

Subdivision in the Neighbourhood
Residential Zone (NRZ)

LLOYD ANDERSON
Senior Planner

C I T
GLENBUR
HEATHRID
JOONDAN
N I C
— PLANNI
S T U
S U B I
COLLIN

What is the issue?

- The **Neighbourhood Residential Zone** has identified parts of existing residential areas to be protected from multi-unit development other than dual occupancies (currently 20% or 24,502ha of Melbourne's residential-zoned land).
- Protecting the suburbs is a key element of **Plan Melbourne 2014** which includes the short-term action to Deliver the Neighbourhood Residential Zone across at least 50% (61,335 ha) of Melbourne's residential-zoned land.
- What is the role of the **Reformed Residential Zones** in delivering diversity? Options for discussion:
 - 40 Clarify the action to apply the NRZ to at least 50% of residential land by:
 - 40A Deleting the action and replacing it with a direction that clarifies how the residential zones should be applied to respect valued character and deliver housing diversity.
 - OR
 - 40B Retain at least 50% as a guide but expand the criteria to be applied in variations between municipalities

Case Study Background

Whitehorse City Council (WCC) refused an application to subdivide land at 7 Hunter Valley Road, Vermont into four lots.

- Council submits that the proposal is inappropriate in an area identified for 'limited change' under local policy, is contrary to the existing and preferred neighbourhood character and does not ensure acceptable future development.

32.09-3

22/08/2013
VC104

Number of dwellings on a lot

The number of dwellings on a lot must not exceed the number specified in a schedule to this zone. If no number is specified, the number of dwellings on a lot must not exceed two.

- WCC stated that the proposal will result in development that will:
 - detract from the character of existing properties,
 - result in parking and traffic safety concerns;
 - will cause a loss of amenity to the adjoining property due to
 - loss of privacy,
 - reduced solar access and
 - noise arising from use of access way.

VCAT decision and questions they asked

- What was questioned:
 - Is the subdivision contrary to policy and the zone provisions?
 - Is the intensity of the proposed subdivision respectful of the neighbourhood character and context?
 - Can future development be controlled to ensure an appropriate response to neighbourhood character and protection of amenity?

VCAT Example



(Anderson, 2016)



(Near Maps, 2016)

Location



(Melways, 2016)

Immediate abutments



(Planning Maps Online, 2016)

Planning Context

- Key outcomes sought by State Policy: attractive, livable and sustainable communities, with regard paid to protection of vegetation, energy efficiency landscaping and neighbourhood character.
- Local policy review site is within limited change area and located within Garden Suburban 7 (GS7):
 - Contemporary dwellings within large lots
 - Areas within close proximity to trams along Burwood Highway will accommodate dwellings with slightly more compact siting than remaining residential areas, but with space for large trees and gardens.

Purpose of the zone

32.09

NEIGHBOURHOOD RESIDENTIAL ZONE

22/08/2013
VC104

Shown on the planning scheme map as **NRZ** with a number (if shown).

Purpose

To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.

To recognise areas of predominantly single and double storey residential development.

To limit opportunities for increased residential development.

To manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics.

To implement neighbourhood character policy and adopted neighbourhood character guidelines.

To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.

(Planning Maps Online, 2016)

SUBDIVISION REQUIREMENTS

32.09-2

22/08/2013
VC104

Subdivision

Permit requirement

A permit is required to subdivide land.

A schedule to this zone may specify a minimum lot size to subdivide land. Each lot must be at least the area specified for the land, except where an application to subdivide land is made to create lots each containing an existing dwelling or car parking space, where an application for the existing dwelling or car parking space was made or approved before the approval date of the planning scheme amendment that introduced this clause 32.09 into the planning scheme.

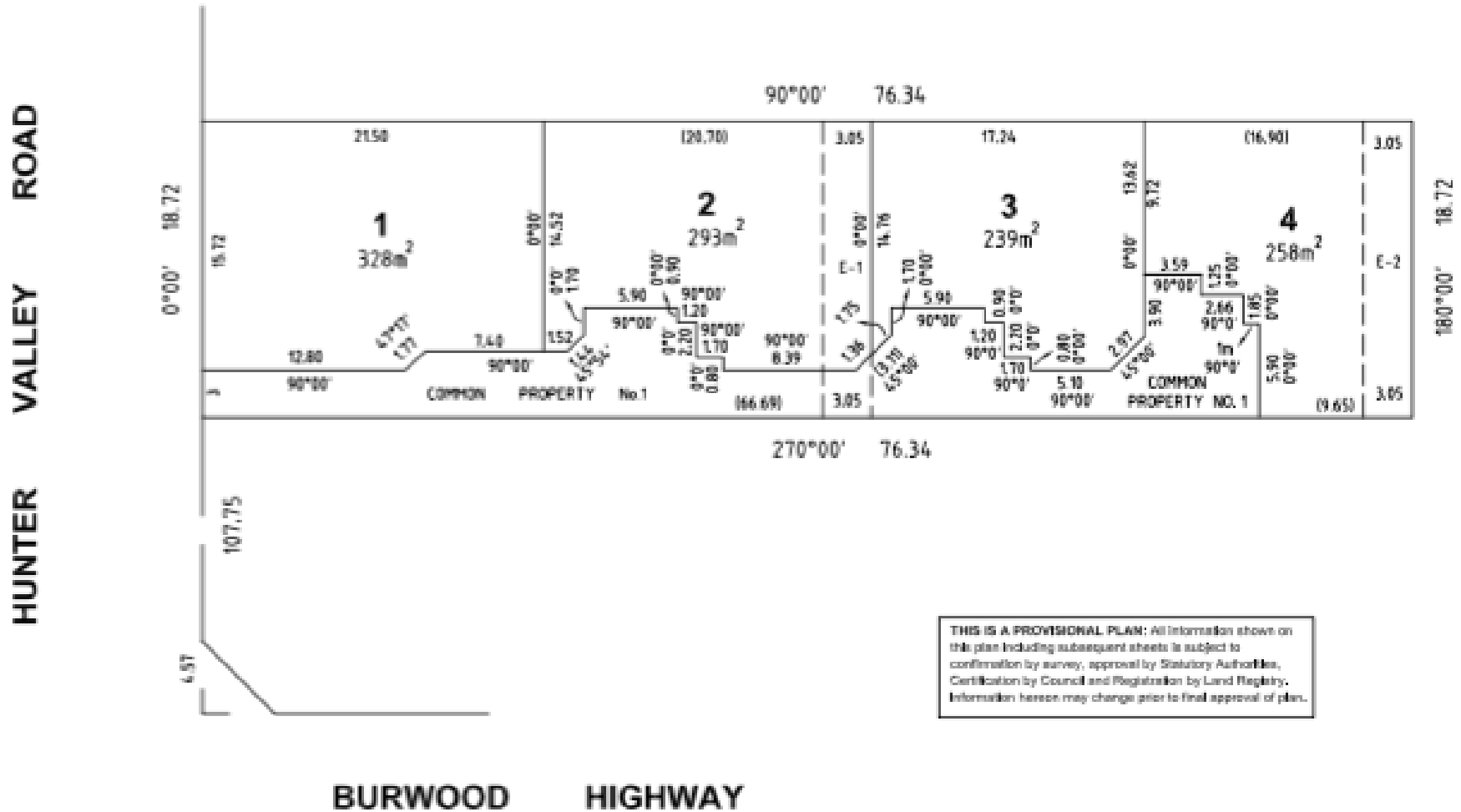
An application to subdivide land, other than an application to subdivide land into lots each containing an existing dwelling or car parking space, must meet the requirements of Clause 56 and:

- Must meet all of the objectives included in the clauses specified in the following table.
- Should meet all of the standards included in the clauses specified in the following table.

Class of subdivision	Objectives and standards to be met
60 or more lots	All except Clause 56.03-5.
16 – 59 lots	All except Clauses 56.03-1 to 56.03-3, 56.03-5, 56.06-1 and 56.06-3.
3 – 15 lots	All except Clauses 56.02-1, 56.03-1 to 56.03-4, 56.05-2, 56.06-1, 56.06-3 and 56.06-6.
2 lots	Clauses 56.03-5, 56.04-2, 56.04-3, 56.04-5, 56.06-8 to 56.09-2.

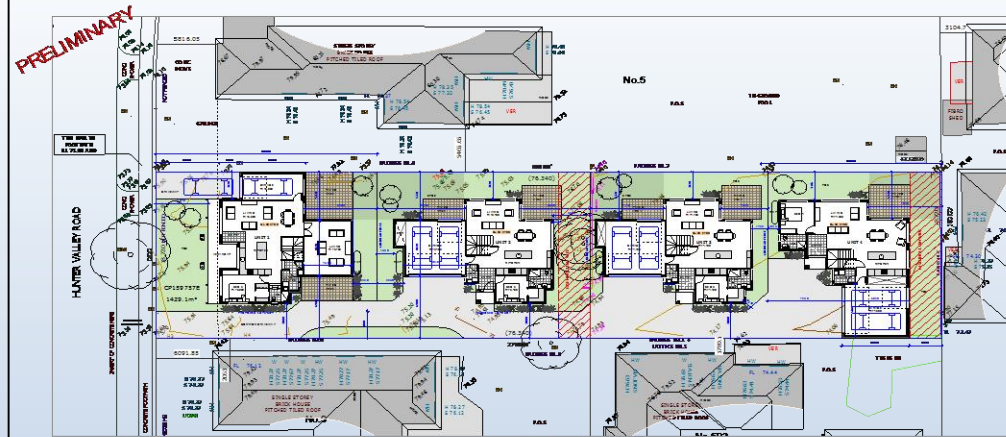
(Planning Maps Online, 2016)

PLAN OF SUBDIVISION

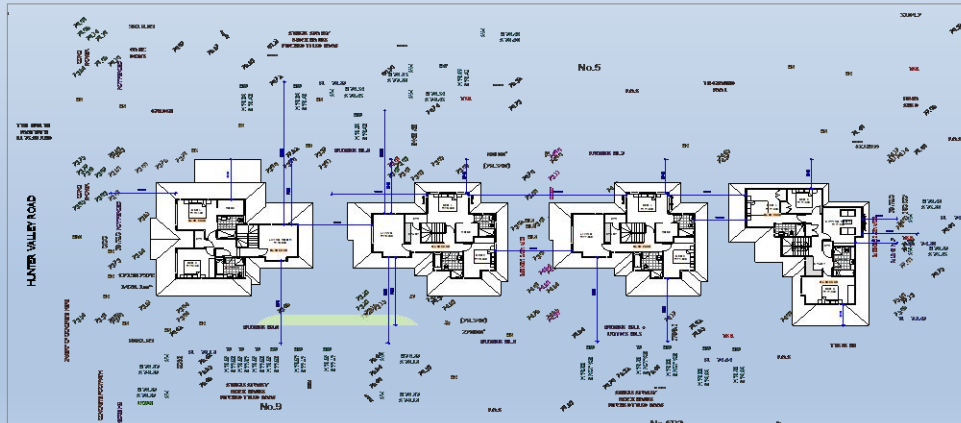


(Brian Watson Surveyor, 2016)

LAND USE PLAN



1 GROUND FLOOR LAYOUTS



2 FIRST FLOOR LAYOUTS



3 SOUTH PERSPECTIVE



4 SOUTH WEST PERSPECTIVE



5 NORTH WEST PERSPECTIVE

PRELIMINARY

pillar+post
Property Consultants

FOR ALL INFORMATION PLEASE
CONTACT US ON 08 833 3333
WWW.PILLARANDPOST.COM

UNIT 1: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 2: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 3: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 4: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)

UNIT 5: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 6: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 7: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 8: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)

UNIT 9: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 10: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 11: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)
UNIT 12: 100m² (1070 sq ft) - 100m² (1070 sq ft) - 100m² (1070 sq ft)

(Pillar & Post, 2016)

NICHE
PLANNING
STUDIO

CONTRARY TO POLICY AND THE ZONE?

- The mechanism of subdivision is lawful, although it limits the number of 'dwellings' on a lot to two, the provisions allow a permit to be sought for subdivision of land (check schedule to zone as this may vary).
- Refer to outcomes sought in state and local policies.
- Limited opportunities does not mean no residential growth, once again refer to local policy. Meets objectives of 56 of the Planning Scheme (e.g. range of lot sizes, maximise solar orientation, safe vehicle access).

NEIGHBOURHOOD CHARACTER / CONTEXT?

- What does the Planning Scheme say?
- Guidance is provided in local policy, in the zone provisions and Clause 56 and 65.
- These provisions refer to the pattern of subdivision and its effect on the spacing of dwellings, the protection of vegetation to be retained, the density of the proposed development and the area and dimensions of each lot in the subdivision.
- Subject to addressing issues of siting and landscaping through permit conditions or via other required approvals, an outcome can be respectful.

CAN FUTURE DEVELOPMENT BE CONTROLLED?

- It is lawful but the Scheme makes it clear that because it can does not mean it should.
- A section 173 agreement can be registered on title to provide for building exclusion zones to ensure adequate spacing and landscape opportunities, restrict fencing, limit each lot to one dwelling and require a landscape plan.
- Separate planning permit that ensures compliance with Clause 54 or a building permit that will address ResCode requirements relating to overlooking and overshadowing.

Approval

- VCAT allowed the four lot subdivision in the NRZ within WCC subject to conditions:
 - The common property shown as a minimum of 3.5 metres wide.
 - Building exclusion zones on lots 1, 2, 3 and 4.

Section 173 Agreement

- Prior the issue of a Statement of Compliance, the owner of the land shall enter into an Agreement with the Responsible Authority under Section 173 of the *Planning and Environment Act 1987* which covenants that:
 - Subdivided in accordance with the endorsed plans, and the conditions of the permit.
 - Only one dwelling is to be constructed on each of Lots 1 to 4.
 - Lots 1 to 4 cannot be further subdivided.
 - No buildings (other than outbuildings, water tanks, swimming pools, retaining walls, driveways, paving or similar structures or allowable encroachments including porches and eaves) shall be constructed in areas designated as 'building exclusion zone'.
 - No front fencing shall be constructed within the 'building exclusion zone' on lot 1 (side and rear boundary fencing is permitted).
 - A landscape plan that shows proposed planting along the southern boundary of the common property.
 - The landscape and other works shown on the plan referred to in f) above shall be completed.
 - The landscaping works shown in the Plans endorsed under f) above must be maintained.

Returns

- Note also these numbers do not assume sales and marketing costs or any tax. They are an estimate of Professional Fees, Council Fees, Construction costs and finance costs (assuming 80% LVR for construction).
- **Option A - Develop 4 townhouses**
 - we assumed 4 dwellings of 180 sqm of GFA on as per the Land Use Plan we presented at VCAT
 - estimated costs and returns are:
 - Total Development Costs = **\$1.98m**
 - Gross Realised Value = **\$3.59m**
 - Profit on Costs = **\$1.61m**
- Here we assumed \$900k for the front dwelling and \$855k for the rear dwellings

Returns – Option B

- **Option B - Develop the front townhouse and sell the rear 3 lots vacant**
 - we assumed 1 dwelling of 180 sqm of Gross Floor Area is built and then you run the services to the rear lots, subdivide and sell all three lots to another developer
 - estimated costs and returns are:
 - Total Development Costs = **\$743k**
 - Gross Realised Value = **\$2.09m**
 - Profit on Costs = **\$1.35m**
 - Here we assumed:
 - \$900k for the front dwelling
 - \$416k for lot 2
 - \$329k for lot 3
 - \$376k for lot 4

Questions?