

3 November 2023

Victorian Planning Authority
re. Officer South Employment PSP
Level 25, 35 Collins Street
Melbourne VIC 3000
Emailed: osepsp@vpa.vic.gov.au

Dear VPA colleagues,

**Development Victoria Submission to Amendment C274card
Officer South Employment Precinct Structure Plan and Infrastructure Contributions Plan
in relation to Development Victoria land at 185 Officer South Road, Officer**

Development Victoria commends the Victorian Planning Authority (VPA) on the exhibition of the Officer South Employment Precinct Structure Plan (PSP), the first PSP to be exhibited in accordance with the pilot “PSP 2.0 Guidelines” process.

As the Victorian Government’s development arm, Development Victoria delivers government policy through property development and urban renewal to achieve social and economic outcomes for the Victorian community.

Development Victoria has a landholding at 185 Officer South Road, Officer South, approximately about 75 hectares of this PSP area, where we propose to deliver much needed housing in this fast-growing area south-east of Melbourne

We have reviewed the PSP and welcome the opportunity to provide our feedback through this submission and look forward to continuing to work with the VPA and other stakeholders in bringing this precinct to life.

Development Victoria recognises the need to help ease the housing pressure Victorians are facing, particularly for low and very-low income households across the State. *Victoria’s Housing Statement – The Decade Ahead 2024-2034* has recently set a target to build 800,000 new homes — 80,000 a year — across the state over the next 10 years. Development Victoria will play a key role increasing supply and diversity of housing for the state, working in partnership with the private and public sectors to give more people a place to call home.

Submission to Planning Scheme Amendment C274card

Simplifying requirements and streamlining approvals

We share the ambition to create a new, affordable community in Officer. The draft planning scheme amendment is required to help us deliver on this ambition, to provide clarity and certainty and where possible simplify the range of requirements and streamline approval processes.

The exhibited documents outline how the subdivision and development of 185 Officer South Road will be considered via:

- The application of general PSP requirements and guidelines.
- The application of PSP requirements and guidelines specific to the 'Urban Design Performance Area'.
- The application of PSP requirements and guidelines specific to the 'Local Town Centre'.
- The requirement for a 'concept masterplan' supported by a full suite of background documentation, urban design analysis, proposed typologies, and Built Form Design Guidelines which must be in accordance with the above dot points.
- A planning permit application process, of which any proposal must be in accordance with the above dot points as well as the Cardinia Planning Scheme.
- Mandatory planning permit conditions which require adherence once a planning permit is issued.
- The delivery of innovative infrastructure and service outcomes which vary standard development outcomes prior to achieving statement of compliance for subdivision or occupancy certificates for buildings.

While Development Victoria is broadly supportive of the vision and objectives of the PSP. We encourage the VPA to consider the potential impacts of the extensive requirements and approval process on timing, delivery, as well as the assessment and resource burden on Cardinia Shire Council as responsible authority.

Changes to the PSP to simplify the assessment process will assist with the timely delivery of much needed affordable housing in the area. The viability and efficiency of the planning process for Development Victoria's land will be important, noting that such land is identified as Stage 1.

Dwelling density and typologies

Development Victoria generally supports the dwelling density proposed in the PSP. It is anticipated that it will take several years to deliver the residential dwellings enabled by the PSP.

Our concerns are that without a degree of flexibility in the controls:

- delivery of the densities and the types of housing may be slowed while we are waiting for optimum market conditions to achieve the prescribed types of housing; and
- affordable housing may be discouraged as providers have their own requirements for typology within certain locations.

We therefore suggest additional flexibility within the PSP to enable a more nuanced approach to typology requirements at the planning permit stage, closer to delivery and enabling it to reflect and respond to market conditions at the time.

Place Based Plan

Development Victoria is pleased to see that the Place Based Plan envisages the type of facilities, services and amenities which will improve outcomes for residents within the Cardinia Road Employment Precinct Structure Plan to the direct east.

We note that the PSP proposes a combination of items on Development Victoria's land including various infrastructure projects and a retarding basin adjacent to the Gum Scrub Creek. Development Victoria is investigating the suitability and location of these projects, with a view to making further submissions on these matters to the VPA and Melbourne Water in due course.

Development Victoria recognises the desire and ability for the proposed town centre to service the commercial and employment area to the south, in addition to the residential community within the PSP (and within the Cardinia Road Employment PSP). We would like to discuss the location of this town centre to ensure its optimum location.

Similarly, the application of the Mixed Use Zone (MUZ) in relation to several areas within 185 Officer South Road is also noted. While Development Victoria is supportive of increased densities in appropriate locations (e.g., fronting parkland, close to schools), the viability of high-density dwelling typologies at this location is untested. It is questioned whether the application of the MUZ (which exempts permit applications for apartment-style developments and includes no building height restriction) is likely to be successful in the north-western and north-eastern locations nominated. The Economic Assessment prepared by SGS (December 2022) does not include an analysis of the non-residential function of the nominated MUZ areas on Development Victoria's land. In addition, the preferred land use scenario (Option 7) within the SGS assessment did not include 'mixed use'. In the absence of an appropriate assessment supporting these land use designations, we question the value of the applied zone choice.

Public Realm & Open Space

Density done well often requires the provision of varied and smaller open spaces. Often these types of open spaces do not meet the standard dimensions and functions set out in Council's open space strategies. This can be a source of tension between a developer and Council and can affect the viability of projects and delay the design and approval process. Creating owners corporations to manage and maintain public open spaces is not always a solution as it may add to the cost of living for the residents and affordable housing providers to assume management of such estates.

It would be helpful if the PSP provided direction on this matter and collaboration with Cardinia Shire Council regarding the vesting and crediting of non-standard open spaces.

Delivery

We are reviewing the PSP's proposed requirements and guidelines with a lens on deliverability and would welcome a discussion on the following:

- Reconsider the location of some infrastructure items such as the roads and off-road shared paths shown on Plan 5 within reserves and public land. This is to be consistent with other Precinct Structure Plans, including those in Cardinia Shire Council.

- Plan 10 – Housing, shows roads between ‘local parks’ and land designated for ‘waterway and drainage’ will create an unnecessary divide between community assets, whilst the road between P-6 and the drainage reserve is unlikely to be delivered by either public authority.
- Potential deficiencies in detail of applied zones i.e., what is the outcome if the non-government school does not proceed.
- The PSP 2.0 process includes improved agency consultation, and it is evident within the PSP that many of the requirements and guidelines stem from various external authorities, some of which have competing interests, some of which have similar interests. Development Victoria has identified several duplicative requirements and guidelines which could be consolidated to provide a more concise policy instrument, as well as a number of requirements and guidelines which appear to conflict. Further, many requirements and guidelines within the PSP – even though they may be supported – are not suitable for inclusion within a structure plan and we propose these are implemented in other ways.

Bushfire hazard areas

We support the consideration of bushfire risk at a strategic planning and land use level and recognise the importance this plays in protecting our communities from such risk, particularly in locations such as Officer South on the edge of Melbourne’s Urban Growth Boundary.

In our experience, it is the role of structure planning to highlight bushfire risk, and to include requirements for detailed assessments at the planning permit stage. We are concerned with the inclusion of specific vegetation classes and specific setback distances at the structure planning level. Development and subdivision of land, particularly large precincts such as this, takes time and during which time the threat from bushfire may change, vegetation levels fluctuate, and policy guidelines alter. It would be prudent to remove or alter Plan 8 – Bushfire Hazard Areas and allow this to be managed by the existing Australian Standard. Further, the scale of Plan 8 is such that the location of the vegetation classes and the point at which the setbacks are measured from is unclear and somewhat confusing.

Integrated water management

Development Victoria supports the principal of stormwater harvesting in general, however, we recognise the Integrated Water Management Plan details significant infrastructure that is not costed under the PSP.

We note that the area will be serviced by Class A re-use water supplied by South East Water which will limit any local re-use opportunities.

A 1ML underground stormwater harvesting tank, 200ML storage facility and diversion pipe and transfer main to Cardinia reservoir along with a collection system will require significant funding (tens if not hundreds of millions of dollars).

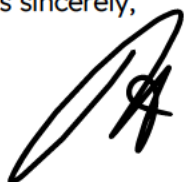
The PSP does not outline any funding or delivery mechanism or allocate a lead Authority to deliver this major infrastructure. No time frame is committed to completion of the infrastructure.

Under this scenario, developers will be forced to increase the size of on-site detention or install alternative interim re-use options that will impact yield if the precinct wide stormwater harvesting assets are not in place and pre-developed volumes need to be maintained.

We seek clarity on the costs of these works, the proposed funding mechanism and the requirements of developers to manage volume mitigation if the wider stormwater harvesting measures are not implemented when development proceeds.

Development Victoria continues to work through the details of Amendment and will seek independent expert opinion as appropriate. We will raise any further matters as we continue to review and engage with the VPA and Council throughout this process. If you have any questions regarding our submission, please contact Emma Demaine, Development Director, Housing by phone [REDACTED] or email [REDACTED]

Yours sincerely,



Penelope Forrest
Group Head, Housing

cc: Lili Rosic, General Manager Liveable Communities, Cardinia Shire Council
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