Item 9.6

NEW ZONES

File No: 19/7/2012 Enquiries: Jeff Akehurst Director City Development

1. Community Plan

Town Planning and Development

To manage the rate and extent of change to the built environment consistent with State and local planning policies to achieve diversity of housing as sympathetic as possible to neighbourhood character.

2. Context

On 17 July 2012, the Department of Planning a nd Community Development released a suite of d raft new residential and commercial zones, together with revisions (amendments) to some existing zones. The closing d ate for su bmissions is 21 September 2012. It is envisaged by the State Government that the final version of these zones will be approved in Octobe r 2012 with implementation of the zones occurring possibly soon after.

The new zones are seen as a town planning reform. The Government sees the new zones as implementing its election commitment to –

- Rebuild confidence in the planning system with more certainty and clearer rules;
- Create an environment for private sector investment and ensure investment can occur efficiently.

In simple terms the new zones change several uses which are curre ntly "prohibited" to ones needing a permit and several uses which currently need a permit to ones permitted "as-of-right". In this respect less land uses will be subject to town planning control hence the new zones can be seen as a shift towards greater flex ibility for land owners or the free market to determine land use.

Third party rights (the involvement of neigh bours) are not changing. It must be acknowledged however that the flip side of greater land use opportunities for land owner applicants is less involvement by others.

The new zones clearly represent a swing of the pendulum to less town planning control. Consequently, any particular view a n individual or body may have about the new zones will be largely influenced by their view of how involved town planning should be in the development and use of land.

The current town planning approval process is anything but efficient. In a word it is clogged. The current system is premised on a wide number of uses needing a town planning permit and equally wide third party involvement. Decision making is often lengthy at Council level. Many Councils pay scant regard to the 60 statutory day rule. It only gets worse post Council decision making where appeals are lodged with VCAT. VCAT delays stretch to 12 months. A one to two year delay to get a town planning permit for a seemingly straight forward matter is symbolic of a system out of control.

Against this background there is consider able good will for something to be do ne to improve town planning decision making. This is in spite of the new zones challe nging long held town planning theory and principles to some extent.

Ultimately this report focusses on the consequences of the new zones, particularly what might be unintended consequences. It is the unintended consequences that will form the basis of Council's comments on the new zones.

3. Zone Content and Implementation - A Two Stage Process

3.1 Stage 1 - Zone Content

It is only natural to immediately start thinking about how and where these new zones will be applied. Whilst the planning office is turning its mind to this it is some what premature until the contents of the new zones are finalised.

The overall exercise needs to be seen as a two stage process. The first stage is the actual content of the zones - we are at this stage now and we are being asked for our view.

Zones need to be viewed as town planning to ols. The zones only have impact when they are applied. The implementation of the zones is stage 2.

Residential Zones

The existing Residential 1, 2 and 3 zones (Glen Eira and most other Councils only have one residential zone – Residential 1) will be replaced by three new zones - Residential Growth Zone (RGZ), General Residential Zone (GRZ) and Neighbourhood Residential Zone (NRZ). The Mixed Use Zone has also been revised.

All new residential zones (except the Mixed Use Zone) contain the following purpose: *To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.* Main points of difference in each zone's purpose and content are summarised below.

The purpose of the Neighbourhood Residential Zone is to manage neighbourhoods where there are limited opportunities for increased residential development due to identified neighbourhood character, environmental or landscape characteristics. This zone has a mandatory height limit of 9 metres and a mandatory number of dwellings permitted on a lot – 2 dwellings. Both the mandatory height and number of dwellings may be changed through the schedule to the zone. An expanded list of ResCode requirements may be varied through a schedule to this zone. This is the "tightest" new residential zone in terms of preserving the status quo or neighbourhood character in town planning terms.

The purpose of the General Residential Zone is to encourage development that respects the neighbourhood character of the area. This zone has a discretionary height limit of 9 metres (a mandatory height limit may be specified through the schedule to the zone). An expanded list of ResCode requirements may be varied through a schedule to this zone. This new residential zone, where there are no policies in place which further restrict development, seems to be the obvious substitution zone for the existing Residential 1 Zone.

The purpose of the Residential Growth Zone is to provide medium-density housing at increased densities. This zone has a discretionary height limit of 12.5 metres to facilitate 3 storey development (a mandatory height limit may be specified through the schedule to this zone). This new residential zone is the obvious zone to earmark appropriate areas for medium density dwellings. A match with Council's Housing Diversity Areas seems apparent. The ability to vary building heights via a schedule is helpful to maintain/strengthen the differences in Council's Housing Diversity areas.

The purpose of the Mixed Use Zone is to provide for housing at higher densities. Also to provide for a range of residential, commercial, industrial and other uses which complement the mixed use function of the locality. No discretionary or mandatory height limit is set in the zone, however a mandatory height limit may be specified in the schedule to this zone.

Broadly speaking, all of the new residential zones increase the types of non-residential uses that are allowable in a residential area. The sharp contrast between residential areas and business/commercial areas will now be blurred. For instance, an Office and a Shop (previously prohibited in a Residential 1 Zone) are now as-of-right uses in the General Residential and Residential Growth Zones (subject to conditions relating to location and floor area of office/shop). Other uses which previously required planning permission in a Residential 1 Zone are also now as-of-right (subject to conditions). These include: Food and Drink Premises, Medical Centre and Place of Worship. There is also no requirement for a planning permit for buildings and works in all residential zones for an as-of-right, non-residential use. The message seems to be that the State government is prepared to encourage a greater mix of uses in the new residential zones and remove many of these from even needing a town planning permit.

Attachment 1 provides further information about each of the proposed new residential zones.

Commercial Zones

Two new commercial zones have been drafted to replace the existing five business zones.

Commercial Zone 1 (C1Z) will replace existing Business Zones 1, 2 and 5, while Commercial Zone 2 (C2Z) will replace Business Zones 3 and 4. The main differences between the new commercial and existing business zones are listed in Attachment 2.

The purpose of the C1Z is to *create vibrant mixed use commercial centres for retail,* office, business, entertainment and high density residential uses. A wider range of accommodation and retail uses will no longer require planning permission for the use, though a permit will still be required for buildings and works.

The purpose of the C2Z is to develop commercial areas for offices and appropriate manufacturing and industrial uses that do not affect the safety and amenity of adjoining sensitive uses. Dwellings are prohibited in a C2Z (as they currently are in Business 3 and Bussiness 4), however other forms of accommodation, such as nursing home and retirement village are permissible uses.

To better understand the implications of the new C1Z and C2Z, an understanding of the current business zones is needed. The primary purpose of each existing business zones varies as follows:

Business 1 Zone is the zone for retailing (shops). The use Office is restricted and Dwelling requires a permit.

Business 2 Zone is the zone for Office use. The use Shop is restricted and Dwelling requires a permit.

Business 3 Zone is the zone for encouraging the integration of "offices and manufacturing industries". Shop and Dwellings are prohibited.

Business 4 Zone is the zone for encouraging a mix of "bulky goods retailing and manufacturing". Dwelling and Shop are prohibited.

Business 5 Zone is the zone for encouraging "offices or multi dwelling units with common access from the street". Shop is prohibited.

As with the residential zones, the proposed new commercial zones seek to broaden the range of permissible uses and as-of-right uses in each zone. There are no height restrictions in either commercial zone. There are no longer any schedules attached to the commercial zones, which act to restrict or curtail a particular use.

As stated above, the C1Z uses the term "high density residential uses" for the first time in a planning scheme. The concept of what constitutes "high density" is not known as the term is not defined. This is perhaps not surprising as the term "medium density" has remained undefined since inception. The terms "high" and "medium" are possibly best understood in town planning terms when taken relative to any given development in the area or neighbourhood under consideration.

As a guide, the State Government's design guideline for medium density housing, commonly known as Rescode, only applies to developments less than four storeys. For four storeys and above, the State Government's *Design Guidelines for Higher Density Residential Development* applies. Based on this, "high density" could mean a development of four storeys or more.

Industrial Zones

See Attachment 3 specifying the main changes to these zones. Glen Eira has a relatively small extent of Industrially zoned land, therefore changes to this zone are not thought to have a major effect on development in Glen Eira.

Priority Development Zone (PDZ)

It is proposed to delete the PDZ from all planning schemes. Areas within this zone (Melbourne Racing Club land and part of Monash University, Caulfield campus) are proposed to be rezoned to either a commercial zone or the Activity Centre Zone.

A challenge for Council will be the rezoning of MRC land, trying to ensure that all conditions and controls contained within the PDZ are transferred into another appropriate zone and that a 'neutral translation' rezoning occurs. Councillors will recall that Planning Scheme Amendment C60 dealt with the broad strategic issues. Some detail design issues however were/are unknown. These details require Council "sign off" via Council approval of a development plan. This development plan step is important and needs retention for the integrity of the agreed process. It needs to be remembered that the PDZ was initiated by the State Government so they are likely to have a strong say in the outcome of any replacement zone.

3.3 Stage 2 – Implementation

Details about implementation are not known at this time. It is assumed that there will be an expectation on behalf of the State Government that the new zones will be applied in as neutral way as possible having regard to our existing zones and policies. The strongest likelihood is that this transition from our one existing residential zone (Residential 1 Zone) and policies (Minimal Change/Housing Diversity) to three new residential zones which incorporate our policy intents will be able to occur via a Ministerial (fast track) amendment. If this can be achieved it will occur relatively smoothly and ultimately with an improved outcome.

Obviously implementation can only take plac e once the zones, with their various uses known, have been fin alised. However based on the current content of the new zones, some obvious questions come to mind:

Can the new residential zones be reasonably applied in Glen Eira?

Based on the zones as currently drafted the answer in general terms seems to be - yes. This is certainly so for the vast majority of Glen Eira which is currently zoned Residential 1 but supported by poli cies which differentiate the intensity of residen tial development according to specified locations throughout the municipality.

In terms of the new residential zones Glen Eira is in the fortunate position of being "up and running". In fact we have been "running" for over 10 years now. In many respects the new zones seem tailored to fit Glen Eira.

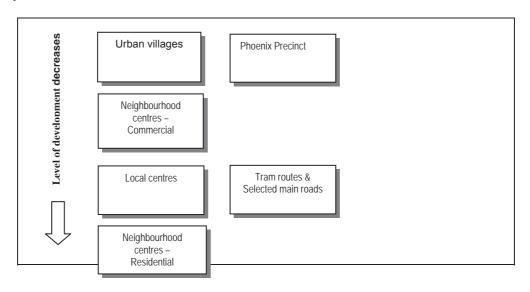
The main features of Glen Eira's existing r esidential policies need to be clearly understood in order to enable transition to the new residential zones in a reasonable and orderly fashion.

The **Minimal Change Area** policy is characterised by:

- A general requirement for 1 or 2 dwellings per lot;
- 2 storey development discouraged in rear yards;
- Standard ResCode requirements varied to ensure:
 - 1. 4 metre rear setback (compared to zero in ResCode);
 - 2. 60m2 of private open space(compared to 40m2 in ResCode); and
 - 3. 50% site coverage (compared to 60% in ResCode)

There are exceptions within the Minimal Ch ange area which may need to be acknowledged in any transition to new residential zone/s. Exceptions include a lot greater than 2000m2, a lot which is larger than other lots in the neighbourhood (and ResCode standards are clearly met) or where a neighbourhood is already characterised by medium density dwellings. It is worth emphasising here that these exceptions were not put forward by Council 10 years ago but were more imposed by State Government as a condition of approving our Minimal Change/Housing Diversity policies.

The **Housing Diversity Area** policy is char acterised by a hierarchy of allowable development intensities ranging from Urban Villag es (the most intense) to Neighbourhood Centres –Residen tial (the lowest intensity being one step up from Minimal Change). The Housing Diversity hierarchy in de scending order of allowable intensity is as follows –



Reproduced from the Glen Eira Planning Scheme at Clause 21.04-1

As is evident, the combination of the Minimal Change/Housing Diversity policies provides differentiation for residential development throu ghout the municipality. The policies provide increased certainty for developers and existing residents alike. In other words they provide the very aspects of town planning that the State Government is now seeking in their new residential zones.

The Minimal Change/Housing Diversity policies have served Cou ncil well. Town planning in Glen Eira is about as straight forward and non-contentious as it can be. This is because by and large applications are lodged consistent with policy. Developers choose the path of least resistance . Applications lodged in this way are in the right location and are thus "half compliant" when lodged.

Historically the hardest part of introducing our policies was being defin ite by drawing policy demarcation lines on our planning scheme maps. This will be the hardest aspect of the new zones for other Councils who have never undergone this exercise.

Most town planning po licy has be en deliberately left vague to avoid confrontation . Statements are used like "we encourage highe r density around Major Activity Cen tres" or by drawing fuzzy lines on a map which fall short of precise boundary definition. Glen Eira has been more definite. You are either in or out of a particular policy area.

There is some irony in being definite. Whilst the hardest to initially set in place, it makes decision making clear, certain, predictable, f air and best of all ultimately wi dely accepted.

If Glen Eira already has a policy b ased system which matches the intent of the new residential zones, how will the new zones benefit Glen Eira?

Zones are a control which must be applied as described above. In f act Council only used policies to differentiate the municipality 10 years ago because there were no zones which would have allo wed us to do the same (Glen Eira actually asked the State Government for new residential zones at the time but was refused). Thus if we can now replace our policy intents with zone controls, the level of certainty increases as does the level of protection. Zones must be applied, policy only considered.

There seems to be sufficient variation between the new zo nes and options within the zones themselves to allow for at least a neutral transition from zone with policies to new zone/s. As previously noted, one helpful feature of the new residential zones is that height limits apply. These height limits and other features, such as an ability to vary ResCode standards, within the specific residential zones can be used to advantage in maintaining our differentiation currently reinforced via our Minimal Change /Housing Diversity policy.

Whilst specifics are not known, it is likely Councils will be given some time (12 months?) to transition from the existing residential zone with policies to the suite of new residential zones once content has been finalised. Glen Eira is well placed in a re—lative sense to carry out this transition.

Can the new Commercial zones be reasonably applied in Glen Eira?

The answer to this que stion is not so clear cut. It is the see new zones which most challenge established town planning theory premised on separating different land uses.

As stated previously, the intention is to consolidate five Business zones into two Commercial zones being Commercial 1 and 2 zones.

The intention is that the new C1Z will replace the Business 1, 2 and 5 zones. This has the effect of allowing, as of right, a mix of Retail, Office and multi dwellings (residential) uses. This combination of uses are currently not permitted as-of-right in any one of the existing Business 1, 2 or 5 zones.

Allowing for "high density residen tial uses" within the C1Z is possibly one of the potentially more contentious issue s. The term "high density" has never been used and can be an emotive term in itself.

High density residential is arguably not so contentious in Major or even Neighbourhood Activity Centres where the existing B1Z is proposed to be replaced by the C1Z. It is however, at least in theory, more contentious in Local Centres. Some protection is however evident. It ne eds to be r emembered that the C1Z carries with it a str ong degree of protection in the form of "buildings and works" or development control for all uses. That is, whilst the use Dwelling does not need a permit and a stated purpose of the new zone is to allow higher density residential development, a town planning per mit is still required for the development. The need for a development permit covers all aspects of a particular development including building height, mass, scale and setbacks.

Another consequence of a B2Z replacement by the C1Z is that for the first time, Shop as well as residential is permitted as-of-right. In town planning terms Shop can range from a small shop to a large shopping centre with a supermarket. A large tract of B2Z land exists at Virginia Park. Historically the zoning at Virginia Park (previously Industria I 1 and Business 3) restricted both retail (shop) and residential use. The rezoning that occurred with Amendment C75 (to part Business 2 and part Business 3) contained a condition in the schedule to the Business 2 Zo ne that limited shop uses to 2,000m² in floor area. This will change with the new C1Z. There will be no floor space restriction for shop in the C1Z. This is a significant difference.

No doubt a ppealing to the State Government i s the prospect of incre ased economic activity and employment creation generated by the new C1 and C2 Zones. The industry has been bemoaning lack of opport unities to expand. The C1 and C2 Zones provide such opportunities and Virginia Park is one such example.

How the new commercial zones will be introduced is not kn own. Indications are that the Government see these new zones as significant drivers of economic health and job creation. It is likely they also see them as less contentious because they are less likely to impact residents. Additionally the Government is likely to want to see some "runs on the board". Taken all to gether it would not be surprising to see the new commercial zones introduced on a day 1 basis. That is, the new commercial zones would simply replace the existing Business zones at a specified date possibly as early as October this year.

4. How might the new zones be applied?

4.1 Council Minimal Change Areas:

The combination of the existing Residential 1 Zone, coupled with Council's Minimal Change Area Policy makes for a straight forward translation to the new **Neighbourhood Residential Zone (NRZ)**. Attachment 4 contains a table comparing the draft new NRZ with Council's existing Minimal Change Area controls (zone, schedule and local policy).

Having regard to previous comments, no reason is seen to schedule in all of the existing Minimal Change policy exceptions. However, retention of the lot in excess of 2000m2 and neighbourhoods characterised by medium density dwellings seems sensible.

The result is that 80% of Glen Eira (former "Minimal Change Area") will be characterised by:

- One to two dwellings per lot (mandatory);
- 9 metre residential building height limit (mandatory).

The NRZ also has an ability to vary, by way of schedule, certain specified ResCode standards. These standards include:

- <u>Standard B8:</u> This is the standard relating to site coverage. Council can maintain its 50% site coverage (normal ResCode standard is 60%);
- Standard B13 and B17: These standards relate to landscaping and side and rear setbacks. Council can maintain its 4m rear setback for canopy tree landscaping (normal ResCode standard allows a zero lot line). Additionally, this schedule may lend itself to addressing our current policy which discourages two storeys in rear yards. For example, the schedule could be worded to prevent 2 storey development in say the rear third of the site.
- <u>Standard C28:</u> This standard relates to the provision of private open space.
 Council can maintain its increased standard of 60m² (normal ResCode standard allows 40m²).

4.2 Council's Housing Diversity Areas

The combination of the existing Residential 1 zone, coupled with Council's cascading intensity Housing Diversity policy lends itself to variations within the **Residential Growth Zone**.

The default discretionary height limit of 12.5m (around 3 storeys) may prove beneficial for widespread application. The ability to schedule alternative mandatory height limits provides flexibility to differentiate from the most intensive (urban villages) to least intensive (neighbourhood centre – residential).

Compliance with ResCode standards will provide consistency between the current Housing Diversity policy transitioning to a Residential Growth Zone.

The ability to vary height and other Rescode standards via a schedule provides an opportunity to implement the intent of Planning Scheme Amendment C90 (transition at the interface of Minimal Change/Housing Diversity).

4.3 Commercial Areas

As indicated in this report, it is likely there will be a conversion from the existing business zones to the new commercial zones across the board on a given day.

If/when this occurs the current separation of residential, office and shop achieved by the current business zones disappears.

Additionally, opportunities for these uses will open up in areas where they are currently not permitted.

In the longer term Council may need to give consideration to introducing the Mixed Use zone over what are now our local centres.

5. Comments and Possible unintended consequences of the draft new and revised zones

A consequence of the new zones is that they free up land uses and blur the current distinctions between zones. These consequences are no doubt apparent to the State Government. However, the following comments, including what are possibly unintended consequences, are made:

- i. The increased certainty of limiting dwelling numbers to no more than 2 and a mandatory 9m building height within the Neighbourhood Residential Zone is welcome. The Neighbourhood Residential Zone aligns very closely with the combination of our existing Residential 1 Zone and Minimal Change policy (some 80% of the municipality).
- ii. The differences and means to achieve varied intensities of residential development by the use of schedules within all 3 residential zones is also welcome. Glen Eira believes it will be possible to successfully transition from our current Residential 1 zone and Minimal Change/Housing Diversity policies to a combination of the Neighbourhood Residential Zone, General Residential Zone and Residential Growth Zone.
- iii. Once the Zone contents have been finalised Council will require a reasonable amount of time to tailor the Schedules of all 3 new residential zones in order to achieve a smooth transition to the new Zones.
- iv. Replacing the B2Z with the C1Z opens up the opportunity for a new shopping centre where there are large tracts of B2Z land. Within Glen Eira, Virginia Park is an example.
- v. Within all 3 new residential zones, Place of Worship and Medical Centre are Section 1 Uses. There is no buildings and works control for Section 1 uses.
 - Within the NRZ it is considered these uses should be shifted to Section 2.
 - Within the GRZ and RGZ it is considered that there should be at least some form of assessing the development. The suggestion is the need to comply with ResCode standards in terms of front setback, height and amenity impacts.
- vi. These changes recognise the importance of the NRZ as the strictest residential zone whilst providing well-mannered designs of these non-residential uses in all the new residential zones.
- vii. The introduction of the C1Z to local centres in particular brings with it "high density residential". This may cause amenity concerns to existing nearby residents particularly recognising there is no ability to control height in the proposed C1Z (no schedules). It is considered that there should be an ability to schedule height limits within the C1Z. Without such height limits a backlash from residents, particularly around local centres, would almost certainly occur. Also local centres are usually not served by public transport.

- viii. The C2Z somewhat curiously allows all forms of Accommodation other than Dwelling (ie. nursing home, retirement village, hostel, motel). As the C2Z will replace what have traditionally been semi industrial areas, this does not seem logical. These areas can be remote from normal residential amenities. Potential site contamination is another issue.
- ix. A non-neutral translation of the Priority Development Zone (PDZ) which currently covers the Melbourne Racing Club land (this is flagged as an issue however there is nothing in the new zones at this stage which raises a concern).
- x. Within the RGZ and GRZ, Food and Drink Premises, Office and Shop are Section 1 Uses provided certain conditions are met. One of the conditions is a concern. This condition states "provided the use is within 100m of a commercial or Mixed Use Zone with the same street frontage as the commercial or Mixed Use Zone". This could result in these commercial uses 'creeping' down a side residential street if, for example, a corner building in a commercial zone has been subdivided and there is a shop fronting the side street. This opens the way for these non-residential uses potentially creeping into what is a purely residential area. This is considered a potential loop hole.
- xi. The same 100m requirement, even when legitimately on the same main street as the commercial zone, has the effect of blurring what are distinct lines of demarcation between current business and Residential 1 Zones. This is a change but unlikely to be unintended. A possible flow on unintended consequence is the lack of buildings and works (development) control. Similar for Place of Worship and Medical Centre as outlined above, it is considered Food and Drink Premises, Office and Shop should be assessed at least against ResCode. The Rescode assessment should cover front setbacks, height and amenity impacts. This will help to ensure well-mannered non-residential buildings within a residential zone.
- xii. Within all 3 new residential zones height restrictions only apply to "a dwelling or residential building". It is considered height restriction should apply to all buildings including non-residential buildings. It is a building's height not merely its use which has the potential to cause loss of residential amenity.
- xiii. If Section 1 Uses are made to undergo a ResCode assessment as is thought necessary this may transfer workloads from the Planning to Building Departments of Council.
- xiv. Car parking may assume a greater importance than intended. Section 1 uses will require approval of a car parking plan. Car parking may become a default way of controlling land use.
- xv. It is questionable that ResCode can be satisfied as is required on a lot of less than 80m² within a RGZ.
- xvi. Whilst third party rights are not being changed, the change in controls within the new zones themselves via more Section 1 uses leads to less involvement of neighbours. This may cause a backlash which will be felt hardest at local government level.

6. Recommendation

That Council:

- 1. Notes the contents of this report.
- 2. Notes the concerns re garding unintended consequences arising fro m the content of the new zones.
- 3. Notes that Section 5 of this report which includes comments as well as possible unintended consequences will for m the basis of Co uncil's submission to the De partment of Planning and Community De velopment (DPCD).

Attachment 1:

THE PROPOSED NEW RESIDENTIAL ZONES – JULY 2012

Neighbourhood Residential Zone

- No buildings and works control or need to comply with ResCode for Section 1 nonresidential uses:
- There is a buildings and works control (a permit is required) for Section 2 uses only;
- Allows local neighbourhood character objectives, application requirements and decision guidelines to be specified;
- Allows a minimum lot size for subdivision to be specified in the schedule;
- A permit is required for subdivision but it is exempt from notice and review (it is not to be advertised and there are no third party appeal rights to VCAT);
- Allows the number of dwellings on a lot to be limited (minimum 2 dwellings) if not specified then the default is 2 dwellings and it's mandatory;
- Retains existing planning permit threshold to construct one dwelling on a lot of 300m² (however Council can specify a different threshold);
- Specifies a maximum building height of 9m that cannot be exceeded by a permit –
 It's mandatory. This can be varied through the schedule to a different height. Once varied, that height is also mandatory;
- Removes or reduces restrictions on non-residential land uses including Place of Worship and Medical Centre (no permit is required for either use if the gross floor area of all buildings does not exceed 250m²);
- The following ResCode Standards can be varied by the schedule:
 - Front setbacks (B6)
 - Site coverage (B8)
 - Permeability (B9)
 - Landscaping (B13)
 - Side and rear setbacks (B17)
 - Walls on boundaries (B18)
 - Private open space provision (B28)
 - Front fences (B32)

These ResCode standards can similarly be varied for the other two residential zones also.

General Residential Zone

- No buildings and works control or need to comply with ResCode for Section 1 non residential uses;
- There is a buildings and works control (a permit is required) for Section 2 uses only;
- Allows local neighbourhood character objectives, application requirements and decision guidelines to be specified;
- Retains <u>discretionary</u> height limit of 9m for residential development. This can be varied through the schedule and becomes a mandatory height limit;
- A permit is required for subdivision but it is exempt from notice and review (it is not to be advertised and there are no third party appeal rights to VCAT);
- Reduces permit threshold to construct one dwelling on a lot from 300m² to 200m²;
- Removes or reduces restrictions on non residential land uses such as Place of Worship, Medical Centres and Food and Drink Premises (Medical Centre and Place of Worship are as-of-right for either use if the gross floor area of all buildings does not exceed 250m² and a Food and Drink Premises is as-of-right if no greater than 100m² in floor area and it is located within 100m of a commercial or Mixed Use Zone);
- Allows small scale commercial uses such as Offices and Shops within 100 metres of a commercial area;

Residential Growth Zone

- No buildings and works control or need to comply with ResCode for Section 1 nonresidential uses;
- There is a buildings and works control (a permit is required) for Section 2 uses only;
- Allows local neighbourhood character objectives, application requirements and decision guidelines to be specified;
- Reduces permit threshold to construct one dwelling on a lot from 300m² to 80m².
- Facilitates 3 storey development by setting a <u>discretionary</u> height limit of 12.5m.
 This can be varied through the schedule and becomes a mandatory height limit;
- A permit is required for subdivision but it is exempt from notice and review (it is not to be advertised and there are no third party appeal rights to VCAT);
- Removes or reduces restrictions on non-residential land uses such as Place of Worship, Medical Centre and Food and Drink Premises (Medical Centre and Place of Worship are as-of-right for either use if the gross floor area of all buildings does not exceed 250m² and a Food and Drink Premises is as-of-right if no greater than 100m² in floor area and it is located within 100m of a commercial or Mixed Use Zone):
- Allows small scale commercial uses such as Offices and Shops within 100m of a commercial area;

Mixed Use Zone

- No buildings and works control or need to comply with ResCode for Section 1 nonresidential uses;
- There is a buildings and works control (a permit is required) for Section 2 uses only;
- Retains third party notice and appeal rights unless exempted by Council through the schedule to this zone;
- Reduces permit threshold to construct one dwelling on a lot from 300m² to 80m²;
- Allows a local maximum building height to be specified through the schedule that cannot be exceeded (mandatory);
- A permit is required for subdivision but it is exempt from notice and review (it is not to be advertised and there are no third party appeal rights to VCAT);
- Removes or reduces restrictions on non-residential land uses such as Place of Worship, Office, Medical centre, Shop and Food and Drink Premises (floor space conditions apply which make these uses as-of-right)
- Removes floor space area restrictions for Office, Shop and Trade Supplies.

Attachment 2

NEW COMMERCIAL ZONES:

Commercial 1:

- Generally a permit is required to construct a building or carry out works (development control) for both Section 1 and 2 uses;
- Accommodation becomes a Section 1 Use (previously Section 2 use in a Business 1 Zone with the exception of caretaker's accommodation);
- All Retail Premises (not including Adult Sex Bookshop) will become a Section 1
 Use. This opens up the types of as-of-right retail uses allowed when compared
 to the Business 1 Zone which is primarily for Shop (including Landscaping
 Supplies, Manufacturing Sales, Motor Vehicle and Boat Sales);
- Office becomes a Section 1 Use with no restrictions on floor space or frontage width at ground floor.
- Council has some areas of Business 2 and 5 which allow Office and Accommodation uses, with Shop either being a permit required use (Business 2) or a prohibited use (Business 5), therefore the rezoning of these areas to Commercial 1 increases the potential for retail floor space in locations that Council may not have previously chosen to be retail areas. Business 2 and 5 zones are generally located on the edge of an activity centre. Therefore potential would exist, under the new Commercial 1 Zone, for the retail component of the activity centres to increase in area. In the case of Virginia Park to possibly change focus from office, storage, light industrial to a retail, office and residential centre.
- Advertising signage controls will change with the implementation of the new zones. This will only affect the existing Business 2 and 5 areas, which currently have more restrictive signage control than the Business 1 and future Commercial 1 Zone.
- A permit is required for subdivision and is generally exempt from notice and review.
- The same notice and review requirements have been transferred from the existing Business 1, 2 and 5 zones into this new zone.

Commercial 2:

- Generally a permit is required to construct a building or carry out works (development control) for Section 1 and 2 uses;
- Dwelling is prohibited in this zone, however other forms of Accommodation are allowed (permit required). These include Retirement Village, Nursing Home and Motel. Most forms of accommodation are currently prohibited in the Business 3 and 4 Zone:
- Shop becomes a Section 1 Use with restrictions (2000m² supermarket and 500m² shops). A planning permit can be issued for shop uses with larger floor areas in this zone:
- Food and Drink Premises (100m² floor space limit) becomes a Section 1 Use.
- Office becomes a Section 1 Use with no floor area restrictions:
- Advertising signage controls will change with the implementation of the new zones. This will only affect the existing Business 3 areas, which currently have more restrictive signage control than the Business 4 and future Commercial 2 Zone.
- A permit is required for subdivision and is generally exempt from notice and review.
- The same notice and review requirements have been transferred from the existing Business 3 and 4 zones into this new zone.

Attachment 3

REVISED INDUSTRIAL ZONES

- The floor space restriction on Office use (a maximum floor space for Office can now be specified through the schedule) is proposed to be removed;
- The schedule limitation on floor area for Lighting Shop and Restricted Retail is proposed to be removed;
- Shop (500m²) and Supermarket (2000m²) will become a Section 1 Use in the Industrial 3 Zone (previously prohibited).

Attachment 4:

Comparison of Neighbourhood Residential Zone and Council's current zone/policy controls.

Current Residential 1 Zone with Minimal Change Policy	Possible Neighbourhood Residential Zone	Comments
The overall purpose of the Residential 1 zone is:	The overall purpose of the Neighbourhood Residential Zone is to:	
To provide for residential development at a range of densities with a variety of dwellings to meet the housing needs of all households; and	 Manage neighbourhoods where there are limited opportunities for increased residential development due to neighbourhood character, environmental or landscape characteristics 	The new zone aims to limit development (eg. is not providing for residential development "at a range of densities")
respects the neighbourhood character.	 To ensure that development respects the neighbourhood character. 	
Minimal Change Area Policy promotes primarily only one and two dwelling developments on conventional sized lots.	The number of dwellings on a lot must not exceed the number specified in a schedule to this zone. The number specified must not be less than two.	The NRZ provides more control and certainty as the number of dwellings allowed in
Policy outlines where developments of more than two dwellings can be considered e.g. where the site is in an area characterised by larger than	If no number is specified, the number of dwellings on a lot must not exceed two (default position).	an area can be specified in the Schedule rather than being in a policy. The default position of two dwellings is attractive.
conventional lots.		
Residential 1 Zone states: Clause 32.09-5 A permit is required to construct or	The NRZ states: Clause 32.09-5 A permit is required to construct or	
extend one dwelling on:	extend one dwelling on:	Consistent
A lot of less than 300 square metres.	A lot less than 300 m2.	
A lot of between 300 and 500 square metres if specified in a schedule to this	 A lot less than the lot specified in a schedule to this zone. (new requirement). 	
ZUIIE.		

Current Residential 1 Zone with Minimal Change Policy	Possible Neighbourhood Residential Zone	Comments
Clause 55 states that the maximum building height should not exceed the maximum height specified in the schedule or overlay, if no height specified,	Clause 32.09-9 allows you to specify a maximum building height in the schedule.	NRZ provides more certainty in terms of height control.
the maximum building height should not exceed 9m.	If no maximum building height is specified the height of the building must not exceed 9 metres (default position).	Clause 55 is discretionary, the NRZ height control is
Zone includes basic decision guidelines about	New decision guidelines introduced in the zone - ,	mandatory. Neutral translation.
etc	development.	NRZ provides more control
	Decision guidelines that are currently in our local policy	and guidance. Decision guidelines in schedule given
	could be transferred to the schedule of this zone.	more statutory weight than decision guidelines in policy.
Schedule to the Residential 1 Zone includes a map which defines the Minimal Change Area	NRZ will be mapped – this will follow the Minimal Change Area.	Neutral translation.
		NRZ schedule provides more
Minimal Change Area Policy includes policy objectives for the area.	 New schedule can include objectives – these could be transferred from policy to schedule. 	certainty and has more weight in terms of including objectives in a Schedule rather than a
Minimal Change Area Policy and R1 Schedule does not provide an opportunity to include a minimum subdivision area.	 New schedule can include a minimum subdivision area. 	policy.
 Current Minimal Change Area Policy does not contain application requirements nor does the Schedule of the R1. 	 New schedule can include application requirements. 	NRZ schedule provides opportunity to include application requirements providing more certainty.

Current Residential 1 Zone with Minimal	Possible Neighbourhood Residential Zone	Comments
Change Policy		
Schedule to R1 zone allows the following to be varied:	 New schedule includes additional requirements of clause 54 and 55 that can be varied e.g. permeability, landscaping, walls on boundaries. 	Neutral translation and the ability to increase control. NRZ Schedule includes
 Minimum street setback 		additional ResCode
Oben space		requirements that can be
Site coverage		varied through the Schedule.
 Building height 		:
 Side and rear setbacks 		Council may be particularly
 Front fence height 		Interested in 'permeability'
Council's current schedule requirements can	 New schedule can include Council's current 	
be transferred across to the Schedule of the	schedule requirements e.g. rear setback, site	
NRZ.	coverage, private open space.	
Council's Minimal Change Area Policy contains	Opportunity to include a ground floor rear setback of 4	This would result in more
policy that discourages two storeys in backyards.	metres and could possibly add a second floor rear	control (ie. zone control not
	setback (as a percentage of the site length) to stop	policy).
	second storey development in rear yards. We will need	
	to have something separate for corner sites.	
1	The NRZ contains a number of new Section 1 uses	Whilst generally broadening
	including Medical Centre (with conditions) and Place of	use opportunities, the NRZ
	Worship (with conditions). Office and Shop are still	is the most consistent with
	prohibited in this zone	the Res 1 Zone