



GREATER SHEPPARTON CITY COUNCIL CONVERSATION REPORT

**Possible Sale of Land, Lease or Gifting for Affordable
Housing- High and Rowe Streets Car Park**

JUNE 2023

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1.0 Background

In June 2018, the Planning and Environment Act 1987 (1987Act) was amended to include the objective “to facilitate the provision of Affordable Housing in Victoria”, encouraging Council, in its role as Planning Authority, to consider the need and opportunity to implement Affordable Housing outcomes. The 1987 Act essentially defines “Affordable Housing” as “housing, including social housing that is appropriate for the housing needs of very low, low and moderate income households”.

Following extensive consultation, Council resolved to adopt the Greater Shepparton Affordable Housing Strategy: Houses for People 2020 (the Affordable Housing Strategy) in April 2020. Council also subsequently resolved to form the Greater Shepparton Affordable Housing Reference Group to provide expert advice on ways that Council can realise Affordable Housing outcomes.

In late 2019, the Affordable Housing Strategy found that Greater Shepparton was estimated to have the highest homeless rate in regional Victoria, with 5.56 homeless persons per 1,000 people, and 1,041 households on the waiting list for social housing. Rental affordability fell by 10% between 2008 and 2018, with 27% of low-income households experiencing housing stress. With these alarming statistics, it was estimated that 42% of all forecast dwelling supply needed to be delivered as Affordable Housing to meet demand in 2036.

An investigation by Affordable Development Outcomes Pty Ltd into housing affordability in Greater Shepparton found that between December 2018 and June 2022 there was a significant increase in households on the Victorian Housing Register from 1,041 households on the waiting list to 1,674 (904 households are now considered priorities for housing assistance). This alarming statistic means that there are now more households on the waiting list for Affordable Housing in Greater Shepparton than there is current supply.

At Council’s request, SEMZ Property Advisory and Project Management Pty Ltd prepared the Social Housing Site Assessment Report (SEMZ Report) evaluated 16 sites potentially capable of accommodating Affordable Housing across Shepparton and Mooroopna, including Council-owned sites, and sites identified in submissions to Council on the sale of the Edward, Maude and Nixon Streets Car Park. The SEMZ Report identified four Council-owned sites in the Shepparton CBD as the most appropriate sites to accommodate Affordable Housing, specifically:

- 5 Edward Street, 115-121 Maude Street and 92 Nixon Street, Shepparton (Edward, Maude and Nixon Streets Car Park);
- 84-90 High Street, Shepparton (High and Rowe Streets Car Park);
- 103 Fryers Street, Shepparton (Edward and Fryers Streets Car Park); and
- 57 Welsford Street, Shepparton (part of the Welsford Street Car Park).

At the Ordinary Council Meeting held on 20 September 2022, Council resolved, amongst other things to undertake a community engagement process in accordance with the Greater Shepparton City Council Community Engagement Policy 2021 (Community Engagement Policy) to seek the community’s feedback on any potential future sale, lease or gift of Council-owned land for Affordable Housing at the south east corner block of the High and Rowe Streets Car Park.

In the event that Council intends to sell, gift or lease the land in the future additional community consultation will be undertaken. Sections 114 and 115 of the *Local Government Act 2020*

(2020 Act) requires Council to publish a notice of its intention to sell the land and undertake a community engagement process in accordance with its Community Engagement Policy



Figure 1: Extract of the Zone Map for High and Rowe Streets Car Park (outline in yellow) with the subject site outlined in red.

2.0 Summary of Consultation

Council formally undertook community consultation in accordance with section 114 of the 2020 Act and Council's Community Engagement Policy on the possible sale, lease or gifting of part of the land at High and Rowe Streets Car Park. The level of community engagement undertaken was that described as 'Consultative Engagement' as defined in the Community Engagement Policy.

Council commenced community consultation on Friday, 17 February 2023. Community consultation concluded on Monday, 17 March 2023.

Council used multiple methods to engage with key stakeholders and the broader Greater Shepparton community during the additional community consultation phase, including:

- a letter to adjoining landowners and occupiers;

- a letter to member organisations of the Affordable Housing Reference Group;
- a media release, which attracted media attention from the Shepparton News and the Shepparton Adviser;
- public notice in the Shepparton News on Friday, 17 February 2023; and
- an online submission portal on the 'Shaping Greater Shepp' website.

Submissions were invited via an online submission form, by email and post with submissions required to be received by 17 March 2023. Submitters were also invited to attend verbal briefings to the Councillors about their submission on 23 May 2023 at the Council Boardroom, which were delivered via in person or online.

3.0 Who Did We Hear From?

A total of 121 submissions were received and 5 verbal briefings presented to Council during the consultation process. This included:

- 120 submissions received during the consultation phase;
- One late submission received after consultation phase;
- 5 verbal briefings; and
- 3 additional materials handed in during the verbal briefings.

Council received 100 submissions opposing the proposal, 19 submissions were in favour of the proposal and 2 were neutral to the proposal.

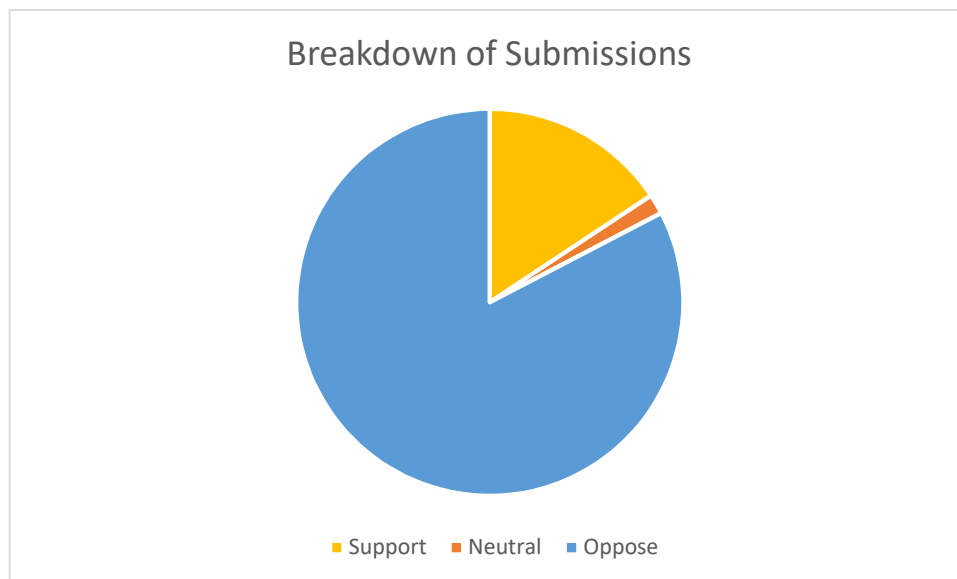


Figure 2: *Breakdown of Submissions*

4.0 What We Heard

Through these forums, Council heard a wide range of comments, queries and concerns. The main themes identified in the submissions that emerged are listed below, they are also outlined in Figure 2 below;

- loss of car parking spaces;
- that other locations are considered more appropriate;

- that the location is inappropriate;
- amenity for future tenants;
- issue with Affordable Housing;
- impact on surrounding businesses;
- safety and security concerns;
- the land should be redeveloped as a multi-storey car park to meet the needs of the CBD;
- the development does not comply with Council's existing policies;
- increase in pedestrian and traffic congestion as a result of the development;
- the site should support a mix-use development;
- Council should not be involved with Affordable Housing;
- that Affordable Housing is needed;
- additional information on project is required;
- location is prime real estate and not suitable for Affordable Housing and should not be gifted or sold at a discount;
- issues with accessible parking in CBD;
- supports the proposal;
- clustering of Affordable Housing versus pepper-potting; and
- impact on a sensitive land use.

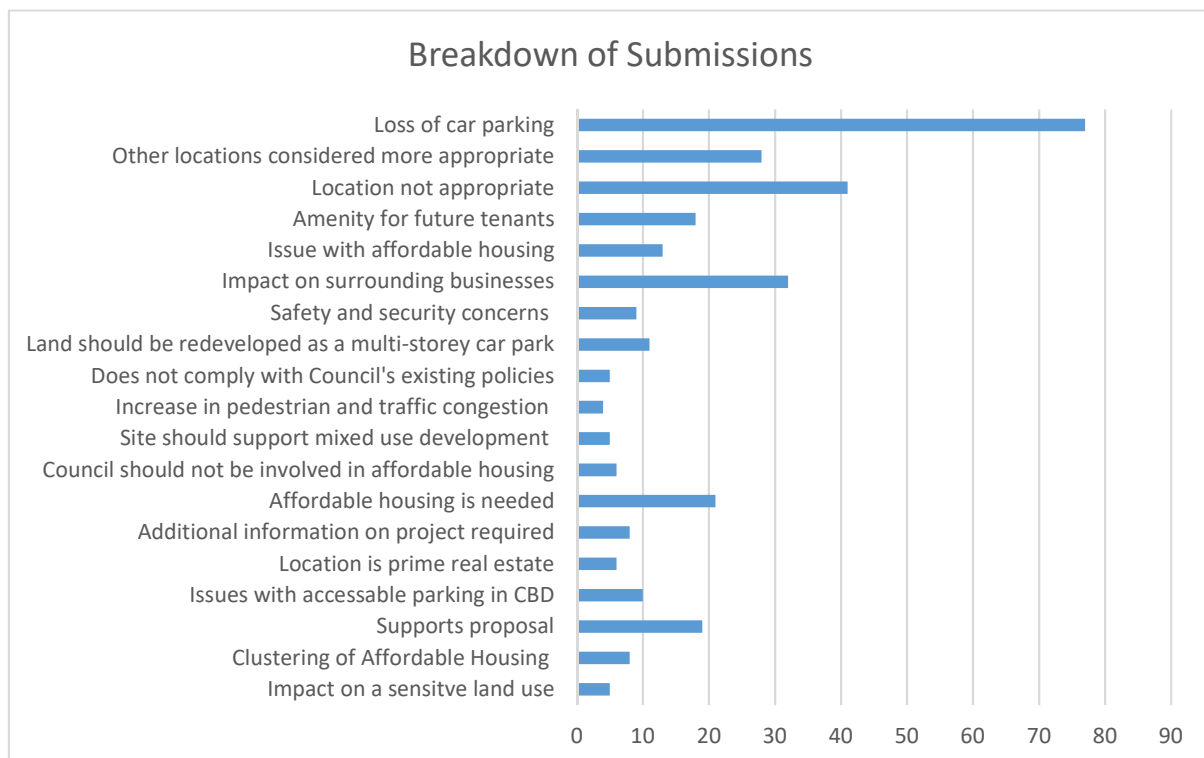


Figure 3: *Breakdown of themes in objections*

Council officers' responses to each of these themes is outlined in Table 1.

Table 1: Feedback received to the proposal and Council officers' responses.

Submission numbers	Feedback received	Council officers' response
6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 41, 43, 44, 45, 46, 47, 48, 49, 50, 52, 53, 54, 55, 56, 58, 59, 62, 64, 67, 68, 69, 71, 72, 73, 77, 82, 83, 84, 85, 89, 90, 92, 93, 94, 95, 96, 98, 99, 102, 106, 109, 110, 111, 112, 113, 116, 117, and 119	Loss of car parking spaces.	<p>Council officers acknowledge the concerns raised on loss of car parking.</p> <p>The <i>Shepparton CBD Parking Strategy 2020</i> noted that the Shepparton CBD had a peak utilisation rate of 57% for all on and off-street car parks; meaning that there is ample parking capacity throughout the Shepparton's CBD to accommodate existing and future demands. A recent parking survey undertaken by Real Time Traffic Pty Ltd in April 2022 indicates that the High and Rowe Streets Car Park has a peak occupancy rate of 52%.</p> <p>Given the off-street car parks and surrounding on-street car parks utilisation rate, Council officers believe any development on the site will have minimal impact to surrounding businesses and shoppers. As part of any proposal, Council will seek to retain ownership of the ground-level car park. Future tenants in any development will have their own car parking spaces, which will not detract from the number of spaces available for the public to use.</p> <p>The Maude Street Mall revitalisation has provided an additional 38 car parking spaces. These additional parking spaces in Maude Street Mall are within walking distance from the High and Rowe Streets car park where the subject site is located. The additional 38 parking spaces in Maude Street Mall will significantly exceed any loss of car spaces on the proposed site.</p>
4, 9, 11, 24, 27, 44, 45, 48, 52, 55, 65, 66, 70, 73, 77, 79, 88, 89, 94, 96, 100, 101, 104, 105, 106, 111, 118, and 120	That the location is inappropriate.	<p>Greater Shepparton City Council believes that housing is a basic human right; every member of our community deserves the certainty of knowing they will have a roof over their head every night. This is regardless of a person's financial circumstances, age, gender, race, religion or sexual orientation. The provision of housing enables participation in community life in Greater Shepparton.</p> <p>The proposed development is situated within the Activity Centre Zone (ACZ) Precinct 1. Council officers are of the view that development of the site for a multi-storey Affordable Housing aligns with objects of the ACZ to facilitate medium-density housing and increase the vibrancy and foot traffic throughout the area. Any proposal will</p>

		<p>also be required to meet the ACZ's built form guidelines of higher-scaled built form making a more efficient use of the land in close proximity to the Maude Street Mall.</p> <p>The site is located within the centre of the Shepparton CBD and close to amenities including local businesses, shops, supermarkets, Goulburn Valley Health and other support services, GOTAFE and La Trobe University, public open space at Queens Gardens, Monash Park and Victoria Park Lake, and the Maude Street bus interchange.</p>
4, 5, 42, 45, 52, 65, 72, 75, 80, 82, 89, 94, 95, 96, 104, 117, 119, and 120	<p>Amenity issues on future tenants including open space & communal areas.</p>	<p>From the existing public housing tenancies in Shepparton, 75% are either single, single parent, or elderly single. Of the 1,673 households on the priority access list for the Victorian Housing Register, 62.6% have a preference for one-bedroom housing. Larger greenfield sites with 3 – 4 bedroom dwellings often require residents to have one or more cars to access jobs and services which is not a priority for Affordable Housing.</p> <p>The exact building layout of any proposal will be determined under the planning permit process, which will be subject to the ResCode requirements in the Greater Shepparton Planning Scheme regarding internal amenity for future tenants.</p> <p>The location of the site is also within walking distance to open space such as Queens Gardens, Victoria Lake and Monash Park.</p>
4, 5, 9, 12, 24, 31, 42, 45, 46, 48, 50, 52, 56, 58, 62, 65, 66, 68, 72, 73, 75, 77, 79, 82, 88, 89, 93, 94, 96, 98, 100, 101, 103, 104, 105, 106, 111, 117, 118, 119, and 120	<p>That other locations are considered more appropriate.</p> <p>Sites identified in the submissions are: Marungi Carpark, former Mooroopna Hospital, Mason Street, Maude and Hayes Street, Vacant land behind Archer Street, Parkside Drive, former Pizza Hut site, 2-5km from Shepparton Township. And vacant buildings in the CBD.</p>	<p>The proposed site is within the centre of the CBD and provides very close walkable access to services, retail, greenspace, community facilities, medical facilities and education and training facilities.</p> <p>The site was identified after extensive assessment of land availability and suitability in Shepparton which concluded there are very limited opportunities and no sites of this scale that met the agency requirements and priority housing need. Many sites were subject to easements, flood risk, or were not appropriately zoned.</p> <p>Council commissioned SEMZ to undertake an independent site assessment for potential Affordable Housing locations, including Council-owned, State Government, and privately-owned</p>

		<p>properties. The assessment evaluated the sites on:</p> <ol style="list-style-type: none"> 1. Ownership, value and availability 2. Site characteristics and planning constraints 3. Location, site amenities and transport. 4. Financial feasibility and development delivery timing. <p>The results of the site assessment found that Council-owned sites scored highest in the weighted evaluation and were most suitable for the realisation of Affordable Housing, including the High and Rowe Streets Carpark.</p> <p>These sites are generally development-ready, are zoned appropriately with minimal encumbrances and overlays, are located in central locations close to amenities and transport, and higher financial feasibility with lower land and development costs.</p> <p>Other identified sites had multiple development constraints that made them unsuitable for Affordable Housing; including being owned by third-parties or crown land, inappropriate zoning or encumbrances or overlays, not being close to amenities or transport, and high cost of land development.</p> <p>Some but not all of the alternative sites identified in the submissions were the subject of the SEMZ Report. Nevertheless, Council officers are of the view that even if alternative sites were considered, it does not preclude the investigation into Affordable Housing on the High and Rowe Streets Car Park. Shepparton has a high rate of homelessness that one Affordable Housing proposal alone will not fully address. Council will continue to advocate for and facilitate the development of Affordable Housing in other areas of Greater Shepparton to address the critical undersupply of Affordable Housing.</p>
4, 5, 13, 19, 23, 28, 29, 31, 33, 34, 37, 42, 49, 50, 56, 59, 62, 66, 67, 73, 75, 79, 88, 89, 90, 91, 92, 104, 110, 111, 112, and 119	Impact on surrounding businesses.	<p>Council officers acknowledge the concerns raised on the impacts on surrounding businesses.</p> <p>Any proposal for development of the site will need to consider the rights of carriage access to existing businesses.</p> <p>Research shows that there is not necessarily a link between criminal behaviour and social housing; in fact there is likely to be a greater risk</p>

		<p>of crime when people do not have access to safe and secure housing.</p> <p>Source: https://www.ahuri.edu.au/research/final-reports/211</p>
5, 40, 52, 62, 66, 75, 89, 110, and 119	Safety and security concerns following the development.	<p>Council officers will be seeking to monitor and work with the future community housing provider to ensure that the ongoing management of any Affordable Housing provided is safe and successful for businesses in the area.</p> <p>Tenants who do not meet the obligations of the <i>Residential Tenancies Act 1997</i> and the obligations set out by the community housing organisation/s can be vacated from the property. The <i>Residential Tenancies Act 1997</i> provides a process for this, but as with any person, serious criminal behaviour can result in a person being arrested on the spot.</p> <p>In addition to this, if the site is managed by a Registered Housing agency they will be required to comply with performance standards and other requirements set out in the Housing Act 1983 (Vic). These standards are governed and audited annually by the Victorian Housing Registrar. These requirements provide regulatory and oversight environment that the State government (public housing) or private landlords are not required to comply with.</p> <p>Community housing organisations have obligations, just like any other landlord, under the <i>Residential Tenancies Act 1997</i> to ensure that the privacy, peace and quiet enjoyment of neighbouring residents are not affect by the tenants or their visitors.</p> <p>Post occupancy evaluations of similar density Affordable Housing projects (for example, the Woodstock Street development in Balaclava) found that it was the view of the St Kilda police that the residents had not cause any problems in the neighbourhood, rather that property crime had actually decreased in the area.</p> <p>Source: https://www.ahuri.edu.au/research/final-reports/211</p>
4, 38, 39, 57 and 57a, 59, 61, 72, 74, 76, 81, 86, 87, 94,	That Affordable Housing is needed.	<p>Council acknowledges the need for more Affordable Housing in Greater Shepparton. Council notes that Greater Shepparton has the highest homeless rate in Regional Victoria at 5.6 persons per 1000 people.</p>

97, 98, 102, 107, 110, 113, 115, and 121		Council will continue to pursue Affordable Housing opportunities under the <i>Greater Shepparton Affordable Housing Strategy</i> .
2, 3, 15, 38, 39, 57 and 57a 60, 74, 76, 78, 81, 86, 87, 95, 102, 107, 113, 115, and 121,	Supports the project.	Council officer's note the response from these submitters.
14, 45, 75, 94, 98, 101, 104, and 110	Clustering of apartments versus pepper-potting	<p>The <i>Greater Shepparton Affordable Housing Strategy</i> sets objectives for integration and to see Affordable Housing delivered across Shepparton. It recognises that clustering may be appropriate due to the availability of land and housing agency requirements; reflecting that Registered Housing Agencies may have practical reasons for clustering and have experience to determine the optimal mix and scale for any single location.</p> <p>There is limited research and evidence to suggest as to what is an appropriate mix of market/Affordable Housing, and that neither the Victorian Government nor <i>Greater Shepparton Affordable Housing Strategy</i> establish a maximum number of Affordable Housing dwellings for any single area.</p> <p>Any higher-density proposal on the site will contained for a very small amount of all Affordable Housing within Greater Shepparton. The zoning is suitable for high-density development and will be designed to meet planning and zoning controls, and will be managed by a registered housing agency organisation that have experience and expertise in managing housing tenancies.</p>
42, 65, 82, 108, and 117	Impact on sensitive land use.	<p>Council officers are conscious of the need for the for proposed development to have a regard to any sensitive land uses adjoining or in the vicinity of the proposed site.</p> <p>The site design is subject to plans that will be developed by the future developer of the site and it will need to be assessed by Council officers and approved by the Victorian Government through the planning permit process. Any development over 3-storeys is also subject to review by the Victorian Government Architect.</p> <p>The proposed designs will be subject to ResCode requirements, planning controls and assessment of adjacent sites to ensure no inappropriate</p>

		overshadowing or overlooking occurs. Concerns such as overlooking and overshadowing can be addressed in design and planning controls.
22, 26, 28, 38, 50, 52, 54, 78, 82, 89, and 112	The land should be redeveloped as a multi-storey car park to meet the needs of the CBD.	<p>Council officers are of the view that there are sufficient car spaces within the Shepparton CBD, with the redevelopment of Maude Street Mall an additional 38 parking spots close to the proposed site will be provided.</p> <p>The consideration and construction of any future CBD car parks is subject to a separate process as part of the implementation of the <i>Shepparton CBD Car Parking Strategy 2020</i>.</p>
48, 88, 97, 103, and 109	The development does not comply with Council's existing policies.	<p>The <i>Greater Shepparton Affordable Housing Strategy</i> notes that clustering of Affordable Housing dwellings may be appropriate in some circumstances due to proximity to transport, retail, and essential services, and/or availability of land or sites or government redevelopment or investment strategy, or if supported by a Registered Housing Agency reflecting the agencies may have practical reasons for clustering and have experience to determine optimal mix and scale for any single location.</p> <p>The proposal aligns with the objectives of the <i>Shepparton CBD Strategy 2008</i> and the <i>Commercial Activity Centres Strategy 2015</i>, which both seek a more efficient use of land, higher densification of Shepparton's CBD, and to maintain the CBD as the more vibrant and active city centre to serve the region.</p>
4, 75, 101, and 106	Increase in pedestrian and traffic congestion as a result of the development.	The intensification of the site will have negligible impact on traffic and pedestrian congestion. Residents in Affordable Housing are less likely to own a car as compared to a private rental, and due to the site being located in the core of the CBD with retail, services, amenity and public transport within walkable distance, car traffic generated from any development is likely to be low.
61, 102, 110, 113, and 115	The site should support a mix-use development.	Council has not received any proposal to sell, lease or gift the land. In the event that Council receives a proposal and intends to sell, gift or lease the land in the future, additional community consultation will be undertaken. Sections 114 and 115 of the 2020 Act requires Council to publish a notice of its intention to sell the land and undertake a community engagement process in accordance with its Community Engagement

		Policy, as well as to obtain a current valuation of the land.
9, 21, 41, 50, 75, and 111	Council should not have any or limited involvement with Affordable Housing	<p>Council's core functions as required by the 2020 Act Include fulfilling the purpose '<i>to serve our community through providing leadership, making decisions, and advocating for equitable services and infrastructure</i>', towards a vision in which council offers a '<i>a thriving economy...with excellent lifestyles, innovative agriculture, a diverse community and abundant opportunities.</i>'</p> <p>Greater Shepparton City Council has also undertaken the <i>Greater Shepparton Affordable Housing Strategy 2020</i> which explores actions that Council can take to address Affordable Housing needs and meet the requirements of the 2020 Act. These actions focus on Councils role:</p> <ul style="list-style-type: none"> • Leadership and Advocacy; • Land-use planner; and • Facilitator of social and economic outcomes. <p>Council will continue to advocate to the Victoria and Australian Governments to obtain funding for Registered Housing Providers and not-for-profit organisations who provide services, support and housing to the most vulnerable in the community.</p>
1, 61, 77, 90, 97, 101, 110, and 114	Additional information is required on the project	Council has not received any proposal to sell, lease or gift the land. Council's community engagement is purely a feedback gathering exercise in the result of the September 2022 Ordinary Council Meeting resolution.
13, 28, 36, 37, 50, 68, 95, 106, 111, and 119	Difficulty finding disabled parking	The south-eastern corner of the High and Rowe Streets Car Park currently has no disability parking. As result of this, any development of this site won't impact the availability of disability parking in the car park or the area.
45, 56, 79, 104, 106, and 111	Location is prime real estate and should not be gifted or sold at a discount	As part of any proposal to sell, gift, or lease the land, Council will receive an independent valuation of the land. Section 114 (2) (c) of the Act requires Council to obtain a valuation of the land which is made not more than 6 months prior to any sale or exchange.
5, 14, 45, 65, 73, 75, 79, 89, 94, 100, 104, 110, and 118	Issues with Affordable Housing on the site including	Please see the above response to 'Safety and security concerns following the development'.

	maintenance, anti-social behaviour etc.	Council could require that any proposal includes a requirement for a Management Framework that outlines the standards, policies, and procedures to support tenants, management of the building and community.
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5.0 What Happens Next?

Council will consider the findings of the community consultation, in respect of the possible sale of the land at the 20 June Ordinary Council Meeting.