a schedule to the Mixed Use Zone to facilitate the use, development and redevelopment of land.
- Existing schedules to the MUZ and TZ will be translated to the new schedules.
Residential Growth Zone purpose & default height limit:

• To provide housing at increased densities in buildings up to and including four storey buildings.

• To encourage a diversity of housing types in locations offering good access to services and transport including activities areas.

• To encourage a scale of development that provides a transition between areas of more intensive use and development and areas of restricted housing growth.

• To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.

- The zone includes a discretionary default height limit of 13.5 metres which can be increased or decreased via a schedule for a mandatory height limit.
General Residential Zone purpose & default height limit:

- To encourage development that respects the neighbourhood character of the area.
- To implement neighbourhood character policy and adopted neighbourhood character guidelines.
- To provide a diversity of housing types and moderate housing growth in locations offering good access to services and transport.
- To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.

- The zone includes a default discretionary height limit of 9 metres which can be increased or decreased via a schedule for a mandatory height limit.
Neighbourhood Residential Zone purpose & default height limit:

- To recognise areas of predominantly single and double storey residential development.
- To limit opportunities for increased residential development.
- To manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics.
- To implement neighbourhood character policy and adopted neighbourhood character guidelines.
- To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.

- The zone includes a default mandatory maximum height of 8 metres which via a schedule can include a higher or lower mandatory height limit.
- No more than 2 dwellings are allowed on a lot unless a schedule specifies a higher or lower maximum number of dwellings.
Summary of new residential zones:

## RESIDENTIAL ZONES – PROPOSED AND FINAL ZONES

<table>
<thead>
<tr>
<th>Type of Zone</th>
<th>Proposed July 2012</th>
<th>Final new zone March 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NEIGHBOURHOOD RESIDENTIAL ZONE</strong></td>
<td>Can be scheduled but minimum of two dwellings</td>
<td>Can be scheduled but no minimum number of dwellings</td>
</tr>
<tr>
<td>Height limit</td>
<td>9m or as specified in schedule, mandatory</td>
<td>8 metres or as specified in schedule, mandatory</td>
</tr>
<tr>
<td>Minimum lot size for as-of-right development of one dwelling</td>
<td>300 sqm, or as specified in schedule</td>
<td>300 sqm, or as specified in schedule</td>
</tr>
<tr>
<td>100-metre condition for non-residential uses</td>
<td>Not proposed</td>
<td>Not proposed</td>
</tr>
<tr>
<td>Medical centre</td>
<td>Allowed without a permit subject to a condition restricting size to 250 sqm</td>
<td>Allowed without a permit but stricter conditions placed on the use, including location on a main road, in an existing building and complying with all car parking requirements</td>
</tr>
<tr>
<td>Zone purpose</td>
<td>No reference to neighbourhood character in zone’s purpose</td>
<td>Neighbourhood character now referenced as a purpose of the zone</td>
</tr>
<tr>
<td><strong>GENERAL RESIDENTIAL ZONE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Height limit</td>
<td>Rescode (9m) or as specified in schedule</td>
<td>Rescode (9m) or as specified in schedule</td>
</tr>
<tr>
<td>Minimum lot size for as-of-right development of one dwelling</td>
<td>200 sqm, or up to 500 sqm if specified in schedule</td>
<td>300 sqm, or up to 500 sqm if specified in schedule</td>
</tr>
</tbody>
</table>
| 100-metre condition for non-residential uses | Shop, food and drink premises, office to be allowed within 100m of a commercial zone | • Food and drink premises require a permit with no conditions  
• Shop (other than Convenience Shop) and Office prohibited |
| Medical centre             | Allowed without a permit subject to a condition restricting size to 250 sqm    | Allowed without a permit but stricter conditions placed on the use, including location on a main road, in an existing building and complying with all car parking requirements |
| Zone purpose               | No reference to neighbourhood character in zone’s purpose                        | Neighbourhood character now referenced as a purpose of the zone                          |
| **RESIDENTIAL GROWTH ZONE** |                                                                                  |                                                                                          |
| Height limit               | 12.5m or as specified in schedule                                               | 12.5m or as specified in schedule                                                       |
| Minimum lot size for as-of-right development of one dwelling | 80sqm                                                                     | 300sqm                                                                                   |
| 100-metre condition for non-residential uses | Small shops, food and drink premises, offices to be allowed within 100m of a commercial zone | • Small shops and food and drink premises will be allowed, but must be on a main road  
• Office will require a planning permit and the leasable floor area must not exceed 250 sqm |
| Medical centre             | Allowed without a permit subject to conditions                                   | No change                                                                                |
| Zone purpose               | To provide medium density housing at increased densities                         | Now clearer. To encourage diverse housing types, and provide housing at increased densities of up to and including four storeys. |
Implementation of new residential zones

• Councils need to think strategically about where the new zones are applied by applying existing strategic work, such as local housing strategies, through the new residential zoning tools.

• Councils categorised into three tiers to reflect different stages of implementation:
  1. Councils with adopted housing strategies
  2. Councils with housing strategies being developed
  3. Council with no housing strategy underway or proposed.

• Can apply new residential zones to reflect local conditions and to differentiate residential areas by balancing the future housing needs of Victorians and identifying and protecting liveability and neighbourhood character attributes.

• Can achieve varying densities and built form outcomes.

• Development of multiple housing types and forms can be more directly specified.
Implementation of new residential zones

- Cannot automatically translate all existing residential zones to new residential zones - new provisions and requirements are not equivalent.

- Planning scheme amendments will need to be initiated by Councils with assistance from DPCD.

- DPCD’s Housing Development Data and Capacity Analysis on Available Land will be released to Councils to assist implementation of the residential zones.

- The three new residential zones will be implemented into the VPP through a state-wide V amendment and Ministerial Direction changes by 1 July 2013.

- On 1 July 2013, the amended Mixed Use Zone, Township Zone and Low Density Residential Zone will be incorporated into the VPP and individual planning schemes through a VC Amendment with existing schedules updated/amended (MUZ and TZ schedules are amended, LDRZ schedule remains as existing).

- On 1 July 2013, Councils can initiate amendments, utilising the package of new residential zones for their municipality. The existing R1Z, R2Z and R3Z should not be used for future amendments (except in special circumstances).
# Zone selection principles

## New Residential Zone

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Likely application</th>
</tr>
</thead>
<tbody>
<tr>
<td>RGZ</td>
<td>Enables new housing growth and diversity in appropriate locations</td>
</tr>
<tr>
<td>GRZ</td>
<td>Respects and preserves neighbourhood character while allowing moderate housing growth and diversity</td>
</tr>
<tr>
<td>NRZ</td>
<td>Restricts housing growth in areas identified for urban preservation</td>
</tr>
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## Possible principles in applying zones

Some principles can be deduced from the purposes of the zones (and should be considered together):

- Locations offering good access to services, transport and other infrastructure
- Areas which provide a transition between areas of more intensive use and development and areas of restricted housing growth
- Areas with a diversity of housing stock, diversity of larger lots sizes and a more varied and eclectic neighbourhood character
- Areas where modest housing growth and housing diversity is encouraged
- Areas with a neighbourhood character that is sought to be retained
- Areas with Neighbourhood Character Overlays
- Residential areas with Heritage Overlays (such as larger heritage precincts, rather than individually recognised heritage sites)
- Areas of identified environmental or landscape significance.
- Areas which may not have good supporting transport infrastructure or other infrastructure, facilities and services and not likely to be improved in the medium to longer term.
### Zone selection criteria

<table>
<thead>
<tr>
<th>Potential criteria</th>
<th>Applicable to Neighbourhood Residential Zone (low levels of residential change)</th>
<th>Applicable to General Residential Zone (minimal to moderate levels of residential change)</th>
<th>Applicable to Residential Growth Zone (high levels of residential change)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Character</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Neighbourhood character (evidence through HO, NCO, DDO, significant intactness)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>Emerging or preferred neighbourhood character (evidence with DDO)</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>Existing Landscape Character (evidence through SLO, ESO, Local Policy)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>Risk associated with known hazard (evidenced through BMO, LSIO or EMO for fire, flood and landslip)</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>5</td>
<td>Level of development activity (existing and desired)</td>
<td>Low</td>
<td>Low/moderate</td>
</tr>
<tr>
<td>6</td>
<td>Brownfield/urban renewal site/area</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
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<tbody>
<tr>
<td><strong>Strategic</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>7 Housing and Development Strategy</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>8 Identified in Activities Area structure plan/policy</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>9 Commercial or industrial land for redevelopment not in Activities Area (strategic justification for rezoning required)</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>10 Access to employment options</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td><strong>Context</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11 Good access to local shopping</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>12 Good access to local community services</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>13 Good access to transport choices</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td></td>
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</tbody>
</table>
Consultation and Advisory Committee

- The proposed Reformed Zones were made available for public comment in mid July 2012 for 10 weeks until 28 September 2012.
- Over 2000 submissions were received and summarised by the Department, with 917 submissions specifically to the residential zones.
- All submissions were provided to, and considered by, the Advisory Committee.
- The Committee provided the Residential Zones Progress Report to the Minister for Planning in mid December 2012.
- The Committee broadly endorsed the Government’s approach to the reformed zones with 21 recommendations.
- Government supported 18 of 21 recommendations as detailed in a Government response.
Advisory Committee Report & Further Information

• For the reformed residential zones, details of the:
  - Advisory Committee’s Progress Report and recommendations
  - Government’s response to the Progress Report
  - final reformed residential zones, 6 March 2013, and
  - fact sheet: reformed residential zones - an update March 2013

  can be viewed at:

• The report on the Commercial and Industrial Zones was provided to the Minister in late February 2013 and has been released by the government.
• The report on the Rural Zones was provided to the Minister in late February 2013 and is currently being considered.
• For any further Departmental queries please contact Paul Buxton on 96584698, Rodney Wee on 99471220 or Eric Lo Bianco on 99471231 or email: planning.systems@dpcd.vic.gov.au
New Residential Zones

✓ The new residential zones consistent with the policy direction of the Brimbank Housing Strategy, *Home and Housed*

✓ Ensure new housing development is appropriately located to achieve sustainable diverse neighbourhoods

✓ Ability to vary scheduled provisions within a zone

✓ Protect neighbourhoods from inappropriate development

✓ Provide a greater level of certainty to residents, developers and Council Officers
Housing Strategy Vision

- The right house in the right location
- Provide the framework for housing diversity through the housing policy areas
The Interactive Multivariate Analysis Tool (IMAT)

- **A decision making tool**, the IMAT undertakes a development suitability assessment of all registered land parcels in the municipality.

- **A tool used to inform** the development of Council’s ‘housing policy areas’.

- **A catalyst for location-based performance** indicators in residential development applications.
IMAT – Site-by-site scoring of suitability
IMAT a consultation tool

Where do you think new housing should go?

- GOOD ACCESS
- TRAIN STATION
- VLINE SERVICES (FUTURE ELECTRIFICATION)
- TRAIN LINE
- DISTRICT
Application of new zones

Limited Change → Neighbourhood Residential Zone

Incremental Change → General Residential Zone

Substantial Change → Residential Growth Zone
IMAT2 – Infill capacity

- **Is 63% too much** ‘limited change’?
- **Is there enough capacity** to accommodate population growth into the future?
- **What are the development opportunities** in limited change areas?
IMAT2 – Infill capacity

- Building footprint data applied to every residential lot
• **Identify lots** which pass the access easement test

• **2.5m wide access way** along at least one side boundary

• **Access way tested for statically accuracy** to allow for inaccuracies of the building footprint data
Using standard computer programs (MapInfo) to determine dwelling capacity of each lot.

The ‘left over’ land will indicate dwelling capacity of all our housing policy areas.

Essentially capacity of left over land = lot size - existing building footprint with open space – front setback.

Developing algorithms which will automatically determine infill capacity – based on Rescode provisions drafted for the new zones.
Evidence based approach

- **Transparent, evidence based implementation** of the new residential zones

- **Increase stakeholder engagement** and buy-in, full exhibition of amendment
New Residential Zones – Challenges

- **Level of Strategic justification** required to apply zones and schedules is unknown

- **Notification** is a lengthy, extensive and costly process, more than 71,000 residential parcels in the municipality

- **Panel costs**, expert evidence in a tight budget year
Matters to consider

tricks, traps and shortfalls
Strategic work

Where to apply what zones?

- Housing Strategy
- MSS review / update
- Changes to local policies
- Matrix
  - Identified character elements to preserve (HO, NCO)
  - Significant landscape / environment elements
  - Poor access to transport, infrastructure, services
Zone choices

NRZ v GRZ

- Belts and braces (HO) – is it necessary?
- Tricked up schedule to GRZ v NRZ
- NRZ – strategic backing / likely support DPCD?
- Schedules to GRZ – mandatory v discretionary elements
  - What can be changed and how this may work
- Schedules to GRZ – likely outcomes at VCAT
- Outside the square
  - Use of MUZ or Business zone instead of RGZ
What process to use?

- Section 20(2)
- Section 20(4)
- Section 19 (Standard)
  - Pros and Cons
  - Weight / Testing
  - Community input / buy-in
  - Timing of process – 1 July 2014 deadline
Issues

- Amendment - Zones alone v Zones and Local policy
- Effect of RGZ on edge of Activity Centre – extension of AC?
- Transition – old to new (Permits, Applications etc.)
- Implications of choice of zones – NRZ v GRZ (no. of dwellings, intensity)
Other matters

- Effect of changes on property values?
  - NRZ
  - GRZ
  - RGZ
- Compensation?
Questions, Comments, Observations?
## Office Locations

<table>
<thead>
<tr>
<th>Location</th>
<th>Address Details</th>
<th>Phone Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brisbane</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level 23 Riverside Centre 123 Eagle Street Brisbane QLD 4000</td>
<td>P +61 7 3002 6700 F 1300 368 717</td>
</tr>
<tr>
<td></td>
<td>Level 2 500 Queen St Brisbane QLD 4000</td>
<td></td>
</tr>
<tr>
<td><strong>Canberra</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level 1 25 National Circuit Forrest ACT 2603</td>
<td>P +61 2 6151 2100 F 1300 769 828</td>
</tr>
<tr>
<td><strong>Melbourne</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level 26 530 Collins Street Melbourne VIC 3000</td>
<td>P +61 3 8644 3500 F 1300 365 323</td>
</tr>
<tr>
<td><strong>Norwest</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Suite 310, Level 3 Norwest Central 12 Century Circuit Baulkham Hills NSW 2153</td>
<td>P +61 2 9334 8555 F 1300 369 656</td>
</tr>
<tr>
<td><strong>Sydney</strong></td>
<td></td>
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<tr>
<td></td>
<td>Level 14 Australia Square 264-278 George Street Sydney NSW 2000</td>
<td>P +61 2 9334 8555 F 1300 369 656</td>
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