

9.3 Sustainable Communities

9.3.1 Planning Policy Framework Translation and New Residential Zones

Directorate:	Sustainable Communities
Responsible Officer:	Coordinator Strategic Planning
Reviewer:	Director Sustainable Communities
Councillor Portfolio:	Planning – Cr Tony Briffa JP and Cr Michael Grech
Attachments:	<ol style="list-style-type: none">1. Draft PPF Final [9.3.1.1 - 86 pages]2. MSS Review Exhibition Documents [9.3.1.2 - 167 pages]3. Hobsons Bay Housing Strategy Volume 2 - Housing Framework Plan (updated) [9.3.1.3 - 147 pages]4. Hobsons Bay Housing Strategy Volume 3 (updated) [9.3.1.4 - 114 pages]5. Changes Proposed to Adopted Neighbourhood Character Study 2019 [9.3.1.5 - 2 pages]6. Changes Proposed to Adopted Activity Centres Strategy 2019 [9.3.1.6 - 1 page]7. Proposed New Residential Zones Map [9.3.1.7 - 1 page]

Purpose

To progress with exhibition and public consultation on the New Residential Zones and Planning Policy Framework, which have been delayed as a result of Victorian Government changes in late 2019.

Recommendation

That Council:

1. **Readopts the updated New Residential Zones, Neighbourhood Character Study 2019, Activity Centres Strategy 2019, Housing Strategy 2019 and Housing Framework Plan, updated to align with Planning Practice Notes 90 and 91 released in December 2019, to progress to exhibition and public consultation.**
2. **Notes that the Newport Structure Plan and Inner Newport Heritage Gap Study areas have been excised from the New Residential Zones with updates to be made following completion of the Inner Newport Heritage Gap Study and the subsequent Newport Structure Plan process.**
3. **Adopts the revised Hobsons Bay Planning Scheme that has been translated into the new Victorian Government format and is required to support the implementation of the New Residential Zones.**
4. **Requests that the Minister for Planning grant authorisation under Section 8A of the *Planning and Environment Act* 1987 to prepare and exhibit an Amendment to the Hobsons Bay Planning Scheme to implement the New Residential Zones and the translated Hobsons Bay Planning Scheme.**

5. **Notes the delegation of the Chief Executive Officer to make any necessary minor changes in seeking authorisation to prepare and exhibit the Amendment to the Hobsons Bay Planning Scheme to implement the New Residential Zones and the new translated Hobsons Bay Planning Policy Framework.**
6. **Notes the delegation of the Chief Executive Officer to consider any submissions received about the amendment in accordance with section 22 of the Planning and Environment Act, and refer any submissions that cannot be resolved to an independent panel appointed by the Minister for Planning in accordance with section 23 of the Planning and Environment Act.**
7. **Notes that the translated Hobsons Bay Planning Scheme and New Residential Zones will go on exhibition, with formal community consultation and the opportunity for community members to provide feedback and submissions for the panel's consideration.**

Summary

In order to implement the New Residential Zones adopted by Council in 2019, the Department of Environment, Land, Water and Planning (DELWP) requires the Hobsons Bay Planning Scheme to be translated into a new Victorian Government framework. Slight changes are required to the adopted zones and supporting policy to align with state guidance.

The updates required are consistent with the intent of the adopted residential zones and the rewriting of the scheme into the new Victorian Government format will deliver a more concise and user-friendly scheme that includes recently adopted Council policy. The community will be invited to make further comment on the new residential zones and translated Hobsons Bay Planning Scheme as part of the exhibition process.

Background

Council resolved at its meeting of 13 August 2019 to adopt new residential zones and to prepare a Planning Scheme Amendment to implement the work underpinning the new zones including the Housing Strategy, Housing Framework Plan, Neighbourhood Character Study and Activity Centres Strategy. The Newport Structure Plan area was excised noting that the Newport Structure Plan is well underway and any refinement to zones will be finalised through that process.

Following the adoption of the new zones DELWP advised that due to the extent of changes required to the Hobsons Bay Planning Scheme an amendment could not progress until the scheme was first translated into the new state format introduced by the Victorian Government in July 2018. All local planning schemes are expected to be translated into this format by mid-2021.

The translation of the Hobsons Bay Planning Scheme commenced in October 2019 and includes the restructuring of the scheme to align with the new format and the introduction of new policy content from existing Council policies as follows:

- Hobsons Bay 2030 Community Vision
- Economic Development Strategy 2015-20
- Sustainable Tourism Strategy 2019-24

- Public Art Strategy 2016-20
- Biodiversity Strategy 2017-22
- Living Hobsons Bay: Integrated Water Management Plan 2014-19
- Community Greenhouse Strategy 2013-30
- Integrated Transport Plan 2017-30
- A Fair Hobsons Bay for All 2019-23
- Open Space Strategy 2018
- Affordable Housing Policy Statement 2016
- Housing Strategy 2019
- Neighborhood Character Study 2019
- Activity Centre Strategy 2019

In addition to restructuring and updating the planning scheme, DELWP advised that changes were required to the adopted housing policy to respond to Planning Practice Notes 90 and 91. These practice notes were released in December 2019 to provide guidance on how to plan for housing growth, protect neighbourhood character and use the residential zones to implement strategic work. The proposed updates to the adopted policy and the adopted zones support the intent of the supporting strategic documents. It is proposed that the restructured planning scheme and the new residential zones be implemented as one amendment.

The exhibition of the amendment will provide the community the opportunity to make further comment on the new residential zones and translated planning scheme. Any unresolved submissions will be considered by an independent Planning Panel and submitters will have another opportunity to present their views as part of this panel process.

Discussion

Restructuring the Hobsons Bay Planning Scheme into the new state format

The new structure for planning schemes introduced by Victorian Government in 2018 integrates state and local policy into one integrated framework to remove duplication.

This new structure replaces Council's Municipal Strategic Statement (MSS) and the Local Planning Policy Framework (LPPF) at Clause 21 and 22 of the Hobsons Bay Planning Scheme with what is now called the Municipal Planning Strategy (MPS) and inserts relevant local policies into a single framework. This is explained further below. A draft translated Hobsons Bay Planning Scheme is included in Attachment 1.

Municipal Planning Strategy (MPS)

The Municipal Planning Strategy provides the foundation for the planning scheme's policies by identifying the regional context as well as the assets, opportunities and challenges facing Hobsons Bay. The new MPS content is summarised in the table below. This table indicates where content has been translated from the existing scheme and where it has been taken from adopted Council policy.

A review of the Municipal Strategic Statement (MSS) was undertaken in 2019 by Council officers with the intention to include new policies in the scheme and give them statutory

weight. This revised MSS (Attachment 2) has formed the basis for the translation into the new format.

New Clauses	Content and Proposed Change
02.01 Context	General overview of the municipality based on revised content previously contained in the LPPF at Clauses 21.02 (Key Issues and Strategic Vision).
02.02 Vision	Vision for the municipality based on revised content previously contained in the LPPF at Clause 21.02 (Key Issues and Strategic Vision).
02.03 Strategic Directions	Key land use themes based on the PPF and a brief overview and strategic directions for each theme, based on content previously contained in the LPPF at Clauses 21 and 22. Implements strategic work from the Activity Centres Strategy 2019, Biodiversity Strategy 2019-24, Climate Adaptation Plan 2013, Integrated Water Management Plan 2014, Housing Strategy 2019, Economic Development Strategy 2015, Experience Hobsons Bay Tourism Strategy 2019, Integrated Transport Plan 2019, and Open Space Strategy 2018.
02.04	New strategic plans that should be read in conjunction with 02.03 strategic directions; Strategic Framework Plan; Residential Development Framework Plan (Housing Framework Plan); Integrated Transport Plan; Biodiversity Plan.

Combined Local and State Planning Policy Framework

The content of the new framework is summarised in the table below. This table indicates where existing content has been translated from the current scheme and where new content has been taken from adopted Council policy.

New Clauses	Content and Proposed Change	Adopted policy introduced
11 Settlement	Local policy relating to strategic redevelopment areas and activity centres in Hobsons Bay Council from content previously contained in the LPPF at Clauses 21.02 (Key Issues and Strategic Vision), 21.03 (Settlement), 21.06 (Built Environment and Heritage), 21.08 (Economic Development) and 21.10 (Infrastructure).	Introduces new policy relating to Activity Centres Strategy 2019.
12 Environmental and Landscape Values	Local policies relating to the protection of biodiversity and coastal areas from content previously contained in the LPPF at Clause 21.02 (Key Issues and Strategic Vision) and 21.05 (Environment).	Introduces new policy relating to the Biodiversity Strategy 2017.
13 Environmental Risks and Amenity	Local policies relating to flood plain management and coastal inundation and erosion from content previously contained in the LPPF at Clauses 21.02 (Key Issues and Strategic Vision), 21.06 (Built Environment and Heritage), 21.07 (Housing) and 21.05 (Environment).	

New Clauses	Content and Proposed Change	Adopted policy introduced
15 Built Environment and Heritage	Local policy relating to building, landscape and urban design, signs, subdivision design, neighbourhood character, environmentally sustainable development and heritage conservation from content previously contained in the LPPF at Clauses 21.02, 21.03, 21.05, 21.06, 21.07, 21.08, 21.09, 21.10, 22.01, 22.02, 22.11 and 22.13.	Introduces new policy relating to preferred neighbourhood character and accessibility to implement strategic work from the Neighbourhood Character Study 2019 and Integrated Transport Study 2017-30.
16 Housing	Local policy relating to the location of residential development from content previously contained in the LPPF at 21.07 (Housing).	Introduces new policy relating to the location of residential development to implement strategic work from the Housing Framework Plan 2019.
17 Economic Development	Local policy relating to out-of-centre development, industrial land supply, sustainable industry and facilitating tourism from content previously contained in the LPPF at Clauses 21.02 (Hobsons Bay Key Issues and Strategic Vision), 21.03 (Settlement), 21.08 (Economic Development) and 22.02 (Industry).	Introduces new policy relating to the location of commercial development and the facilitation of tourism to implement strategic work from the Activity Centres Strategy 2019 and the Experience Hobsons Bay Tourism Strategy 2019.
18 Transport	Local policy relating to the transport system and public transport from content previously contained in the LPPF at Clauses 21.09 (Transport and Mobility).	
19 Infrastructure	Local policy relating to social and cultural infrastructure, open space and integrated water management from content previously contained in the LPPF at Clauses 21.03 (Settlement), 21.05 (Environment), 21.06 (Natural Resource Management) and 21.10 (Infrastructure).	Introduces new policy relating to the reuse of industrial building to implement strategic work from the Public Art Strategy 2016.

Overlays, Particular Provisions and Operational Provisions

The content of the new framework in relation to overlays and other provisions such as incorporated documents is summarised in the table below:

New Clauses	Content and Proposed Change
43.01 Heritage Overlay	Replace the Schedule to Clause 43.01 (Heritage Overlay) with a new schedule that includes application requirements previously contained at Clause 22.01 (Heritage) of the Local Planning Policy Framework.
52.28 Gaming	Replace the Schedule to Clause 52.28 (Gaming) with a new schedule that includes content previously contained at Clause 22.12 (Gaming) of the Local Planning Policy Framework.

72.04 Incorporated documents	Amend the Schedule to Clause 72.04 (Documents Incorporated into this Planning Scheme) to include a number of heritage design guidelines as incorporated documents previously contained at Clause 22.01 (Heritage).
72.08 Background documents	Replace the Schedule to Clause 72.08 (Background Documents) with a new schedule that consolidates and updates all background documents from Clauses 21 and 22 of the Local Planning Policy Framework.
74.01 Application of Zones, Overlays and Provisions	Introduces a new Schedule to Clause 74.01 (Application of Zones, Overlays and Provisions) to provide an explanation of the relationship between the municipal objectives, strategies and controls on the use and development of land in the planning scheme. The schedule consolidates all planning scheme implementation actions from Clause 21 of the Local Planning Policy Framework.
74.02 Further Strategic Work	Introduces a new Schedule to Clause 74.02 (Further Strategic Work) that consolidates all further strategic work actions from Clause 21 of the LPPF.

Updates to the Housing Strategy 2019

DELWP requires further clarification of where there are special heritage or environmental limitations on development and housing growth in Hobsons Bay. To respond to this the Housing Framework Plan is proposed to be updated to show the “Limited” change area split into more detailed housing change areas being “Minimal” and “Incremental”.

Housing change areas relate to the preservation of neighbourhood character and seek to identify any environmental constraints as follows:

- **Minimal Change:** Areas that should be protected because of their special heritage character or areas where development may be restricted due to environmental factors (e.g. within a precinct heritage overlay, prone to flooding or in proximity to a Major Hazard Facility)
- **Incremental Change:** Areas where housing growth occurs within the context of existing or preferred neighbourhood character
- **Moderate Change:** Areas where housing will evolve up to three storeys whilst respecting neighbourhood character
- **Substantial Change:** Areas where housing intensification will occur that results in a substantially different scale and intensity of housing compared to other areas

This approach provides more certainty to the community about the type of change and built form expected within each area. The housing change areas also now include other zones that have residential outcomes such as the Mixed Use Zone (MUZ) and Comprehensive Development Zone (CDZ). These are outlined in the table below.

Adopted housing change areas vs revised housing change areas

Adopted 2019 Housing Framework Plan	LIMITED CHANGE AREA		MODERATE CHANGE AREA	SUBSTANTIAL CHANGE AREA		
Revised 2019 Housing Framework Plan Height	MINIMAL CHANGE AREA 2 storey building height	INCREMENTAL CHANGE AREA 2 storey building height	MODERATE CHANGE AREA 3 storey building height	SUBSTANTIAL CHANGE AREA 3 or 4+ storey building height		
*Proposed Zone	NRZ	NRZ	GRZ	RGZ	MUZ	CDZ

There is a logical alignment between the zones and housing change areas for most areas within Hobsons Bay with some exceptions as change is relative to its context (see Attachments 3 & 4).

Updates to the Neighbourhood Character Study 2019

The Neighbourhood Character Study (including 28 brochures), adopted in 2019, outlines the preferred built form outcomes for specified neighbourhood character precincts. Minor updates are required to the Neighbourhood Character Study to reflect the four housing change areas discussed above. It is proposed that brochures are updated to reflect the new change areas once the amendment is adopted by Council. Refer to Attachment 5.

Updates to the Activity Centres Strategy 2019

A minor update is proposed to the Activity Centres Strategy where reference is made to the three housing change areas. Refer to proposed updates at Attachment 6.

Updates to the New Residential Zones adopted 2019

A review of the proposed residential zones was undertaken to ensure consistency with Victorian Government guidelines. This has resulted in minor changes to zones outlined below and detailed in the New Residential Zones Map at Attachment 7.

Review of residential zones that have existing controls

DELWP has advised that the new residential zones must not conflict with any existing controls. The Design and Development Overlay Schedule 8 (DDO8) that applies to land along the foreshore in Williamstown specifies a preferred building height of two storeys with an allowance for three storeys subject to meeting certain design criteria. As the overlay allows for three storeys DELWP have advised it is incorrect to apply the Neighbourhood Residential Zone (NRZ) for these properties which would only allow for two storeys.

It is therefore proposed to retain the General Residential Zone (GRZ) for the few properties listed below where this conflict occurs:

- 1-2 The Strand, Newport – these sites are not contributory within HO31 and will be protected by the provisions of the DDO8
- 263 Nelson Place, Williamstown – this site is already a three-storey development and is protected by its own HO229 and the provisions of the existing DDO8

For the same reason the GRZ is also proposed to be retained for land within the Rifle Range Estate in Williamstown which is subject to the *Rifle Range Estate Urban Design Guidelines*. These guidelines are registered on title and allow for dwellings with a third-floor attic up to a height of 12m.

Review of new residential zones within precinct Heritage Overlays

There are only a few areas within Hobsons Bay where the adopted zones would allow buildings of greater than two storeys in a precinct heritage overlay. Council officers have reviewed these areas in response to the new practice notes that aim to ensure new zones consider the impact of building heights on special heritage character.

The following minor changes to the adopted zones are proposed:

- 136 Ferguson Street is proposed to be changed from RGZ to GRZ given this is a smaller site and due to its relationship to adjoining properties
- 114 to 120 Ferguson Street Williamstown are proposed to be changed from GRZ to NRZ given the sites are all contributory dwellings within HO27
- 3-93 Mason Street are proposed to be changed from GRZ to NRZ given the sites are all contributory dwellings under HO23

Consistent with the adopted August 2019 approach, the area that forms part of the Newport Precinct Structure Plan has been excised from the New Residential Zones amendment. In addition it is proposed to excise additional land in Newport which is being considered as part of the Inner Newport Heritage Gap Study. This study may identify additional areas with the potential to be included in a heritage overlay and therefore may be a Neighbourhood Residential Zone rather than General Residential Zone. Once finalised any changes will be made through the Newport Structure Plan amendment process.

There are no other changes proposed to the new residential zones adopted by Council on 13 August 2019 following extensive community consultation. The exhibition of the amendment will provide the community the opportunity to make further comment on the new residential zones and translated Hobsons Bay Planning Scheme and any unresolved submissions will be considered by an independent Planning Panel.

Strategic Alignment

This report specifically addresses priorities from the following strategic documents:

Hobsons Bay 2030 Community Vision

Priority 1: Visionary, vibrant, accountable urban planning

Council Plan 2017-21

Goal 3: A well designed, maintained and environmentally sustainable place

Objective 3.1: Work with all levels of government, key stakeholders and the community to ensure urban development is appropriate and considers neighbourhood character and heritage.

The report proposes to update the Hobsons Bay Planning Scheme with revised policy content that reflects the key strategic directions for the municipality to provide for the orderly use and development of the municipality consistent with the objectives of the Council Plan and Community Vision.

Policies and Related Council Documents

An amendment to introduce the new translated Hobsons Bay Planning Scheme and residential zones would implement the following adopted Council policies and strategies:

- Activity Centre Strategy 2019
- Housing Strategy 2019
- Hobsons Bay Neighbourhood Character Study 2019
- Open Space Strategy 2018
- Biodiversity Strategy 2017–22
- Living Hobsons Bay: An Integrated Water Management Plan 2014-2019
- Experience Hobsons Bay – Tourism Strategy 2019-2024
- Hobsons Bay 2030 Community Vision
- Public Art Strategy 2016-20
- Universal Design Policy Statement 2017
- Affordable Housing Policy Statement 2016
- Community Greenhouse Strategy 2013-30
- Economic Development Strategy 2015-20
- Integrated Transport Plan 2017-30
- A Fairer Hobsons Bay 2019
- Climate Change Adaptation Plan 2013
- Electronic Gaming Machines (EGMs) in Hobsons Bay Background Paper January 2014
- Integrated Water Management Plan 2014

Previous Council reports that relate to the new residential zones

- 11 September 2012 Ordinary Council Meeting (OCM) – Council advised of the Victorian Government's intention to reform the residential zones
- 13 August 2013 OCM – Council resolved to receive and note the information on the new zones and prepare an implementation plan to strategically justify their application
- 27 June 2017 OCM – update on all state reforms including new residential zones
- 11 September 2018 OCM – Council resolved to place the New Residential Zones documents on exhibition for eight weeks seeking community and stakeholder feedback
- 11 December 2018 OCM – Council resolved to consider all submissions received on the draft New Residential Zones and supporting draft strategies and receive a further report to consider the adoption of the final New Residential Zones and supporting strategies
- 13 August 2019 OCM – Council adopted the New Residential Zones package and resolved to proceed with the preparation of a Planning Scheme Amendment to implement zones

Legal/Statutory Obligations and Risk

The adopted new residential zones are proposed to be updated to respond to Planning Practice Notes 90 and 91 released by DELWP in December 2019. The Hobsons Bay

Planning Scheme has been translated into the new state format in accordance with the *Planning and Environment Act 1987* and with guidance by Victorian Government policy, as well as Victorian Government staff and the consultant Tract.

The exhibition of the amendment will provide the community the opportunity to make further comment on the new residential zones and translated Hobsons Bay Planning Scheme and any unresolved submissions will be considered by an independent Planning Panel, in accordance with the *Planning and Environment Act 1987*.

Financial and Resource Implications

The adoption of the recommendations of this agenda item will not result in additional financial implications. The resource implications of this agenda item are included within the operational budget.

Environmental, Social and Economic Impacts

The amendment is expected to have positive environmental, social and economic effects by:

- improving the clarity of local policy content in the MPS, PPF and local schedules which will result in greater certainty for users of the system
- improving the clarity within the Housing Strategy around how the new residential zones have been introduced
- reducing unnecessary costs to applicants and councils by removing unclear and overly onerous planning requirements
- improving planning outcomes by removing errors, inconsistencies and incompatibility in local policy content in the MPS, PPF and local schedules
- ensuring new residential development occurs in an appropriate manner across the municipality

Consultation and Communication

The new residential zones adopted in 2019 were prepared following extensive community consultation that occurred over eight weeks in late 2018. The changes proposed to the adopted new zones are minor and are necessary to ensure the amendment can progress through the department.

The community will have the opportunity to make further submissions to the process during the exhibition of the planning scheme amendment. Any submissions that cannot be resolved will then be presented to an independent planning panel and submitters will have another opportunity to present their views as part of this panel process.

Declaration of Conflict of Interest

Section 80C of the *Local Government Act 1989* requires members of Council staff and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.

Council officers involved in the preparation of this report have no conflict of interest in this matter.

9.3 Sustainable Communities

9.3.1 Planning Policy Framework Translation and New Residential Zones

Directorate:	Sustainable Communities
Responsible Officer:	Coordinator Strategic Planning
Reviewer:	Director Sustainable Communities
Councillor Portfolio:	Planning – Cr Tony Briffa JP and Cr Michael Grech
Attachments:	<ol style="list-style-type: none">1. Draft PPF Final [9.3.1.1 - 86 pages]2. MSS Review Exhibition Documents [9.3.1.2 - 167 pages]3. Hobsons Bay Housing Strategy Volume 2 - Housing Framework Plan (updated) [9.3.1.3 - 147 pages]4. Hobsons Bay Housing Strategy Volume 3 (updated) [9.3.1.4 - 114 pages]5. Changes Proposed to Adopted Neighbourhood Character Study 2019 [9.3.1.5 - 2 pages]6. Changes Proposed to Adopted Activity Centres Strategy 2019 [9.3.1.6 - 1 page]7. Proposed New Residential Zones Map [9.3.1.7 - 1 page]

Cr Tony Briffa left the Council Meeting at 9.24pm and returned at 9.25pm, and was present for the vote on Item 9.3.1

Purpose

To progress with exhibition and public consultation on the New Residential Zones and Planning Policy Framework, which have been delayed as a result of Victorian Government changes in late 2019.

Motion

Moved Cr Jonathon Marsden, seconded Cr Angela Altair:

That Council:

1. **Adopts the updated New Residential Zones, Neighbourhood Character Study 2019, Activity Centres Strategy 2019, Housing Strategy 2019 and Housing Framework Plan, updated to align with Planning Practice Notes 90 and 91 released in December 2019, to progress to exhibition and public consultation.**
2. **Notes that the Newport Structure Plan and Inner Newport Heritage Gap Study areas have been excised from the New Residential Zones with updates to be made following completion of the Inner Newport Heritage Gap Study and the subsequent Newport Structure Plan process.**

3. **Adopts the revised Hobsons Bay Planning Scheme that has been translated into the new Victorian Government format and is required to support the implementation of the New Residential Zones.**
4. **Requests that the Minister for Planning grant authorisation under Section 8A of the Planning and Environment Act 1987 to prepare and exhibit an Amendment to the Hobsons Bay Planning Scheme to implement the New Residential Zones and the translated Hobsons Bay Planning Scheme.**
5. **Notes the delegation of the Chief Executive Officer to make any necessary minor changes in seeking authorisation to prepare and exhibit the Amendment to the Hobsons Bay Planning Scheme to implement the New Residential Zones and the new translated Hobsons Bay Planning Policy Framework.**
6. **Notes the delegation of the Chief Executive Officer to consider any submissions received about the amendment in accordance with section 22 of the Planning and Environment Act, and refer any submissions that cannot be resolved to an independent panel appointed by the Minister for Planning in accordance with section 23 of the Planning and Environment Act.**
7. **Notes that the translated Hobsons Bay Planning Scheme and New Residential Zones will go on exhibition, with formal community consultation and the opportunity for community members to provide feedback and submissions for the panel's consideration.**

Carried unanimously

Recommendation

That Council:

1. **Readopts the updated New Residential Zones, Neighbourhood Character Study 2019, Activity Centres Strategy 2019, Housing Strategy 2019 and Housing Framework Plan, updated to align with Planning Practice Notes 90 and 91 released in December 2019, to progress to exhibition and public consultation.**
2. **Notes that the Newport Structure Plan and Inner Newport Heritage Gap Study areas have been excised from the New Residential Zones with updates to be made following completion of the Inner Newport Heritage Gap Study and the subsequent Newport Structure Plan process.**
3. **Adopts the revised Hobsons Bay Planning Scheme that has been translated into the new Victorian Government format and is required to support the implementation of the New Residential Zones.**
4. **Requests that the Minister for Planning grant authorisation under Section 8A of the *Planning and Environment Act* 1987 to prepare and exhibit an Amendment to the Hobsons Bay Planning Scheme to implement the New Residential Zones and the translated Hobsons Bay Planning Scheme.**

5. **Notes the delegation of the Chief Executive Officer to make any necessary minor changes in seeking authorisation to prepare and exhibit the Amendment to the Hobsons Bay Planning Scheme to implement the New Residential Zones and the new translated Hobsons Bay Planning Policy Framework.**
6. **Notes the delegation of the Chief Executive Officer to consider any submissions received about the amendment in accordance with section 22 of the Planning and Environment Act, and refer any submissions that cannot be resolved to an independent panel appointed by the Minister for Planning in accordance with section 23 of the Planning and Environment Act.**
7. **Notes that the translated Hobsons Bay Planning Scheme and New Residential Zones will go on exhibition, with formal community consultation and the opportunity for community members to provide feedback and submissions for the panel's consideration.**

Summary

In order to implement the New Residential Zones adopted by Council in 2019, the Department of Environment, Land, Water and Planning (DELWP) requires the Hobsons Bay Planning Scheme to be translated into a new Victorian Government framework. Slight changes are required to the adopted zones and supporting policy to align with state guidance.

The updates required are consistent with the intent of the adopted residential zones and the rewriting of the scheme into the new Victorian Government format will deliver a more concise and user-friendly scheme that includes recently adopted Council policy. The community will be invited to make further comment on the new residential zones and translated Hobsons Bay Planning Scheme as part of the exhibition process.

Background

Council resolved at its meeting of 13 August 2019 to adopt new residential zones and to prepare a Planning Scheme Amendment to implement the work underpinning the new zones including the Housing Strategy, Housing Framework Plan, Neighbourhood Character Study and Activity Centres Strategy. The Newport Structure Plan area was excised noting that the Newport Structure Plan is well underway and any refinement to zones will be finalised through that process.

Following the adoption of the new zones DELWP advised that due to the extent of changes required to the Hobsons Bay Planning Scheme an amendment could not progress until the scheme was first translated into the new state format introduced by the Victorian Government in July 2018. All local planning schemes are expected to be translated into this format by mid-2021.

The translation of the Hobsons Bay Planning Scheme commenced in October 2019 and includes the restructuring of the scheme to align with the new format and the introduction of new policy content from existing Council policies as follows:

- Hobsons Bay 2030 Community Vision
- Economic Development Strategy 2015-20
- Sustainable Tourism Strategy 2019-24
- Public Art Strategy 2016-20
- Biodiversity Strategy 2017-22
- Living Hobsons Bay: Integrated Water Management Plan 2014-19
- Community Greenhouse Strategy 2013-30
- Integrated Transport Plan 2017-30
- A Fair Hobsons Bay for All 2019-23
- Open Space Strategy 2018
- Affordable Housing Policy Statement 2016
- Housing Strategy 2019
- Neighborhood Character Study 2019
- Activity Centre Strategy 2019

In addition to restructuring and updating the planning scheme, DELWP advised that changes were required to the adopted housing policy to respond to Planning Practice Notes 90 and 91. These practice notes were released in December 2019 to provide guidance on how to plan for housing growth, protect neighbourhood character and use the residential zones to implement strategic work. The proposed updates to the adopted policy and the adopted zones support the intent of the supporting strategic documents. It is proposed that the restructured planning scheme and the new residential zones be implemented as one amendment.

The exhibition of the amendment will provide the community the opportunity to make further comment on the new residential zones and translated planning scheme. Any unresolved submissions will be considered by an independent Planning Panel and submitters will have another opportunity to present their views as part of this panel process.

Discussion

Restructuring the Hobsons Bay Planning Scheme into the new state format

The new structure for planning schemes introduced by Victorian Government in 2018 integrates state and local policy into one integrated framework to remove duplication.

This new structure replaces Council's Municipal Strategic Statement (MSS) and the Local Planning Policy Framework (LPPF) at Clause 21 and 22 of the Hobsons Bay Planning Scheme with what is now called the Municipal Planning Strategy (MPS) and inserts relevant local policies into a single framework. This is explained further below. A draft translated Hobsons Bay Planning Scheme is included in Attachment 1.

Municipal Planning Strategy (MPS)

The Municipal Planning Strategy provides the foundation for the planning scheme's policies by identifying the regional context as well as the assets, opportunities and challenges facing Hobsons Bay. The new MPS content is summarised in the table below. This table indicates where content has been translated from the existing scheme and where it has been taken from adopted Council policy.

A review of the Municipal Strategic Statement (MSS) was undertaken in 2019 by Council officers with the intention to include new policies in the scheme and give them statutory weight. This revised MSS (Attachment 2) has formed the basis for the translation into the new format.

New Clauses	Content and Proposed Change
02.01 Context	General overview of the municipality based on revised content previously contained in the LPPF at Clauses 21.02 (Key Issues and Strategic Vision).
02.02 Vision	Vision for the municipality based on revised content previously contained in the LPPF at Clause 21.02 (Key Issues and Strategic Vision).
02.03 Strategic Directions	Key land use themes based on the PPF and a brief overview and strategic directions for each theme, based on content previously contained in the LPPF at Clauses 21 and 22. Implements strategic work from the Activity Centres Strategy 2019, Biodiversity Strategy 2019-24, Climate Adaptation Plan 2013, Integrated Water Management Plan 2014, Housing Strategy 2019, Economic Development Strategy 2015, Experience Hobsons Bay Tourism Strategy 2019, Integrated Transport Plan 2019, and Open Space Strategy 2018.
02.04	New strategic plans that should be read in conjunction with 02.03 strategic directions; Strategic Framework Plan; Residential Development Framework Plan (Housing Framework Plan); Integrated Transport Plan; Biodiversity Plan.

Combined Local and State Planning Policy Framework

The content of the new framework is summarised in the table below. This table indicates where existing content has been translated from the current scheme and where new content has been taken from adopted Council policy.

New Clauses	Content and Proposed Change	Adopted policy introduced
11 Settlement	Local policy relating to strategic redevelopment areas and activity centres in Hobsons Bay Council from content previously contained in the LPPF at Clauses 21.02 (Key Issues and Strategic Vision), 21.03 (Settlement), 21.06 (Built Environment and Heritage), 21.08 (Economic Development) and 21.10 (Infrastructure).	Introduces new policy relating to Activity Centres Strategy 2019.

(continued on next page)

New Clauses	Content and Proposed Change	Adopted policy introduced
12 Environmental and Landscape Values	Local policies relating to the protection of biodiversity and coastal areas from content previously contained in the LPPF at Clause 21.02 (Key Issues and Strategic Vision) and 21.05 (Environment).	Introduces new policy relating to the Biodiversity Strategy 2017.
13 Environmental Risks and Amenity	Local policies relating to flood plain management and coastal inundation and erosion from content previously contained in the LPPF at Clauses 21.02 (Key Issues and Strategic Vision), 21.06 (Built Environment and Heritage), 21.07 (Housing) and 21.05 (Environment).	
15 Built Environment and Heritage	Local policy relating to building, landscape and urban design, signs, subdivision design, neighbourhood character, environmentally sustainable development and heritage conservation from content previously contained in the LPPF at Clauses 21.02, 21.03, 21.05, 21.06, 21.07, 21.08, 21.09, 21.10, 22.01, 22.02, 22.11 and 22.13.	Introduces new policy relating to preferred neighbourhood character and accessibility to implement strategic work from the Neighbourhood Character Study 2019 and Integrated Transport Study 2017-30.
16 Housing	Local policy relating to the location of residential development from content previously contained in the LPPF at 21.07 (Housing).	Introduces new policy relating to the location of residential development to implement strategic work from the Housing Framework Plan 2019.
17 Economic Development	Local policy relating to out-of-centre development, industrial land supply, sustainable industry and facilitating tourism from content previously contained in the LPPF at Clauses 21.02 (Hobsons Bay Key Issues and Strategic Vision), 21.03 (Settlement), 21.08 (Economic Development) and 22.02 (Industry).	Introduces new policy relating to the location of commercial development and the facilitation of tourism to implement strategic work from the Activity Centres Strategy 2019 and the Experience Hobsons Bay Tourism Strategy 2019.
18 Transport	Local policy relating to the transport system and public transport from content previously contained in the LPPF at Clauses 21.09 (Transport and Mobility).	
19 Infrastructure	Local policy relating to social and cultural infrastructure, open space and integrated water management from content previously contained in the LPPF at Clauses 21.03 (Settlement), 21.05 (Environment), 21.06 (Natural Resource Management) and 21.10 (Infrastructure).	Introduces new policy relating to the reuse of industrial building to implement strategic work from the Public Art Strategy 2016.

Overlays, Particular Provisions and Operational Provisions

The content of the new framework in relation to overlays and other provisions such as incorporated documents is summarised in the table below:

New Clauses	Content and Proposed Change
43.01 Heritage Overlay	Replace the Schedule to Clause 43.01 (Heritage Overlay) with a new schedule that includes application requirements previously contained at Clause 22.01 (Heritage) of the Local Planning Policy Framework.
52.28 Gaming	Replace the Schedule to Clause 52.28 (Gaming) with a new schedule that includes content previously contained at Clause 22.12 (Gaming) of the Local Planning Policy Framework.
72.04 Incorporated documents	Amend the Schedule to Clause 72.04 (Documents Incorporated into this Planning Scheme) to include a number of heritage design guidelines as incorporated documents previously contained at Clause 22.01 (Heritage).
72.08 Background documents	Replace the Schedule to Clause 72.08 (Background Documents) with a new schedule that consolidates and updates all background documents from Clauses 21 and 22 of the Local Planning Policy Framework.
74.01 Application of Zones, Overlays and Provisions	Introduces a new Schedule to Clause 74.01 (Application of Zones, Overlays and Provisions) to provide an explanation of the relationship between the municipal objectives, strategies and controls on the use and development of land in the planning scheme. The schedule consolidates all planning scheme implementation actions from Clause 21 of the Local Planning Policy Framework.
74.02 Further Strategic Work	Introduces a new Schedule to Clause 74.02 (Further Strategic Work) that consolidates all further strategic work actions from Clause 21 of the LPPF.

Updates to the Housing Strategy 2019

DELWP requires further clarification of where there are special heritage or environmental limitations on development and housing growth in Hobsons Bay. To respond to this the Housing Framework Plan is proposed to be updated to show the “Limited” change area split into more detailed housing change areas being “Minimal” and “Incremental”.

Housing change areas relate to the preservation of neighbourhood character and seek to identify any environmental constraints as follows:

- **Minimal Change:** Areas that should be protected because of their special heritage character or areas where development may be restricted due to environmental factors (e.g. within a precinct heritage overlay, prone to flooding or in proximity to a Major Hazard Facility)
- **Incremental Change:** Areas where housing growth occurs within the context of existing or preferred neighbourhood character
- **Moderate Change:** Areas where housing will evolve up to three storeys whilst respecting neighbourhood character

- **Substantial Change:** Areas where housing intensification will occur that results in a substantially different scale and intensity of housing compared to other areas

This approach provides more certainty to the community about the type of change and built form expected within each area. The housing change areas also now include other zones that have residential outcomes such as the Mixed Use Zone (MUZ) and Comprehensive Development Zone (CDZ). These are outlined in the table below.

Adopted housing change areas vs revised housing change areas

Adopted 2019 Housing Framework Plan	LIMITED CHANGE AREA		MODERATE CHANGE AREA	SUBSTANTIAL CHANGE AREA		
Revised 2019 Housing Framework Plan Height	MINIMAL CHANGE AREA 2 storey building height	INCREMENTAL CHANGE AREA 2 storey building height	MODERATE CHANGE AREA 3 storey building height	SUBSTANTIAL CHANGE AREA 3 or 4+ storey building height		
*Proposed Zone	NRZ	NRZ	GRZ	RGZ	MUZ	CDZ

There is a logical alignment between the zones and housing change areas for most areas within Hobsons Bay with some exceptions as change is relative to its context (see Attachments 3 & 4).

Updates to the Neighbourhood Character Study 2019

The Neighbourhood Character Study (including 28 brochures), adopted in 2019, outlines the preferred built form outcomes for specified neighbourhood character precincts. Minor updates are required to the Neighbourhood Character Study to reflect the four housing change areas discussed above. It is proposed that brochures are updated to reflect the new change areas once the amendment is adopted by Council. Refer to Attachment 5.

Updates to the Activity Centres Strategy 2019

A minor update is proposed to the Activity Centres Strategy where reference is made to the three housing change areas. Refer to proposed updates at Attachment 6.

Updates to the New Residential Zones adopted 2019

A review of the proposed residential zones was undertaken to ensure consistency with Victorian Government guidelines. This has resulted in minor changes to zones outlined below and detailed in the New Residential Zones Map at Attachment 7.

Review of residential zones that have existing controls

DELWP has advised that the new residential zones must not conflict with any existing controls. The Design and Development Overlay Schedule 8 (DDO8) that applies to land along the foreshore in Williamstown specifies a preferred building height of two storeys with an allowance for three storeys subject to meeting certain design criteria. As the overlay allows for three storeys DELWP have advised it is incorrect to apply the Neighbourhood Residential Zone (NRZ) for these properties which would only allow for two storeys.

It is therefore proposed to retain the General Residential Zone (GRZ) for the few properties listed below where this conflict occurs:

- 1-2 The Strand, Newport – these sites are not contributory within HO31 and will be protected by the provisions of the DDO8
- 263 Nelson Place, Williamstown – this site is already a three-storey development and is protected by its own HO229 and the provisions of the existing DDO8

For the same reason the GRZ is also proposed to be retained for land within the Rifle Range Estate in Williamstown which is subject to the *Rifle Range Estate Urban Design Guidelines*. These guidelines are registered on title and allow for dwellings with a third-floor attic up to a height of 12m.

Review of new residential zones within precinct Heritage Overlays

There are only a few areas within Hobsons Bay where the adopted zones would allow buildings of greater than two storeys in a precinct heritage overlay. Council officers have reviewed these areas in response to the new practice notes that aim to ensure new zones consider the impact of building heights on special heritage character.

The following minor changes to the adopted zones are proposed:

- 136 Ferguson Street is proposed to be changed from RGZ to GRZ given this is a smaller site and due to its relationship to adjoining properties
- 114 to 120 Ferguson Street Williamstown are proposed to be changed from GRZ to NRZ given the sites are all contributory dwellings within HO27
- 3-93 Mason Street are proposed to be changed from GRZ to NRZ given the sites are all contributory dwellings under HO23

Consistent with the adopted August 2019 approach, the area that forms part of the Newport Precinct Structure Plan has been excised from the New Residential Zones amendment. In addition it is proposed to excise additional land in Newport which is being considered as part of the Inner Newport Heritage Gap Study. This study may identify additional areas with the potential to be included in a heritage overlay and therefore may be a Neighbourhood Residential Zone rather than General Residential Zone. Once finalised any changes will be made through the Newport Structure Plan amendment process.

There are no other changes proposed to the new residential zones adopted by Council on 13 August 2019 following extensive community consultation. The exhibition of the amendment will provide the community the opportunity to make further comment on the new residential zones and translated Hobsons Bay Planning Scheme and any unresolved submissions will be considered by an independent Planning Panel.