



# 3 Objectives

We have created a municipal-wide housing vision to guide the Council's actions over the next 15 years as we meet our evolving community's housing needs and aspirations.

## Our Housing Vision

A City with liveable neighbourhoods and places to live that meet the needs of our diverse and growing community.

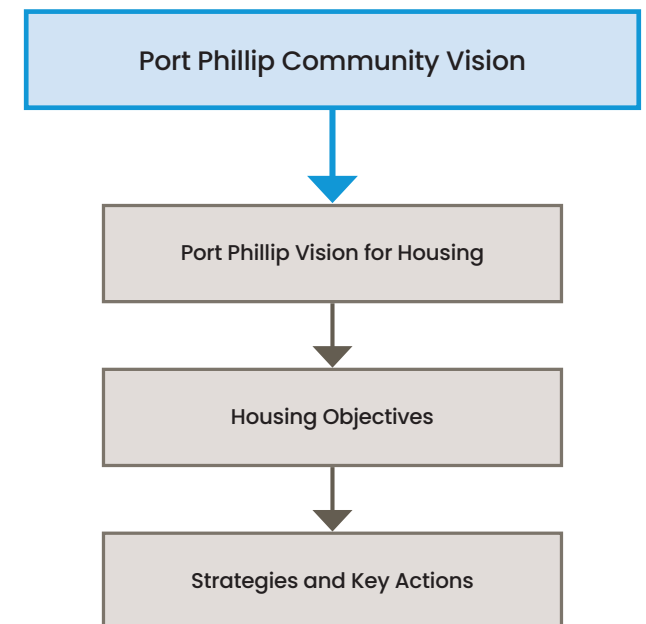
An evolving City that respects its rich history while looking and adapting to the future. A City of safe, distinct, inclusive, interconnected neighbourhoods. A City that continues its long-standing commitment to providing affordable housing and is a home to our diverse community. A City that is sustainable and resilient to meet the challenges of a changing environment.

Our housing vision directly responds to the community vision in our Council Plan: "Proudly Port Phillip: A liveable and vibrant City that enhances the wellbeing of our community."

This section outlines how we will achieve our housing vision through six objectives:

- 1 Ensure adequate housing supply
- 2 Direct new housing to appropriate locations
- 3 Ensure new housing responds to neighbourhood character and heritage values of established residential areas
- 4 Encourage a range of housing options to support our diverse community
- 5 Support new housing that is well-designed and resilient to climate change impacts
- 6 Facilitation the provision of more affordable housing

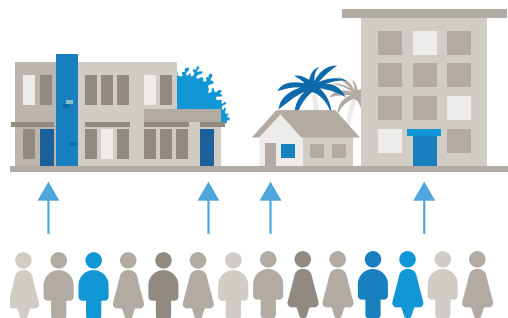
Each objective includes the relevant housing needs, key messages, what the community told us, and a detailed discussion section. It also includes strategies to achieve the desired aims and ambitions for housing and residential development and actions to implement our objectives.



## OBJECTIVE 1

## OBJECTIVE 1 - Ensure adequate housing supply

## Relevant housing needs



Ensuring sufficient land is available to accommodate projected population growth (land supply).

## Key messages

- Population growth is a key driver of housing demand and the property market over the long term.
- We expect an additional 43,510 people to move to our city and live in an additional 21,480 homes by 2036.
- Port Phillip has a strong housing supply pipeline (currently up to five years) to meet expected demand (short term).

- There is sufficient residential land in Port Phillip to accommodate projected housing demand over the next 15 years (long term).
- It is important to ensure that residential uses complement, rather than displace, economic activity and employment.

## What the community told us

At the industry workshop during our phase two engagement, we wanted to hear from industry professionals (most of whom are involved in the delivery of housing) what they saw as the main roadblocks to housing supply. Issues with approval processes and the availability of affordable land in Port Phillip were raised as key issues. Balancing community concerns about development and meeting housing demand was also discussed.

## Discussion

Before the COVID-19 pandemic, Port Phillip's population grew at an average of 1.5 per cent per year (1,489 people) between 2006 and 2020, mainly due to strong overseas migration.<sup>12</sup>

Port Phillip's population growth corresponded with an increase in residential development activity during this period, with an average annual increase in dwellings equating to approximately 1,000 per year.

Figure 9 shows that 2010/11, 2013/14 and 2015/16 were the years with the most significant growth in dwelling stock.

In 2021, Port Phillip's population declined sharply by 6.31 per cent from the previous years (108,627 in 2016) to 103,508. In June 2022, the population increased by 0.53 per cent. The return to growth is consistent with other parts of inner Melbourne and reflects the temporary impacts on population levels caused by pandemic period restrictions and very low migration rates.

## OBJECTIVE 1

It is expected that population growth, along with demand for inner-city living, the attractiveness of Port Phillip as a place to live, and State policies that support urban consolidation, will continue to drive the demand for housing in Port Phillip in the longer term, in line with Victorian Government projections.<sup>13</sup>

Figure 9. Annual net new dwellings

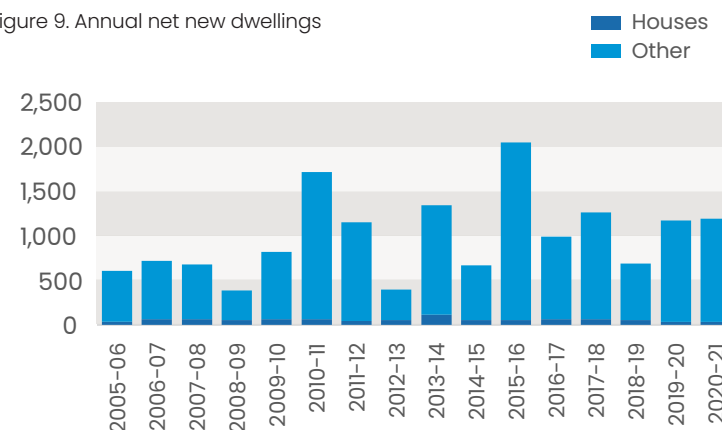
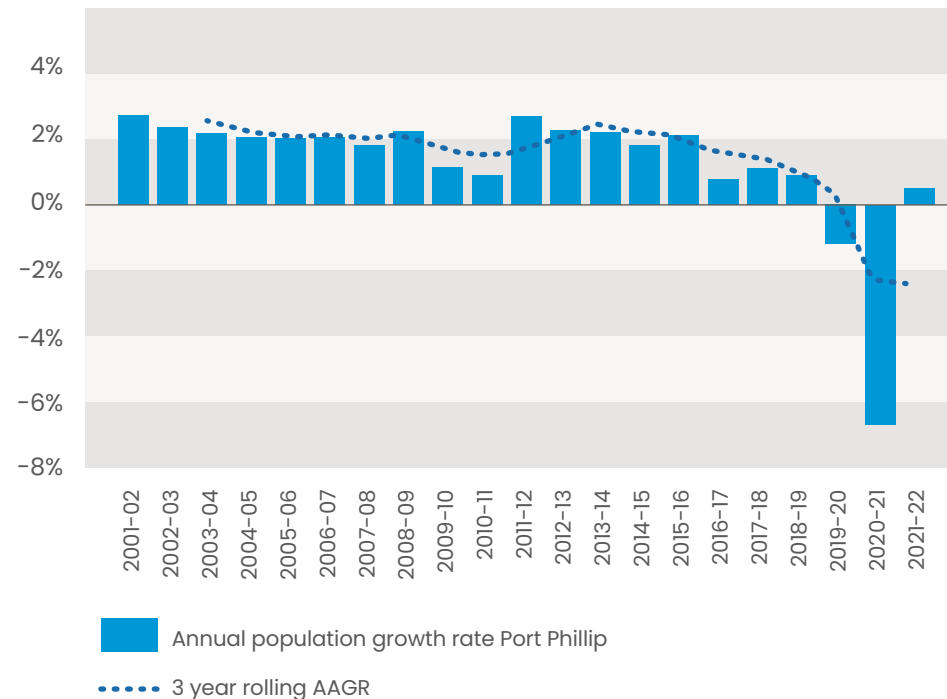


Figure 10. Annual population growth rate (June 2001 to June 2022)





## OBJECTIVE 1

### Population and dwelling projections

Victorian Government population and household projections forecast that by 2036, an extra 43,510 people will move to the City of Port Phillip and live in an additional 21,480 homes.<sup>14</sup>

The projected change in households in Port Phillip from 2021 to 2036 (15 years) indicates a growth in the number of couples without children (27 per cent), while the proportion of families with children will decline from 21.8 per cent in 2021 to 19.7 per cent. The number of people living by themselves is projected to remain steady at 41 per cent and continue to be the most common household structure in Port Phillip.

We need to support the development of new housing to meet the demands of the growing residential population. The Strategy investigates ways to ensure that new housing is designed to meet the community's needs and adapt to its proliferation in the coming years.

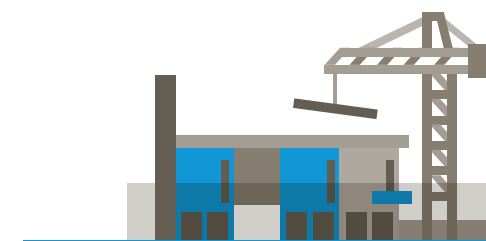
This will facilitate transitions between life stages, including shared, sole-person, couple, and family housing, and downsizing later in life. More housing choices will also be required to attract and retain families with children in the area and ensure the continuation of a diverse population in the City of Port Phillip.

### Total residential land capacity

There must be enough suitable residential land for housing change and growth to ensure Port Phillip can accommodate the projected additional 23,000 to 26,700 dwellings required between 2021 and 2036.<sup>15</sup>

The supporting technical document to this strategy, the Housing Capacity Report, Urban Enterprise, 2024, has identified the potential to incorporate approximately 52,000 to 58,000 additional dwellings across the municipality.<sup>16</sup> This considers all feasible sites being developed to the maximum extent the planning controls allow. Some residential land is unsuitable or likely to be redeveloped for additional housing – refer to Table 3 for sites excluded from the capacity assessment.

Although this is a theoretical capacity figure and practical development will be somewhat less, a current housing development pipeline of more than 14,000 dwellings indicates that significant developments, at least in aggregate terms, will likely provide substantial new dwelling supply in the coming years relative to demand.



## OBJECTIVE 1

NO	ISSUE	EXCLUSION METRIC	APPLIES TO	BASIS
1	Recent and high value improvements	Construction year after 2010	All zones	Recently constructed buildings are unlikely to be redeveloped in the study timeframe given the economic life of the improvements.
2		The ratio of Capital Improved Value (CIV) to Site Value (SV): CIV: SV ratio > 1.5 (NRZ) CIV: SV ratio > 5 (Other zones)	All zones	Properties with higher value improvements are less likely to be redeveloped than sites with lower value improvements, especially in infill areas such as the NRZ.1
3	Lot size	Lot size < 500 sqm	CIZ, MUZ, RGZ	Small lots are less likely to be redeveloped or subdivided for higher density development due to the physical constraints associated with the lot size.
4	Fragmented ownership	Strata title or similar	NRZ, GRZ	Strata titled properties can be difficult to redevelop given the need to acquire all properties within a development. The exclusion has not been applied to zones with policy support for high density development where incentives to consolidate are greater.
5		Sites with more than 20 residential units or 5 commercial properties	All zones	Redevelopment of properties with a large number of existing units and separate landowners is less likely to be achieved given the difficulty in acquiring units.
6	Heritage and character restrictions	Victorian Heritage Register	All zones	State heritage significance likely to constrain development.
7		Significant Heritage Places (Clause 22.04)	NRZ	Individual sites that are separately identified as Significant Heritage Places are less likely to be redeveloped in the NRZ where heritage buildings typically occupy a large proportion of the site. Redevelopment of Significant Heritage Places has occurred in other zones, for example by retaining facades and major heritage elements while redeveloping the balance of sites.
8		Neighbourhood Character Overlay	All zones	Overlay promotes neighbourhood character consistent with existing development, therefore lots are less likely to be redeveloped.
9	Other	Public Acquisition Overlay	All zones	Permit application will trigger public land acquisition.
10		School, childcare, aged care, public use, public housing, infrastructure.	All zones	Assumed that these land uses will remain over the assessment timeframe and not be available for redevelopment

Table 3. Sites excluded from the capacity assessment. Source: Urban Enterprise.

## OBJECTIVE 1

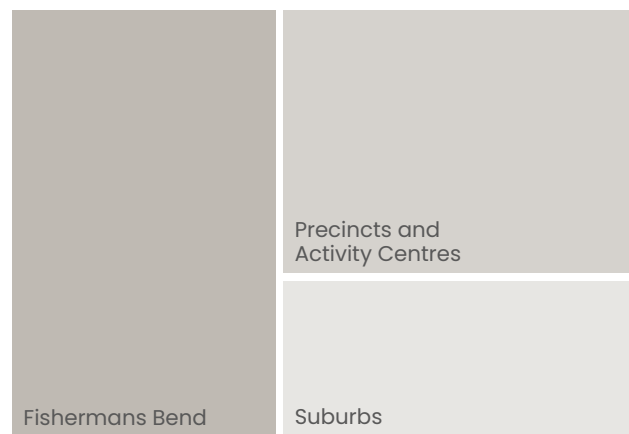
### Residential precinct capacity

Fishermans Bend alone can accommodate approximately 30,000 additional dwellings (more than half of the total capacity).<sup>17</sup> A further capacity of 8,000–10,000 dwellings (more than 15 per cent of the total capacity) can be accommodated in the St Kilda Road Precinct. Apartments in mid- and high-rise towers will continue to be the predominant housing type in these areas. Most of the future housing capacity exists due to existing planning controls permitting medium and high-density residential development within Fishermans Bend and the St Kilda Road North Precinct, which includes the Domain Precinct. Table 4 summarises the capacity results by precinct.

Port Phillip's Major Activity Centres have relatively limited housing capacity by comparison, with the potential for approximately 2,900 to 3,900 dwellings across all Major, Neighbourhood and Local Activity Centres.

The capacity study also suggests that residential infill opportunities are limited in the established residential areas of South Melbourne, Middle Park and Albert Park. However, more substantial infill opportunities exist in the established residential areas of Port Melbourne, St Kilda and Elwood, especially in areas zoned as Residential Growth Zone (RGZ) and General Residential Zone (GRZ), where new low-rise apartments are already being built.

Figure 11. Residential land supply



## OBJECTIVE 1

PRECINCT	TOTAL	% OF TOTAL
St Kilda Road Precinct	10,206	18%
St Kilda Road South Precinct	1,582	3%
Fitzroy Street Major Activity Centre	400	1%
Acland Street Major Activity Centre	262	0%
Bay Street Major Activity Centre	716	1%
South Melbourne Central Major Activity Centre	1,049	2%
South Melbourne Precinct Balance	830	1%
Carlisle Street Major Activity Centre	763	1%
Armstrong Street Neighbourhood Activity Centre	51	0%
Ormond Road / Glenhuntly Road Neighbourhood Activity Centre	117	0%
Bridport Street / Victoria Avenue Neighbourhood Activity Centre	147	0%
Local Activity Centres	438	1%
<b>Sub-total – Centres and Precincts</b>	<b>16,561</b>	<b>29%</b>

PRECINCT	TOTAL	% OF TOTAL
St Kilda Balance	2,690	5%
Port Melbourne Balance	1,345	2%
Elwood Balance	3,174	6%
South Melbourne Balance	173	0%
Albert Park Balance	251	0%
Balaclava Balance	1,005	2%
Ripponlea Balance	355	1%
St Kilda East Balance	1,103	2%
Middle Park Balance	445	1%
St Kilda West Balance	455	1%
Windsor Balance	161	0%
<b>Sub-total – Suburb balance</b>	<b>11,157</b>	<b>19%</b>
Fishermans Bend	29,937	52%
<b>Total</b>	<b>57,655</b>	<b>100%</b>
<b>Percentage of total</b>	<b>100%</b>	

Table 4. Capacity results summary – Net additional dwellings (scenario 2 – maximum capacity). Source: Urban Enterprise, 2024, Port Phillip Housing Market and Capacity Assessment.

## OBJECTIVE 1

### Housing supply pipeline

In the short term, the City has a strong housing supply pipeline to meet expected housing demand. According to the 2022 Urban Development Program data, 85 planned major residential development projects (ten or more dwellings) are at different stages of the development timeline, which propose to deliver 14,464 new dwellings in Port Phillip in total.<sup>18</sup>

It is difficult to predict when or what percentage of the planned developments will proceed through construction. Based on the same data, in 2022, about 6,000 (42 per cent) of those dwellings have been approved, and about 2,500 (18 per cent) were under construction. It is important to note that while Council has a direct role in approving planning permits, the timing for the development of these sites is up to landowners and developers and can be influenced by changes in market conditions such as inflation, construction costs and labour shortage.

While Council cannot foresee future market conditions, we will continue to work with the Victorian and Australian Governments to increase the housing supply in appropriate locations.

Additionally, reviewing activity centre heritage and built form controls should be considered to ensure they facilitate and support growth.

### Employment land and precincts – land zoned for economic activity

Many of the City's employment precincts and activity centres also have the potential to include housing under the existing zoning controls. In Port Phillip, less than 20 per cent (410 hectares) of land is designated primarily for employment uses. Of this, only about 1.14 per cent (23 hectares) of the land is set aside exclusively for employment purposes, zoned as Commercial 2 or Industrial 1 or 3. All housing, particularly in commercial and mixed-use zoned areas in activity centres and employment precincts. Table 5 shows the employment land precincts in Port Phillip.

While this provides economic benefits for these areas, including increased local expenditure and a more stable labour supply for local businesses, this land use flexibility presents a challenge as it intensifies the competition between spaces designated for residential living and those designated for employment.

At the municipal level, the estimated additional development capacity of activity centres and employment precincts (excluding Fishermans Bend) is 1.71 million sqm of gross floorspace, substantially higher than the projected floorspace demand of 562,000 sqm over the period to 2041.

Where possible, land use and development outcomes are considered, however, the opportunity for residential development in most areas reduces the employment floorspace that may be delivered. This would reduce overall employment capacity to approximately 520,000 sqm, while net additional employment floorspace could be as low as 181,000 sqm if all developable sites in employment zones were developed with a land use mix weighted towards residential.

This capacity assessment demonstrates the importance of employment-only zones (such as the Commercial 2 Zone in South Melbourne) for safeguarding land for employment uses in the context of strong competition for inner urban land from residential alternatives.



## OBJECTIVE 1

A key direction of the *Port Phillip Spatial Economic and Employment Framework* is to align housing, transport, and employment policy and to ensure that residential land use complements, rather than displaces, economic activity and employment. In locations where residential and non-residential land uses are permitted under current zoning, local planning housing policy direction is needed to balance complementary land uses, as opposed to crowding out of non-residential uses.

### Infrastructure provision

To ensure a liveable municipality, Port Phillip's residents require access to infrastructure and community facilities, such as quality roads, drainage, public transport routes, public open space and health or childcare facilities. New housing should be directed to areas with existing infrastructure capacity wherever possible. However, as our population grows, this will likely strain the existing infrastructure. New or upgraded infrastructure will be necessary in our neighbourhoods to appropriately service our community.

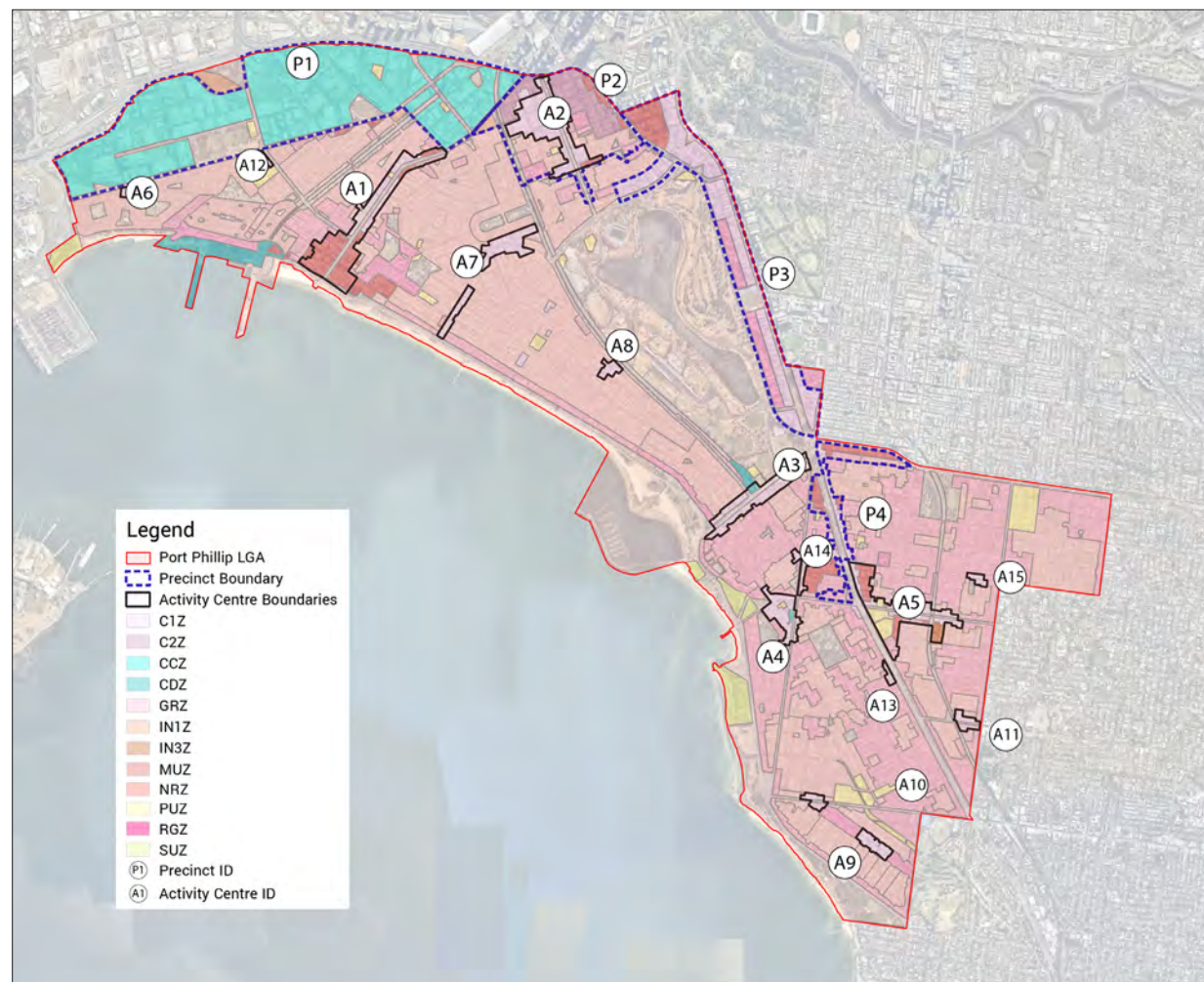
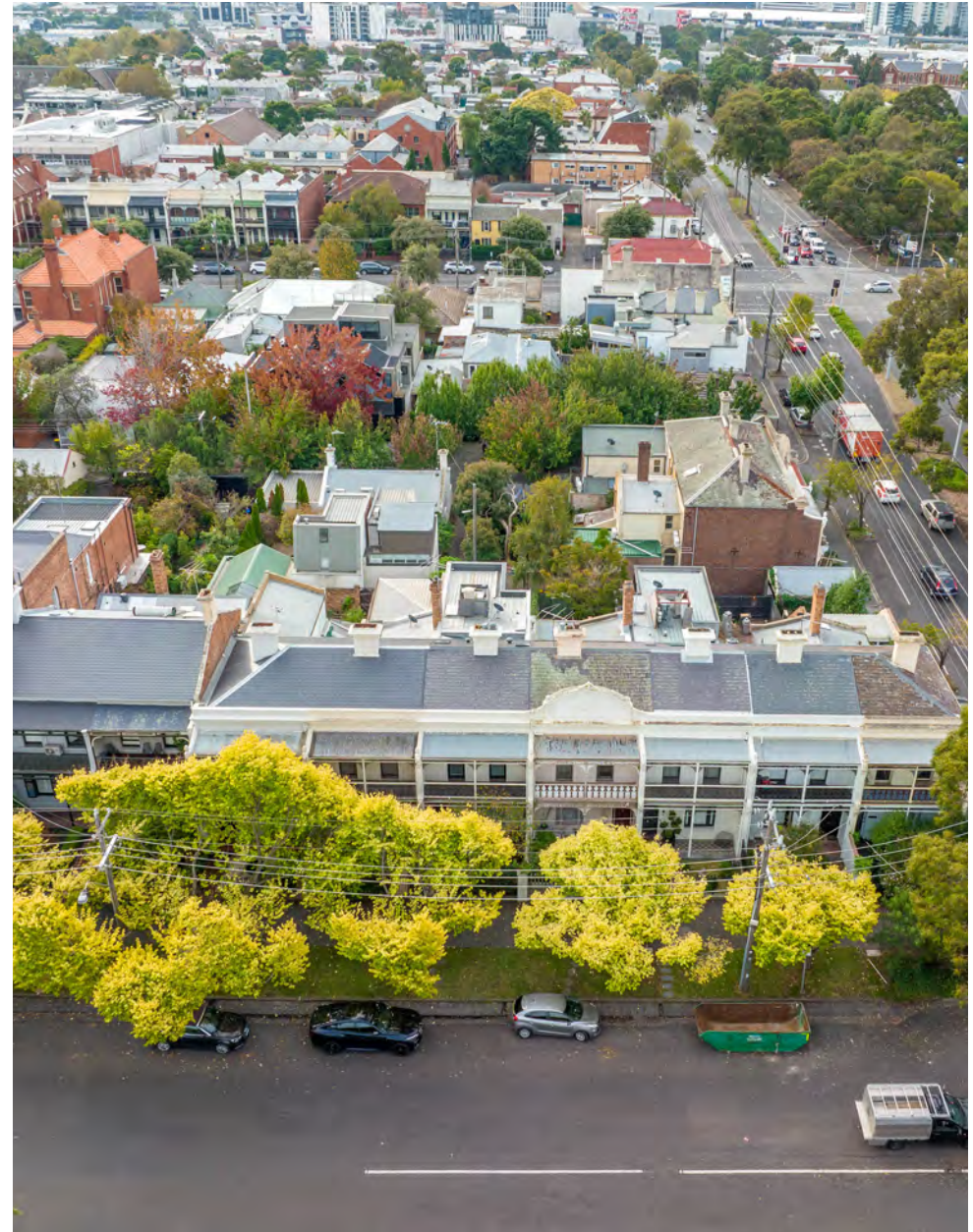


Figure 12. Port Phillip employment land precincts. Source: Urban Enterprise

## OBJECTIVE 1

Providing sufficient infrastructure and services is challenging for local governments in a constrained budget environment. One method to fund critical projects is the introduction of a Development Contribution Plan (DCP). A DCP sets contribution rates for developers and outlines how future residents, visitors and workers will be provided with timely access to the services and infrastructure they need. An existing DCP applies to development in Fisherman's Bend, as this area requires a significant investment in new facilities for the projected population. A similar DCP could be adopted in other areas or the entire municipality; however, Council has no policies to adopt additional DCP. This strategy will create the background for further work to assess if there is a need for or benefit from a DCP.





## OBJECTIVE 1

CODE	NAME	LOCATION	STATE POLICY CATEGORISATION	LOCAL POLICY CATEGORISATION
Major Precinct				
P1	<b>Fishermans Bend</b>	Port Melbourne	State significant commercial	Urban Renewal Area
P2	<b>South Melbourne Central</b>	South Melbourne	Regional Industrial	Industrial Area
P3	<b>St Kilda Road North / Albert Road</b>	Melbourne / South Melbourne	State significant commercial	Primary Employment Node
P4	<b>St Kilda Road South</b>	St Kilda	Local commercial area	Secondary Employment Node
Activity Centres				
A1	<b>Bay Street</b>	Port Melbourne	Major Activity Centre	Major Activity Centre
A2	<b>South Melbourne</b>	South Melbourne	Major Activity Centre	Major Activity Centre
A3	<b>Fitzroy Street</b>	St Kilda	Major Activity Centre	Major Activity Centre
A4	<b>Acland Street</b>	St Kilda	Major Activity Centre	Major Activity Centre
A5	<b>Carlisle Street</b>	Balaclava	Major Activity Centre	Major Activity Centre
A6	<b>Centre Avenue</b>	Port Melbourne	Local commercial area	Neighbourhood Activity Centre
A7	<b>Bridport Street / Victoria Avenue</b>	Albert Park	Local commercial area	Neighbourhood Activity Centre
A8	<b>Armstrong Street</b>	Middle Park	Local commercial area	Neighbourhood Activity Centre
A9	<b>Ormond Road / Glenhuntly Road</b>	Elwood	Local commercial area	Neighbourhood Activity Centre
A10	<b>Tennyson Street</b>	Elwood	Local commercial area	Neighbourhood Activity Centre
A11	<b>Glen Eira Road</b>	Ripponlea	Local commercial area	Neighbourhood Activity Centre
A12	<b>Graham Street</b>	Port Melbourne	Local commercial area	Local centre
A13	<b>Brighton Road</b>	Elwood	Local commercial area	Local centre
A14	<b>Inkerman and Grey Streets</b>	St Kilda	Local commercial area	Local centre
A15	<b>Inkerman Street</b>	Balaclava	Local commercial area	Local centre

Table 5. Employment land precincts. Source: Urban Enterprise



## OBJECTIVE 1

STRATEGIES (S) AND ACTIONS (A)		ROLE	TIMEFRAME	LEAD	BUSINESS IMPACT
S1.1	Balance the need to accommodate housing growth with adequately supporting employment land to accommodate growth in businesses and jobs.				
A1.1.2	Review the local planning policy, specifically Clause 11 (Settlement), Clause 16 (Housing), and Clause 17 (Economic Development), to ensure consistency among these policies. Ensure that the policy balances the need for housing growth with the need to allocate sufficient employment land to support business expansion and job creation.	Deliver	Short-term	Lead	Subject to annual plan and budget
S1.2	Monitor population growth, land capacity, and evolving development trends in Port Phillip to plan for future housing growth and needs.				
A1.2.1	Establish a housing monitoring system that identifies and tracks key indicators to inform strategic planning projects. It might include: <ul style="list-style-type: none"> <li>• Maintaining the housing capacity study</li> <li>• Reviewing population forecasts</li> <li>• Reviewing current housing stock</li> <li>• Reviewing proposed housing stock</li> <li>• Reviewing available rental housing accommodation</li> <li>• Correlating yearly forecast population to current and proposed Port Phillip housing stock</li> <li>• Identifying the proposed shortfall in housing capacity</li> <li>• Identifying areas suitable for future residential development</li> <li>• Capturing data from the planning permit and building occupancy stages.</li> </ul>	Deliver	Ongoing	Lead	Operating budget/ Business as usual
A1.2.2	Provide annual updates to Council on the Port Phillip Housing Strategy, reporting on residential housing patterns and the delivery of actions to ensure an adequate supply of residential land for future housing and population growth.	Deliver	Ongoing	Lead	Operating budget/ Business as usual
A1.2.3	Investigate the feasibility, potential benefits, and challenges of applying a Development Contribution Plan in areas of the municipality beyond Fishermans Bend.	Deliver	Medium	Lead	Operating budget/ Business as usual



To maintain the liveability of neighbourhoods, we need first to have considered that everyone has access to adequate green space, green canopy cover, public transport, schools and distance to shops before we add more housing stock that will result in more people using the existing resources.

*Phase 3 survey respondent*





## OBJECTIVE 2

## OBJECTIVE 2 - Direct new housing to appropriate locations



## Relevant housing needs

New housing in appropriate locations close to jobs, public transport, open space, and other key facilities and services.

## Key messages

- The location of new housing is critical to supporting liveability and creating a city that is environmentally sustainable and resilient to climate change.
- Although Fishermans Bend alone has sufficient development capacity, this does not mean that all housing growth should be concentrated in this urban renewal area.

- Most of Port Phillip's neighbourhoods are highly walkable, thanks to the compact settlement pattern and established transport network.
- New housing will be directed to areas close to services, jobs, public transport, activity centres and that have the capacity for change.
- Housing development will be limited compared to the rest of the established residential areas to protect valued heritage and neighbourhood character.
- Some medium-density infill development can be accommodated in established residential areas with diverse neighbourhoods near activity centres and the fixed rail Principal Public Transport Network.
- Some well-serviced areas are also areas most at risk from climate change impacts, such as increased flooding and extreme weather events, and this challenge cannot be resolved based on the data available at this time.

## What the community told us

Throughout the engagement, the participants expressed the desire for well-designed, accessible, and energy-efficient housing options in the right locations. Locating future housing near infrastructure and amenities is seen as crucial. Infrastructure and open space were seen as important when planning for new housing. Participants also believed that new development should adequately consider existing infrastructure capacity and ensure adequate provision of open spaces.

## Discussion

Deciding where to locate new housing can impact liveability and help to create a city that is environmentally sustainable and resilient to climate change. The fact that there is sufficient development capacity in Fishermans Bend alone does not mean that all housing growth should be concentrated in this urban renewal area. It is important to direct housing growth to areas close to services, jobs, public transport, and activity centres that have the capacity for change.

## OBJECTIVE 2

### Living locally

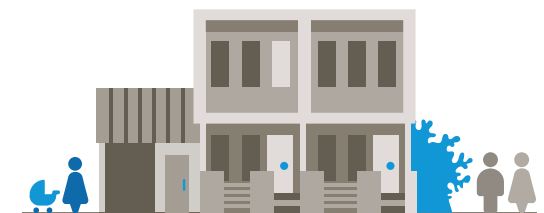
The Victorian Government's long-term strategy, Plan Melbourne 2017–2050, is guided by the principle of 20-minute neighbourhoods. These neighbourhoods focus on living locally and sustainably. They allow people to meet most of their daily needs within 800m of home, with safe bike riding and local transport options. This represents a 10-minute walk to a destination and a 10-minute walk home.

Notably, the concept focuses on the role of Neighbourhood Activity Centres (especially those with good public transport connections), which, in addition to Major Activity Centres, can provide a range of local goods, services, and employment for our local community. For a healthy, walkable activity centre to survive and thrive and enable people to live locally, they need enough people living within the walkable catchment to support them.

### 10-minute walkable neighbourhoods

Council's *Integrated Transport Strategy: Move, Connect, Live 2018–28* aims for 10-minute walking neighbourhoods. This strategy involves locating housing and jobs "close to existing (or soon to be completed) high-quality pedestrian routes and frequent public transport services that connect to key destinations like schools, employment, shops and community facilities."

Our established compact housing settlement pattern (excluding Fishermans Bend) and well-connected transport network mean that accessing work, shops, and recreation is already possible within a 10-minute walk from our neighbourhoods. Most of the municipality performs well as walkable neighbourhoods (Walk Score, 2023), with a larger percentage of Port Phillip's population walking to work than the Melbourne average (4.7 per cent compared to 2.0 per cent, respectively).<sup>19</sup>



OBJECTIVE 2

## Facilitating housing in and around activity centres

During the three rounds of engagement, the community consistently expressed a strong preference for housing located close to public transport, open space, and local shops.

There are several activity centre categories in Port Phillip (refer to Table 6), with each playing a different role. Port Phillip's activity centres are generally preferred locations for new housing given their proximity to services, facilities and public transport. There are economic benefits that flow from locating housing in activity centres, including increased local expenditure and the generation of new land uses and commercial formats. Research in Melbourne's city centre during the COVID-19 pandemic confirmed the importance of a mix of commercial and residential land uses for improving retail resilience.<sup>20</sup> Additionally, the *Port Phillip Spatial Economic and Employment Framework* identified that in certain parts of the municipality, such as St Kilda, an increase in housing and population could contribute to economic recovery from challenging conditions for tourism, hospitality, and entertainment businesses.



Figure 13. Council's proposed transport network.  
Source: Move, Connect, Live 2018-28

## OBJECTIVE 2

The benefits of locating housing within centres need to be balanced with ensuring the ongoing economic viability of potential land use conflicts that may arise due to the competing needs of commercial and residential uses, including amenity impacts such as noise, traffic, and parking.

Port Phillip's activity centres are anticipated to accommodate a moderate amount of additional housing capacity, with the potential for approximately 2,900 to 3,700 new dwellings across all centres. Most of Port Phillip's activity centres are located within areas with a strong heritage and neighbourhood character values, constraining their growth potential and constraints such as small lot sizes and fractured land ownership. So, while the physical aspects such as fine grain, walkability, heritage and character make these locations desirable places to live, they also pose barriers to redevelopment.

Structure plans provide the overarching vision and direction for future growth, land uses and built form in activity centres. They are also the basis for updating planning provisions in a planning scheme. Currently, the Major Activity Centres of Bay Street, Port Melbourne and Carlisle Street, Balaclava, have existing structure plans, with the work for a new South Melbourne MAC Structure Plan underway.

The St Kilda MAC currently does not have a structure plan; hence, this work must be undertaken for the activity centre to ensure that its role in accommodating housing, population and economic growth is realised.

Port Phillip also has several Neighbourhood Activity Centres, which provide a key opportunity to support the 10-minute walkable neighbourhood concept of Council and the delivery of the Victorian Government's Housing Statement.

The *Port Phillip Spatial Economic and Employment Framework* outlines the increasingly important role of these centres in accommodating more employment uses and recommends that we explore opportunities to encourage and support housing and employment growth in the Neighbourhood Activity Centre. It further recommends to re-categorise 'Centre Avenue Port Melbourne' and 'Tennyson Street Elwood' from Neighbourhood Activity Centres to local centres, reflecting the current scale and role of these centres, and prioritise locations including Bridport Street Albert Park, Ripponlea, Ormond Road. Elwood and Armstrong Street Middle Park. Ormond Road is the only Neighbourhood Activity Centre with detailed land use and built form guidance.

ACTIVITY CENTRE NAME	ACTIVITY CENTRE CATEGORY
Bay Street	Major Activity Centre
South Melbourne	Major Activity Centre
St Kilda (Fitzroy and Acland streets)	Major Activity Centre
Carlisle Street	Major Activity Centre
Centre Avenue	Neighbourhood Activity Centre
Bridport Street and Victoria Avenue	Neighbourhood Activity Centre
Armstrong Street	Neighbourhood Activity Centre
Ormond Road and Glen Huntly Road	Neighbourhood Activity Centre
Tennyson Street	Neighbourhood Activity Centre
Glen Eira Road	Neighbourhood Activity Centre
Graham Street	Local centre
Brighton Road	Local centre
Inkerman and Grey Streets	Local centre
Inkerman Street	Local centre

Table 6. Port Phillip activity centres

## OBJECTIVE 2

Areas surrounding Major Activity centres, Neighbourhood Activity Centres and train stations (within 800 metres) provide a potential opportunity for new infill housing to support 10-to-20-minute walkable neighbourhoods. Further strategic work is required to determine the appropriate level of housing growth that could be accommodated in these areas because Heritage Overlays protect some of the areas. While a Heritage Overlay does not prohibit development, it requires compliance with the Council's heritage policy and will impact development outcomes and potential yields. While a Heritage Overlay is often seen as the reason for limiting growth, it is the combination of the residential zone (which restricts building height and site coverage), a Heritage Overlay, and various land constraints, including lot sizes, street width and site access. We will investigate whether additional housing capacity could be achieved through up-zoning some of this land through feasibility testing and further capacity study.

### Managing the impacts of coastal inundation and flooding in future housing development

Sustainable settlement requires planning residential areas to be resilient to climate change impacts over time. As a coastal municipality, Port Phillip is particularly vulnerable to the impacts of coastal inundation and flooding because of climate change. The rising sea levels, intensified rainfall, and greater frequency of storm surges could substantially impact the future development of Port Phillip. This mainly affects low-lying urban renewal areas like Fishermans Bend and established regions like South Melbourne, Port Melbourne, Albert Park, Middle Park, St Kilda, Balaclava, and Elwood.

The Special Building Overlay (SBO) covers many of these areas. Conditions that apply to development in these locations include ground floor levels being set above the flood level, increased boundary setbacks, and limitations on the design of basement parking and access.

### Current state

In October 2021, the Minister for Planning approved Amendment VC171, which revised the Victoria Planning Provisions (VPPs) and planning schemes, including Port Phillip's Planning Scheme, to strengthen coastal hazard planning and implement the Marine and Coastal Policy 2020.

Amendment VC171 replaced the previous requirement for Councils to plan for sea level rise to 2040 with a new requirement to plan for a sea level rise to 2100. It also emphasises the need to consider the combined effects, such as tides, storm surges, coastal processes, and local conditions, when assessing climate change-related risks.

These changes have highlighted more locations vulnerable to flooding than what is currently affected by the SBO, including additional sites either susceptible to flooding or facing an elevated flood risk. This information is not currently reflected in the Planning Scheme.<sup>21</sup>

Melbourne Water has provided 2018 flood data, modelling, and mapping to assist our City in considering this new benchmark.



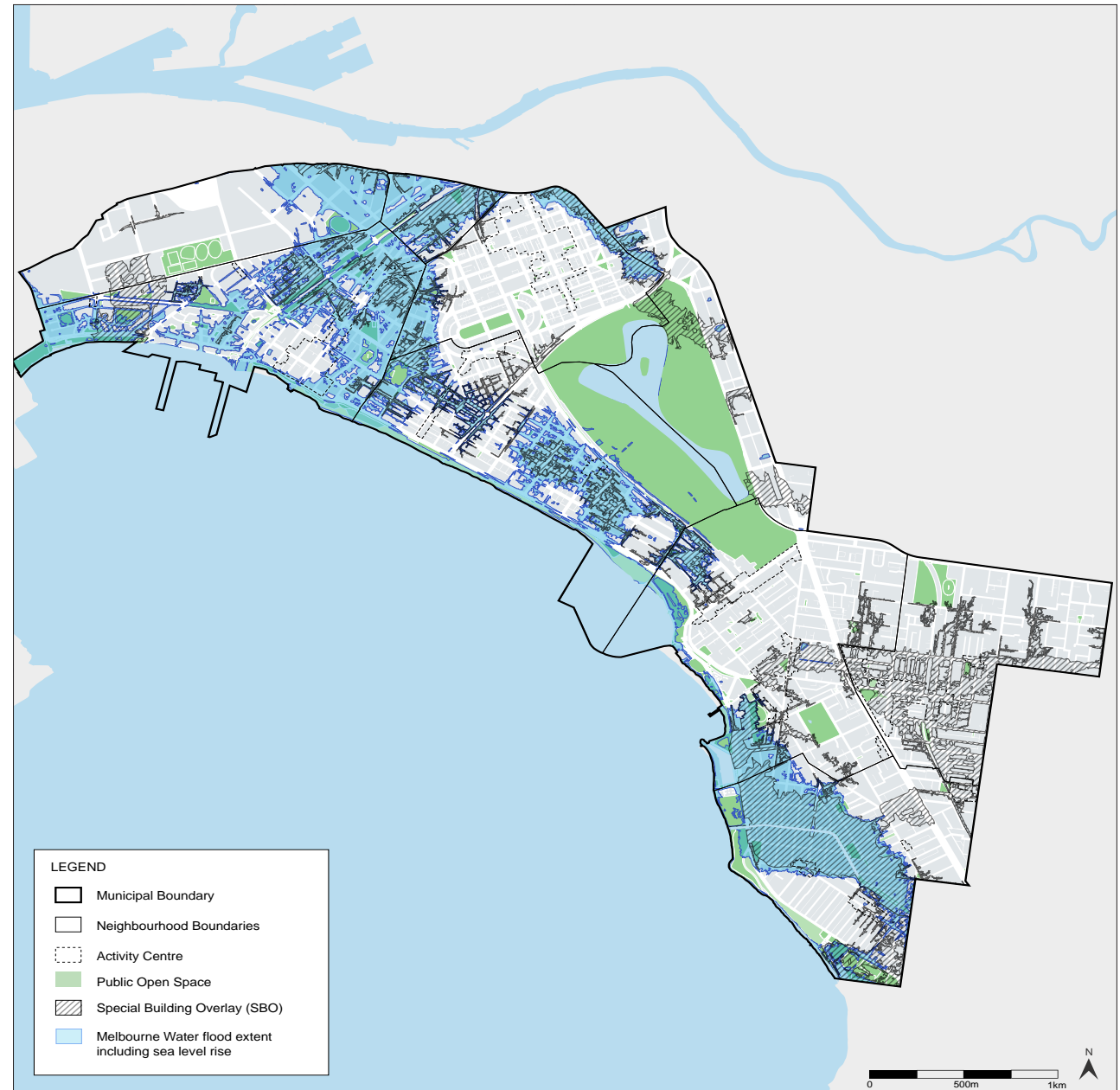
## OBJECTIVE 2

The *Water Act 1989* and State Planning Policy require us to use this data to determine flood levels. This modelling is an interim measure while planning scheme amendments are prepared to introduce the new controls into the Port Phillip Planning Scheme to identify land subject to future flooding and to ensure appropriate referrals to Melbourne Water.

In January 2024, the Department of Energy, Environment and Climate Action (DEECA) released the Port Phillip Bay Coastal Hazard Assessment (PPBCHA). This project provides additional and different modelling on coastal erosion, permanent and tidal inundation, and groundwater.

Figure 14. Melbourne Water Forecast data – Sea Level Rise (1 in 100-year), 2018

**Disclaimer:** The map is subject to change and will be regularly updated to reflect best available data. Users of the document should ensure they have sought and identified the most appropriate and up to date flood data, prior to commencing the statutory planning process.





## OBJECTIVE 2

Until Melbourne Water and Council have compressively reviewed the Assessment data, we will continue to rely on the Melbourne Water 2018 sea level rise data and mapping as the best available to inform statutory and strategic planning processes and decisions. This is an interim measure while planning scheme amendments are being prepared to introduce the new controls into the Port Phillip Planning Scheme to ensure appropriate statutory referrals to Melbourne Water. These amendments are anticipated to commence in 2024.

### A proactive approach to flood risk mitigation

Flood mitigation can be addressed at the precinct or individual lot scale. In 2019, the Victorian Government released the Guidelines for Development in Flood-Affected Areas to assist with managing the impact of flood risk on our community.

At present, under the direction of Melbourne Water and the Victorian Government, flood risk is managed on a site-by-site basis by elevating finished floor levels. At the precinct level, it is managed through larger-scale flood mitigation measures (such as infrastructure projects to mitigate the impacts of flooding).

Managing flood impacts site-by-site is generally addressed at the planning permit application stage. During this stage, Melbourne Water, as the floodplain manager, provides statutory referral comments on new development, primarily regarding minimum floor levels based on current flood mapping.

Melbourne Water has provided preliminary guidance at the precinct level for South Melbourne to proactively steer high levels of built form and development density away from areas at elevated risk of flooding, as defined by the safety criteria outlined in the Guidelines for Development in Flood Affected Areas. The Structure Plan is well placed as a forward-looking strategic planning document to support flood mitigation efforts in the area, including formulating land use policies considering flood risk.

At a higher level, the Housing Strategy can also direct future housing growth to areas with lower risk through the Residential Development Framework Plan. This aligns with Clause 13.1-1S on Natural Hazards and Climate Change impacts.

Council is currently conducting a comprehensive flood study in partnership with Melbourne Water. This study includes flood modelling and mapping across the entire municipality to identify areas affected by riverine, overland flooding, and coastal inundation. Once completed, the Council will seek guidance from Melbourne Water and the Victorian Government to update the Residential Development Framework Plan. The update might involve identifying areas with flood risk that require intervention for housing capacity to be realised and excluding any areas from future housing development due to safety risks. We are committed to regularly updating the flood mapping. The Residential Development Framework Plan will be updated whenever new flood information becomes available. Property owners are encouraged to contact us to discuss any future development plans.

## OBJECTIVE 2

### Car parking

Including a car parking space in a residential development can add up to \$50,000 to the cost of each apartment.<sup>22</sup> Minimum car parking requirements can encourage an oversupply of car parking, which results in increased traffic, noise and emissions and a poorer quality urban environment.<sup>23</sup> Currently, minimum car parking requirements are mandated through Clause 52.06 of the Scheme, a state-standard provision that applies the same rates across the state. This does not allow Council to require a reduction to the standard rates to encourage more sustainable development.

The Victorian Government has shown a willingness to update minimum car parking requirement provisions to move to a public transport accessibility level system, a measure of public transport connectivity. The public transport accessibility level of a location is a representation of how well it is connected to public transport services.

The shift to a more site-specific approach will support the reduction in reliance on cars and the oversupply of car parking in areas where it is less required. This will mitigate the issues that result from minimum car parking requirements and provide the community benefits of more active and public transport.

Much of Port Phillip is well-served by public transport through trains, trams and buses. Onsite car parking in some areas that could be better connected to public or active transport modes and amenities is necessary but can be improved through access to electric vehicle charging facilities to lessen future emissions. Less onsite car parking is often appropriate in well-connected areas to support Council's commitment to achieve a zero-net emission carbon City. Through advocacy, the Strategy will support modernising minimum car parking requirement policies. This will promote an integrated land-use and transport approach to reduce the impact of growth and congestion by shifting trips away from vehicles.



## OBJECTIVE 2

## The Residential Development Framework Plan

We have developed a Residential Development Framework Plan (the Plan) to plan for housing change over 15 years and provide guidance on where new housing should be located in Port Phillip.

In preparing the Plan, we have considered the following aspects:

- Existing contexts, including neighbourhood context, existing land use zones and overlays
- Constraints including Heritage Overlays, Neighbourhood Character Overlays, environmental considerations such as flooding
- Opportunities including activity centres, strategic areas and sites and transport accessibility including existing and proposed train stations.

The Plan directs growth based on the principles that:

- Most new housing is directed to designated locations with the capacity for change that are located close to shops, services, public transport, and jobs.
- Housing development will be limited compared to the rest of the established residential areas to protect valued heritage and neighbourhood character.

Further details on the Residential Development Framework Plan are outlined in Part 4.



A Residential Development Framework Plan identifies housing change areas suitable for different levels of growth. It provides certainty to the community about where growth and intensification will be encouraged. It also defines where valued neighbourhood character will be protected and where development is constrained.

## OBJECTIVE 2

STRATEGIES (S) AND ACTIONS (A)		ROLE	TIMEFRAME	LEAD	BUSINESS IMPACT
S2.1	Direct new housing to appropriate locations.				
A2.1.1	Designate land suitable for substantial, moderate, incremental, and minimal change in a Residential Development Framework Plan.	Deliver	Short term	Lead	Operating budget/ Business as usual
A2.1.2	Implement the Residential Development Framework Plan by including it in the Port Phillip Planning Scheme, updating local planning policy to provide guidance on the appropriate location for new housing, and update residential zones and schedules.	Deliver	Short term	Lead	Subject to budget in Planning Scheme Amendments Program
A2.1.3	Undertake a program of structure planning for Port Phillip's Major Activity Centres (prioritising St Kilda – Fitzroy Street and Acland Street) and Neighbourhood Activity Centres to guide the appropriate location and form of new housing.	Deliver	Ongoing	Lead	Subject to annual plan and budget
A2.1.4	Investigate opportunities for new infill housing within established residential areas proximate (within 800 m) to major activity centres, neighbourhood activity centres and existing and future train stations.	Deliver	Medium term	Lead	Operating budget/ Business as usual
A2.1.5	Review local planning policy to manage land use conflicts between residential and commercial uses in mixed use environments.	Deliver	Medium term	Lead	Operating budget/ Business as usual
A2.1.6	Advocate for changes to the on-site parking rates mandated through Clause 52.06 of the Planning Scheme for residential developments in appropriate locations.	Advocacy	Ongoing	Lead	Operating budget/ Business as usual
S2.2	Ensure the location of housing upholds direction from state and local overland flood management, foreshore management and coastal adaptation plans to reduce risk to population, infrastructure, ecosystems and property from sea level rise, storm surges, coastal erosion, tidal inundation, and groundwater intrusion.				
A2.2.1	Advocate to the Minister for Planning to amend the Port Phillip Planning Scheme to update existing or introduce new planning overlays to ensure new development responds to increased risks associated with sea level rise and flooding impacts.	Advocacy	Ongoing	Lead	Operating budget/ Business as usual
A2.2.2	Continue to monitor available flood data, work with Melbourne Water and seek their advice on flood risk areas in the City of Port Phillip.	Deliver	Ongoing	Partner	Operating budget/ Business as usual
A2.2.3	Update the Residential Development Framework Plan to reflect the latest 'best available data' for flooding as it becomes available.	Deliver	Ongoing	Lead	Operating budget/ Business as usual