# **Policy and Strategic Context**

Attachment 1 to the Issues and Opportunities Paper Housing and Neighbourhood Character Strategy for Castlemaine, Campbells Creek & Chewton

July 2022



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# Introduction

The Housing and Neighbourhood Character Strategy is underpinned by various policies at a state, regional and local level. These policies inform how Council approaches planning for housing.

Attachment 1 includes an overview of the policies relevant to the Housing and Neighbourhood Character Strategy for Castlemaine, Campbells Creek and Chewton, and helps to establish the strategic context for the Strategy.

The relevant policy and strategic context has been listed under the following themes:

- 1. Council Plan and documents
- 2. Settlement, town-based and land use planning
- 3. Housing
- 4. Heritage and Neighbourhood Character
- 5. Environment, Landscape and Environmental Risks and Amenity
- 6. Development and Community Infrastructure
- 7. Residential Zones

At the state level, the Planning and Environment Act 1987 establishes the statutory framework for Victoria's planning system, including objectives for planning and the planning framework established by the Act.

Also at the state level, the Department of Environment, Land, Water and Planning (DELWP) prepares Planning Practice Notes which provide ongoing advice about the operation of the Victoria Planning Provisions and planning schemes as well as a range of planning processes and topics.

The Planning Scheme is an important tool that enables land use strategies to be implemented; it includes policies and provisions at state,

regional and local level. The following components of the Mount Alexander Planning Scheme are identified within this attachment:

- Municipal Planning Strategy: located at Clause 02 and sets the basis for the local context in the planning scheme. It includes the following:
  - Context
  - $\circ$  Vision
  - Strategic Directions: outline how a municipality will implement its vision and manage key issues relevant to the municipality. Strategic directions are the high-level policy intentions for the municipality that provide the basis for matters that are implemented through more detailed policy
  - Strategic Framework Plans: spatial representation of the key strategic directions for the municipality
- Planning Policy (sate, regional and local) at Clauses 10-19: policy is grouped by theme with directly relevant regional and local policies 'nested' under the corresponding state planning policy
- Zones: the primary tool for guiding the use and development of land. All land (except Commonwealth land) must be included in a zone. The application of a zone to land needs to carefully consider the outcomes sought for the land expressed in the MPS and local planning policies.
- Overlays: can be used to complement the zoning of land in managing development. Certain overlays also control the use of land in special circumstances. Applying an overlay to land requires careful consideration of the development outcomes sought for the land.

# 1. Council Plan and other key documents

#### Council Plan 2021-2025

The community vision (2021-2031) within the Council Plan states that "we are a welcoming community where everybody has access to services and supports, and opportunities for housing, education, employment and creative and social pursuits".

The following objectives and strategies are relevant to this project:

#### Objective:

• We are facilitating managed growth of our towns while protecting natural assets

#### Strategy:

- Coordinate land use, urban design and infrastructure planning for towns
- Ensure there is sufficient residential, commercial and industrial land to meet demand
- Protect agricultural land that contributes or can contribute to local food systems from residential development

#### These will include:

- Preparing infrastructure plans for areas anticipated to grow
- Advocating for development contributions towards critical infrastructure
- Ensuring the planning scheme reflects the needs and aspirations of the community

#### Objective:

• Our community is growing in harmony with nature

#### Strategies:

• Manage sustainable township growth and development

#### These will include:

- Encouraging growth around existing activity centres and ensuring residential development considers hazards/constraints
- Continuing to apply best practice guidance from the Planning Scheme, including minimizing the impact of development on native flora and fauna

#### Objective:

• We are focused on the housing affordability challenge in our community

#### Strategies:

- Ensure there is sufficient residential land that caters for the existing and future community needs
- Support state-wide initiatives to increase affordable housing supply
- Encourage diverse housing options and infill residential development in appropriate locations

#### These will include:

- Exploring avenues for funding and developing a Housing Strategy
- Supporting sensible investment through the State Government's Big Housing Build
- Reviewing and maintaining a 15-year residential land supply across the municipality

• Championing the prioritisation of State owned land for housing with State Government Departments

#### Mount Alexander Planning Scheme Review (2019)

Section 12 (1)(a) of the Planning and Environment Act 1987 (the Act) requires a planning authority (Council) to review its planning scheme within the term of each Council. Guidance is provided by the Continuous Improvement Review Kit 2006 and Planning Practice Note 32: Review of Planning Schemes.

The 2019 review of the Mount Alexander Planning Scheme was a policyneutral audit of all local Planning Scheme content and an analysis of additional documents relevant to the operation of the Planning Scheme.

Relevant recommendations from the review include:

- Undertake strategic work relating to housing and settlement to update town framework plans to incorporate into the Scheme, including the consideration of housing affordability, and also a review of the content of the Castlemaine Residential Strategy (2005).
- Undertake a neighbourhood character study with Castlemaine as a priority.
- There is a need to rewrite the content of (former) Clause 21.07 'Built Environment and Heritage' to provide greater guidance in regards to preferred character and design, and prepare Design and Development Overlays for Castlemaine Town Centre to manage built form and design issues.

# 2. Settlement, Town-based and Land Use Planning

## 2.1 State

#### Plan Melbourne

Plan Melbourne ('the Plan') is a metropolitan planning strategy that defines the future shape of the city and state over the next 35 years. The Plan is guided by the principle of 20-minute neighbourhoods, which is all about 'living locally' – giving people the ability to meet most of their daily needs within a 20-minute walk from home, with safe cycling and local transport options.

While the Plan is metropolitan-based, there is a key outcome which is relevant for regional Victoria: Outcome 07 'Continuing to invest in regional Victoria'. This includes the following directions and policies:

- Direction 7.1: invest in regional Victoria to support housing and economic growth
- Policy 7.1.1: stimulate employment and growth in regional cities
- Policy 7.1.2: support planning for growing towns in peri-urban areas
- Direction 7.2: improve connections between cities and regions

#### **State Planning Policy**

The state planning policies related to settlement planning include:

Clause 11.01-1S Settlement:

- Ensure regions and their settlements are planned in accordance with their relevant regional growth plan.
- Limit urban sprawl and direct growth into existing settlements.
- Promote and capitalise on opportunities for urban renewal and infill redevelopment.

- Ensure land that may be required for future urban expansion is not compromised.
- Develop compact urban areas that are based around existing or planned activity centres to maximise accessibility to facilities and services.

Clause 11.02-1S Supply of urban land:

- Plan to accommodate projected population growth over at least a 15 year period and provide clear direction on locations where growth should occur.
- Residential land supply will be considered on a municipal basis, rather than a town-by-town basis.
- Planning for urban growth should consider:
  - Opportunities for the consolidation, redevelopment and intensification of existing urban areas.
  - Neighbourhood character and landscape considerations.
  - The limits of land capability and natural hazards and environmental quality.
  - Service limitations and the costs of providing infrastructure.
  - Monitor development trends and land supply and demand for housing and industry.

## 2.3 Regional

#### Loddon Mallee South Regional Growth Plan

The Plan was prepared in 2014 alongside Plan Melbourne applies to the municipalities of Mount Alexander Shire, Central Goldfields Shire, City of Greater Bendigo, Loddon Shire and Macedon Ranges Shire.

The Loddon Mallee South Regional Growth Plan (RGP) is the strategic land use plan for the region of Central Goldfields Shire, the City of Greater Bendigo, Loddon Shire, Macedon Ranges Shire and Mount Alexander Shire, and guides growth and change for the region for the next 30 years.

The RGP identifies Castlemaine as a 'regional centre/town'. It sets out the following settlement and growth directions for 'regional centres/towns':

- Identified as a peri-urban location where growth is supported
- Target new growth to Castlemaine
- Growth will also be managed and supported
- Identified as having capacity for growth
- A focus of future population growth and act as sub-regional employment centre, and act as a network for other regional town/centres and surrounding smaller towns.
- Investigate land supply opportunities and impediments to accommodate further growth in Castlemaine specifically

The RGP states the following regarding Castlemaine:

'With strong transport links to Melbourne and Bendigo and a central location in the region, Castlemaine is experiencing moderate growth. It will increase its role as a sub-regional employment centre in the future. However, opportunities for expansion of Castlemaine beyond the existing township boundaries are limited due to bushfire risk. Flood hazards are also a significant planning consideration. Future planned growth will be focused within the existing urban area, including Campbells Creek, with current vacant and planned residential zoned land supply for an additional 1500 people. Additional growth areas and land supply need to be investigated. Infill housing opportunities, such as shop-top housing and some medium density in Castlemaine's inner urban area will be explored, while having regard for the historic character of the town. Managed growth in surrounding small towns, such as nearby Harcourt, is encouraged to accommodate demand from Castlemaine. The historic character and lifestyle of these small towns needs to be respected in planning for growth.'

#### **Regional Planning Policy**

Clause 11.01-1R Settlement Loddon Mallee South:

• Manage and support growth in Castlemaine, Gisborne, Kyneton and Maryborough as employment and service hubs that reinforce the network of communities in the region.

# 2.4 Local – shire wide

## **Strategic Directions**

The strategic directions (at Clause 02.03 of the Planning Scheme) outline how Council will implement its vision and manage key issues relevant to the Shire. Strategic directions are the high-level policy intentions for the municipality that provide the basis for matters that are implemented through more detailed policy in the Planning Policy Framework.

Clause 2.03-1 include strategic directions which relate to settlement and planning for growth of townships. It states that Castlemaine (including Campbell's Creek and Diamond Gully) is the main population centre in Mount Alexander Shire and the key administrative and commercial centre for the Shire. Further, it states that Diamond Gully will be Castlemaine's primary urban growth area, and that there is potential for urban expansion in the McKenzie Hill area. Subdivision and residential development in Diamond Gully needs to be balanced against the protection of significant vegetation and prioritising the protection of human life in areas at risk from bushfire.

Specifically, the Strategic Directions related to settlement and township growth planning include:

- Discouraging the rezoning of land for urban purposes outside the urban/township boundaries.
- Discouraging the rezoning or development of land for low density residential development if the land is likely to be required for future urban development.
- Encouraging infill and higher density development in the Shire's towns, particularly in Castlemaine.
- Supporting urban consolidation and expansion at Castlemaine.
- Concentrating growth in Diamond Gully as Castlemaine's primary urban growth area.

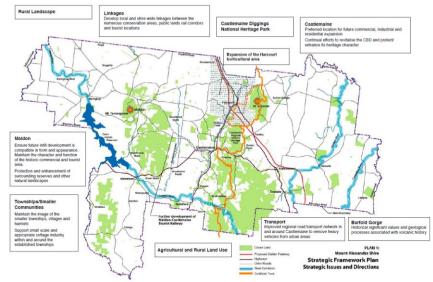
#### Framework Plans

Framework Plans are spatial representations of the key strategic directions for an area/municipality/township, and are located within the Municipal Planning Strategy, at Clause 2.04 of the Mount Alexander Planning Scheme.

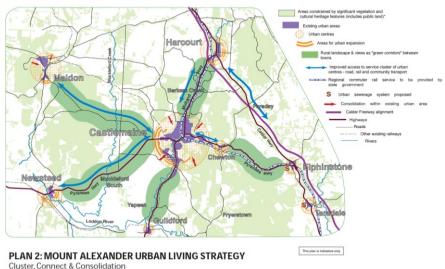
The following shire-wide strategic framework plans are located at Clause 2.04:

- Mount Alexander Strategic Framework Plan (outlined the strategic issues and directions for the Shire) see Figure 1; and
- Mount Alexander Urban Living Strategy Cluster, Connect and Consolidation Plan (developed as part of the Urban Living Strategy in 2004) – see Figure 2.

#### FIGURE 1 MOUNT ALEXANDER SHIRE STRATEGIC FRAMEWORK PLAN







#### Urban Living Strategy (2004)

The Urban Living Strategy provides the current strategic direction for settlement in the Shire. The Strategy outlines the preferred urban growth model for the Shire being 'Cluster Connect and Consolidation', also known as 'Cluster Connect and Calder Corridor'. The model encourages balanced development that builds on the Shire's existing settlement pattern with a regional urban focus on Castlemaine.

The Urban Living Strategy (2004) predicted significant population and household growth for the Shire however actual population growth has generally been below this level predicted (particularly between 2004 and 2011). While the actual number of total dwellings in the Shire is similar to projections in the Urban Living Strategy, the development realised within each township has differed. As a result, much of the land that was identified for future residential development/expansion at that time has not yet been developed. This is particularly the case for land in Harcourt, Campbells Creek, Diamond Gully and other parts of Castlemaine.

#### Urban Growth Strategy (2015, 2016) (uncompleted)

In 2015 Council commenced the Urban Growth Strategy. The purpose of this was to review the existing Mount Alexander Urban Living Study (2004) and to bring this together with current data to create a cohesive framework for managing the future urban growth of the Shire. At the time that the project commenced, population growth in the municipality had slowed and the Urban Living Study's projected population growth of 1.4 per cent per year was an overestimation. Furthermore, there had also been number of changes to State Government planning policies during that time; the completion of the Loddon Mallee South Regional Growth Plan; a significant body of strategic work undertaken by Council; and two new Council Plans.

The Urban Growth Strategy was never completed due to a number of factors including changes to State Planning Policy (e.g. bushfire policy) and State Government planning directions. The preparation of an updated framework plan for Harcourt (Plan Harcourt) was also underway due to its prioritisation as a town that could accommodate growth through

the Loddon Mallee South Regional Growth Plan.

# Settlement Planning Assessment and Land Supply and Demand Assessment (draft)

A draft shire-wide Settlement Planning Assessment was prepared in July 2022, and will be placed on public consultation in Spring 2022. Feedback heard from the community and other key stakeholders including government departments and agencies is to be considered prior to finalising for Council to consider for adoption. It has been prepared to ensure that Council has sufficient land to accommodate for the projected population growth over a 15 year period, and that there is clear direction for where growth should occur in the Shire. It is to include a municipal land supply and demand analysis and the identification of future strategic planning work including town-based settlement plans and housing and neighbourhood character strategies. The Assessment is not expected to result in any planning scheme amendment; rather this will undertaken following the preparation of the further strategic work.

## 2.5 Local – township

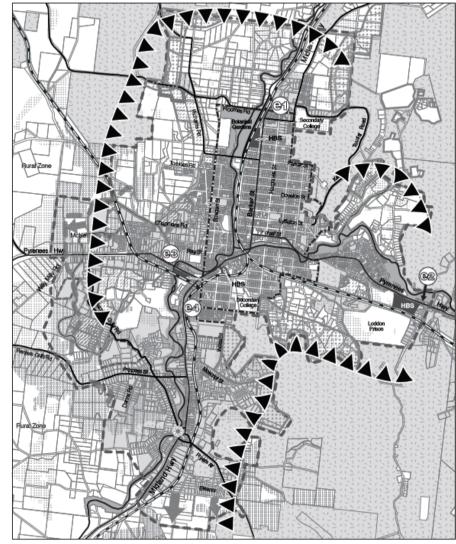
#### Local Planning Policy

Clause 11.01-1L-02 Castlemaine and Diamond Gully:

- Encourage residential expansion to the west and south of Castlemaine in the McKenzie Hill, Diamond Gully and Campbells Creek areas.
- Cluster development in the southern residential greenfield precinct where the opportunity exists to create shared defendable space.
- Provide hard edges for residential development within the Diamond Gully area to respond to threats from bushfire.
- Provide open space corridors along watercourses.
- Encourage subdivision and development of low density areas in Diamond Gully.
- Provide buffers between landfills and new development to manage gas risks.
- Protect the residential and heritage character of Midland Highway (Barker Street) by confining commercial development to existing commercial and industrial zones abutting the highway.

The Castlemaine Land Use Framework Plan is located at Figure 3 overleaf.

#### FIGURE 3 CASTLEMAINE LAND USE FRAMEWORK PLAN



PLAN 3: CASTLEMAINE LAND USE FRAMEWORK

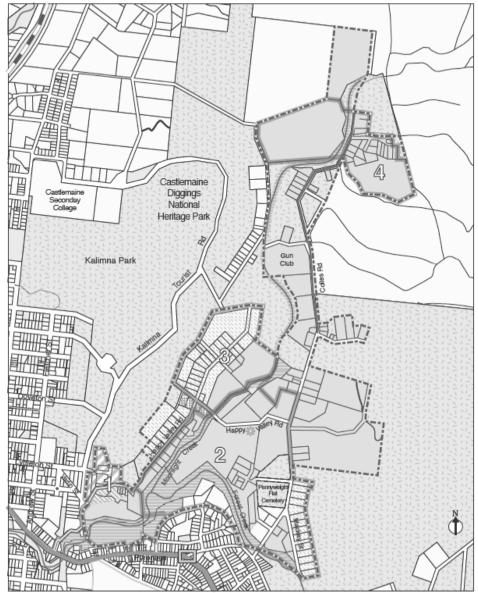
	Existing Residential Zoned Land
	Existing Residential Zoned Land with constraints (vegetation, alope, National Park edge).
\$11111111	Existing and Future Greenfeld residential - subject to structure planning and with reference to Urban Forest interface study Development Plan Overlay for McKenzies Hill Diamond Guly area Development Plan Overlay for Chapmans Road area
-	Future residential expansion
	Public Forest Interface
	Private Forent Interface
1.1.	National & State Parks, Reserves.
	hip contains Land where multiple bushfire risk factors exist. re Assessment, DPCD, 2012)
	Urban Boundary
	Open Space Network based on major creeks
	Vegetation on Freehold Land
*	Future Activity Centres
HBS	Highway Business Sites
@ <b>-</b> @	Caslemaine Town Entrances
	Industrial and Service Business Nodes
	Urban/bushfire hazard interface Derived from Regional Bushfire Assessment, DPCD. 2012

Clause 11.01-1L-03 Happy Valley/Moonlight Flat:

- Support opportunities for low density housing in Happy Valley/Moonlight Flat area.
- Support serviced residential development at the southern end of Happy Valley Road consistent with the Happy Valley/Moonlight Flat Structure Plan.
- Provide for fully serviced residential development within Precinct

The Structure Plans prepared for Happy Valley / Moonlight Flat are overleaf at Figures 4 and 5.

#### FIGURE 4 HAPPY VALLEY / MOONLIGHT FLAT STRUCTURE PLAN (PLAN A):



#### PLAN A: HAPPY VALLEY / MOONLIGHT FLAT STRUCTURE PLAN (refer also to Plan B)

#### **TRAFFIC & ACCESS**

- Vehicle Access (entry/exit for residential neighbourhoods in Precincts1 & 3)
  - Upgrading of Intersections

#### **OPEN SPACE & RECREATION**

- Open Space Corridors with waiking trails
- Wildlife Corridor
- Castlemaine Diggings National Heritage Park
- \_\_\_\_\_ Study Boundary

#### ZONING

- Existing General Residential Zone 1
- General Residential Zone 1 Precinct 1
- Retain Existing Low Density Residential Zone
- Rural Conservation Zone

#### OVERLAYS

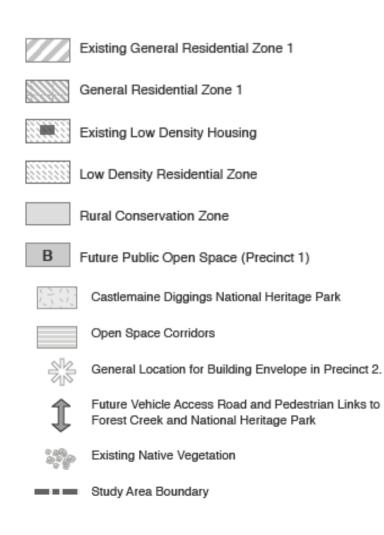
- 1 : Happy Valley Road Development Plan Overlay, Design & Development Overlay
- 2: P ennyweight Fiat Design and Development Overlay & Restructure Overlay
- S: Hundredweight Hill/Moonlight Flat Development Plan Overlay - Design and Development Overlay - Proposed Significant Landscape Overlay
- Lady Guily/Moonlight Flat Design and Development Overlay - 5 X 2.0 hectare minimum - heritage sites/archaeological remains

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#### FIGURE 5 HAPPY VALLEY ROAD STRUCTURE PLAN (PLAN B):



PLAN B: HAPPY VALLEY ROAD STRUCTURE PLAN (refer also to Plan A)



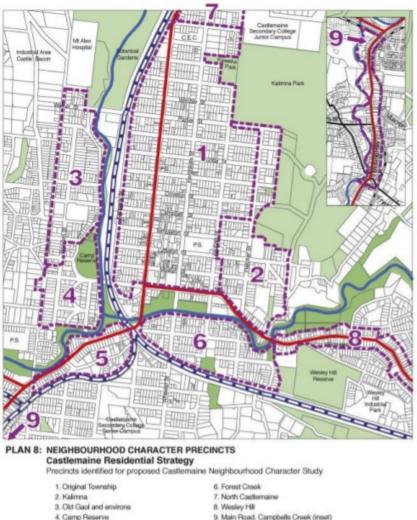
#### Castlemaine Residential Strategy (2005)

The Castlemaine Residential Strategy was prepared following the finalisation of the Urban Living Strategy and provides residential planning objectives for Castlemaine. It identifies McKenzie Hill and Diamond Gully as the key areas to accommodate residential growth between 2004 and 2021. In regards to housing diversity and affordability, the Strategy recommends:

- Including Housing as a strategic theme in the review of the Municipal Strategic Statement.
- Preparation of a Neighbourhood Character Study to ensure neighbourhood character is protected with proposals to increase density in the township area.
- Encouraging "shop-top' living in the town centre and encourage two storey redevelopment in the town centre that is sympathetic to heritage character and consistent with heritage provisions of the Planning Scheme.
- Preparing sustainable housing guidelines. The metropolitan fringe project co- ordinated by DSE in partnership with six local councils (including Hepburn and Macedon) will be a good guide for the preparation of these guidelines.

The Strategy notes that retaining heritage and neighbourhood character has been identified as a priority issue, and that Castlemaine's heritage, landform, vegetation cover and landscape vistas are all strong elements that define townscape character. It recognises the growing need to manage the impact of residential development on neighbourhood character. The Residential Strategy identifies nine precincts as a basis for a future neighbourhood character study (see Figure 6).

#### FIGURE 6 CASTLEMAINE RESIDENTIAL STRATEGY NEIGHBOURHOOD CHARACTER PRECINCTS



5. Rowe Street

#### Castlemaine Land Use Strategy (2004)

The Castlemaine Land Use Strategy essentially brings together a summary of the main findings and recommendations of the following:

- Mount Alexander Urban Living Strategy (2003)
- Castlemaine Residential Strategy (2004)
- Castlemaine Town Centre Urban Design Framework (2002)
- Castlemaine Industrial Land Strategy (2001)
- Castlemaine Town Entrances Strategy (2002)

It was introduced into the Mount Alexander Planning Scheme as a reference document (now termed 'background document') via Amendment C24 in 2007.

## Diamond Gully Structure Plan (2016)

The Diamond Gully Structure Plan (DGSP) was adopted by Council in 2016, and covers 182ha of land on the south-western edge of Castlemaine. It outlines the vision for the Diamond Gully area, and consists of both a strategic document and graphical plan (see Figure 7) that consider the existing features and constraints to future development and sets out the areas for future residential development and the preferred levels of density, movement and traffic networks to be provided and spaces for public open space and wetlands/retarding basin

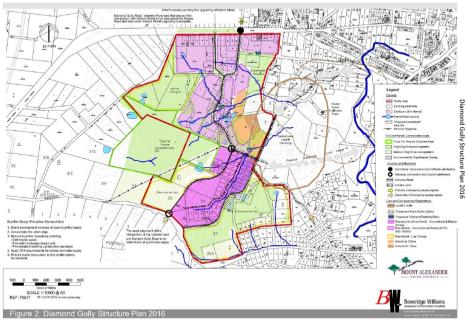
Planning Scheme Amendment C56 (gazetted July 2017) gave effect to the principles and directions within the DGSP, and introduced the DGSP and accompanying Castlemaine Landfill Odour and Buffer Assessment (2016) as background documents.

The DGSP has been divided into various area designations (Precincts). There are 3 residential precincts:

- Northern Residential In-fill Precinct.
- Southern Residential Greenfield Area Precinct.
- Low Density Residential Areas Precinct

#### The DGSP area also includes the Langslow Street Industrial Precinct.

#### FIGURE 7 DIAMOND GULLY STRUCTURE PLAN



Since the DGSP was adopted, the majority of residential land within the residential precincts has either been developed or a permit approved for future development.

#### Happy Valley / Moonlight Flat Strategic Plan

The Happy Valley / Moonlight Flat Strategic Plan (HVMF) comprises the Site Analysis Report (completed in 2003) and the Stage 2 Planning and Design Response (prepared in 2004 and revised 2005).

The purpose of the plan was to undertake a planning review of the study area, to enable clear directions for future planning and development within the study area to be established. This was to assist in providing a resolution of longstanding planning issues and a future plan for the area that provides certainty.

A portion of the Happy Valley / Moonlight Flat study area is contained within the urban boundary for Castlemaine, which is identified on the Castlemaine Framework Plan.

# Chewton Urban Design Framework (2008) and addendum report (2010)

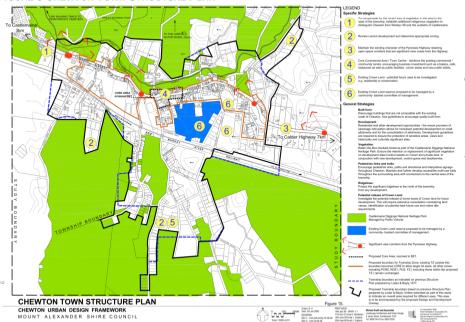
The Chewton Urban Design Framework (UDF) is a long term strategy which sets a vision and action strategies for the enhancement of the township (including protection and management of Chewton's village, heritage and landscape character). It was prepared to assist the Shire to manage and plan for the growth of Chewton in response to the recent installation of reticulated sewerage infrastructure and the expected changes to traffic movement arising from the completion of the Calder Freeway.

The UDF included the preparation of the town structure plan for Chewton (see Figure 8).

Planning Scheme Amendment C53 (gazetted 12 July 2012) achieved the following in relation to the UDF:

- Introduced Design and Development Overlay Schedule 11 (DDO11) to the land within the Chewton Township that fronts the Pyrenees Highway. The schedule provides design guidance for new development within the area, such as the bulk, scale, form and siting (set backs from front and side boundaries).
- Updated content within the local planning policy for Chewton (located at former Clause 22.06), including replacing the former Chewton township structure plan with the updated town structure plan prepared as part of the UDF.
- Introduce the Chewton UDF and Addendum as reference (now called 'background') documents.

#### FIGURE 8 CHEWTON TOWN STRUCTURE PLAN



The Chewton Town Structure Plan is currently not contained within the Mount Alexander Planning Scheme with the other township framework plans (outside of it being part of the UDF background document), and the local policy relating to Chewton is also not included within the Planning Scheme.

# 3. Housing

# 3.1 Housing location and type

#### Planning Practice Note (PPN) 90: Planning for housing

PPN90 provides guidance as to how to plan for housing growth and protect neighbourhood character to ensure a balanced approach to managing residential development in planning schemes.

Tensions often arise between housing and neighbourhood character, and planning for housing often means 'housing change' will occur. It is important to provide certainty to the community about where change is likely to occur, as well as what form it should take (i.e. future development outcomes). The PPN states that 'planning authorities play a critical role in guiding the location and form of housing and settlement patterns to meet the needs of Victoria's growing population'.

The PPN states that a housing strategy:

- Ensures a range of housing opportunities are available across the municipality to meet the needs of the projected population.
- Outlines the strategies and implementation mechanisms to accommodate the projected population and household needs.
- Identifies where and how the housing needs of the future population will be met across the municipality.

Identifies suitable locations for housing growth including those areas close to services, jobs, public transport and activity centres, and strategic development areas.

PPN90 was prepared alongside PPN91 Using the Residential Zones (refer Section 8.1 of this paper).

#### **Council's Strategic Directions**

The local Strategic Directions related to housing (listed at Clause 2.03-6 of the Planning Scheme) include:

- Encouraging increased residential densities within 20 minutes walking distance from town centres or close to retail, health and community facilities.
- Encouraging the adaptation of existing building stock for varying forms of accommodation, including shop top living or warehouse-style living.
- Encouraging large developments to include a proportion of social housing within the development.
- Encouraging alternative residential design concepts such as cluster housing.
- Encouraging new subdivisions to have a diversity of lot sizes, including smaller lots to promote affordability.
- Supporting the development of smaller dwellings to respond to the changing housing needs of the community.
- Encouraging larger developments to provide a mix of housing types and sizes, including one- and two-bedroom accommodation that are suitable for smaller households.

Strategic Directions for Natural resource management (listed at Clause 2.03-4 of the Planning Scheme) which are also relevant to housing include:

- Agriculture:
  - Avoiding the fragmentation of productive agricultural land through the development of dwellings and subdivision

(including dwelling excisions) to maintain the productive capacity of the land.

- Discouraging the use and development of land that could create conflict with existing agricultural activities.
- Controlling the unplanned loss of agricultural land to rural living and residential uses.

#### State Planning Policy

Clause 16.01-1S Housing Supply:

- Facilitate well-located, integrated and diverse housing that meets community needs.
- Ensure that an appropriate quantity, quality and type of housing is provided, including aged care facilities and other housing suitable for older people, supported accommodation for people with disability, rooming houses, student accommodation and social housing.
- Increase the proportion of housing in designated locations in established urban areas (including under-utilised urban land) and reduce the share of new dwellings in greenfield, fringe and dispersed development areas.
- Encourage higher density housing development on sites that are well located in relation to jobs, services and public transport.
- Identify opportunities for increased residential densities to help consolidate urban areas.
- Facilitate diverse housing that offers choice and meets changing household needs by widening housing diversity through a mix of housing types.
- Encourage the development of well-designed housing that:
  - Provides a high level of internal and external amenity.
  - Incorporates universal design and adaptable internal dwelling design.

- Support opportunities for a range of income groups to choose housing in well-serviced locations.
- Plan for growth areas to provide for a mix of housing types through a variety of lot sizes, including higher housing densities in and around activity centres

# 3.2 Housing affordability and affordable housing

#### Planning and Environment Act 1987 ('the Act')

On 1 June 2018 the Act was amended to include key references to affordable housing, which signified that the planning system has a role in facilitating affordable housing, and represented the State Government's first step in actively encouraging the private sector to deliver affordable housing through the planning system.

The changes included:

- addition of the objective 'to facilitate the provision of affordable housing in Victoria'
- addition of the definition of affordable housing:
  - (1) For the purposes of this Act, affordable housing is housing, including social housing, that is appropriate for the housing needs of any of the following—
    - very low income households;
    - low income households;
    - moderate income households.
  - (2) For the purposes of determining what is appropriate for the housing needs of very low income households, low income households and moderate income households, regard must be had to the matters specified by the Minister by notice published in the Government Gazette (see below).
  - (3) Matters specified by the Minister by notice under subsection (2) cannot include price ranges or prices for the purchase or rent of housing.
- Section 173 agreements identified as a mechanism for voluntary affordable housing agreements: "...a Responsible Authority may enter into an agreement with an owner of land for the

development or provision of land in relation to affordable housing".

The specification of income ranges noted by the Governor in Council under Section 3AB of the Act (applicable from 1 July 2021), are as follows:

	TABLE 1 INCOME RANGES WITH RESPECT TO AFFORDABLE HOUSING - GREATER CAPITAL CITY	
STATISTICAL AREA OF MELBOURNE	STATISTICAL AREA OF MELBOURNE	

	Very low income range (annual)	Low income range (annual)	Moderate income range (annual)
Single adult	Up to \$ 26,200	\$ 26,201 to \$41,920	\$41,921 to \$62,860
Couple, no dependent	Up to \$ 39,290	\$ 39,291 to \$62,870	\$62,871 to \$94,300
Family (with 1 or 2 parents) and dependent children	Up to \$ 55,000	\$ 55,001 to \$88,020	\$88,021 to \$132,030

Source: Section 3AB – Specification of income ranges – Order in Council (derived from annual area median income from the ABS 2016 and indexed using the ABS Housing Group of the Consumer Price Index)

#### TABLE 2 INCOME RANGES WITH RESPECT TO AFFORDABLE HOUSING - REST OF VICTORIA

	Very low income	Low income range	Moderate income
	range (annual)	(annual)	range (annual)
Single adult	Up to \$19,090	\$19,091 to \$30,550	\$30,551 to \$45,820
Couple, no dependent	Up to \$28,640	\$28,641 to \$45,820	\$45,821 to \$68,730
Family (with 1 or 2 parents) and dependent children	Up to \$40,090	\$40,091 to \$64,150	\$64,151 to \$96,220

Source: Section 3AB – Specification of income ranges – Order in Council (derived from annual area median income from the ABS 2016 and indexed using the ABS Housing Group of the Consumer Price Index)

#### Homes for Victorians: affordability, access and choice (2017)

Homes for Victorians is the Victorian Government's affordable housing strategy which aims to improve the housing choices for all Victorians. It introduces a number of new initiatives and reforms to address the state's housing challenges, such as inclusionary zoning and streamlined decision-making processes for social housing proposals. The Strategy recognises the growing appetite from local councils to apply affordable housing provisions as part of both rezoning and permit applications for major developments, how as an implementation tool this still remains voluntary.

#### State Planning Policy:

Clause 16.01-2S Housing affordability:

- To deliver more affordable housing closer to jobs, transport and services.
- Improve housing affordability by:
  - Ensuring land supply continues to be sufficient to meet demand.
  - Increasing choice in housing type, tenure and cost to meet the needs of households as they move through life cycle changes and to support diverse communities.
  - Promoting good housing and urban design to minimise negative environmental impacts and keep costs down for residents and the wider community.
  - Encouraging a significant proportion of new development to be affordable for households on very low to moderate incomes.
- Increase the supply of well-located affordable housing by:
  - Facilitating a mix of private, affordable and social housing in suburbs, activity centres and urban renewal precincts.
  - Ensuring the redevelopment and renewal of public housing stock better meets community needs.
  - Facilitate the delivery of social housing by identifying surplus government land suitable for housing.

# Housing Needs and Opportunities in Mount Alexander Shire: Discussion Paper (2012)

A Housing Needs and Opportunities Paper was prepared for the Shire by Swinburne Institute for Social Research. It provided an overview of housing needs and analysis of Council roles and functions in relation to housing, and identified options for Council to seek increased supply of social and affordable housing in the Shire.

The following key issues were identified:

- Mismatch between housing demand and supply, particularly between household size and dwelling size:
  - House sales and prices:
  - Most sales in the Shire were for houses
  - Few units are for sale and thus their price is relatively high
- House price increase
- Limited affordable houses:

The paper highlighted that while Council has a responsibility to address and respond to the key issues, the options in doing so are limited given the issue of a growing gap between demand and supply of housing is an Australia-wide problem. It also mentioned that the levers for addressing this issue also lie principally with Commonwealth and State Government, and the Victorian Planning System does not directly provide the levers for Council to address the development of affordable housing in the Shire. The paper outlined some options for Council to consider for addressing these key issues, including:

- Ongoing monitoring of housing trends and housing needs against a set of targets (to provide information for Council to advocate to Commonwealth and State governments, and setting expectations for interested parties and for discussions with builders / developers)
- Planning process: develop a local planning policy relating to affordable housing
- Advocacy:
- Rates: encourage better utilisation of vacant residential land
- Facilitation/direct provision: by actively promoting particular affordable housing policies and their rationale or by facilitating the work of other organisations in the achievement of these policies or by becoming directly involved in the provision of affordable housing.
- New rental dwellings for the Shire through the National Rental Affordability Scheme (NRAS)

# 3.3 Design, functionality and sustainability

#### **State Planning Policy**

Clause 15.01-5s Urban design:

- Support development that respects the existing neighbourhood character or contributes to a preferred neighbourhood character.
- Ensure the preferred neighbourhood character is consistent with medium and higher density housing outcomes in areas identified for increased housing.
- Ensure development responds to its context and reinforces a sense of place and the valued features and characteristics of the local environment and place by respecting the:
  - Pattern of local urban structure and subdivision.
  - Underlying natural landscape character and significant vegetation.
  - Neighbourhood character values and built form that reflect community

#### Sustainable development

The local Strategic Directions relating to sustainable development (listed at Clause 2.03-5 of the Planning Scheme) include:

- Encouraging energy efficiency in the planning and design of urban communities and development to reduce energy use and greenhouse gas emissions.
- Maximising opportunities for passive heating and cooling in subdivision design, such as lot orientation.
- Supporting developments that incorporate systems for filtering stormwater run-off, including stormwater management options that retain water and vegetation.

#### Castlemaine Central Area Urban Design Framework (2002)

The Castlemaine Central Area Urban Design Framework was introduced into the Mount Alexander Planning Scheme as a background document via Amendment C24 in 2007.

# <complex-block><complex-block>

#### FIGURE 9 CASTLEMAINE TOWN CENTRE URBAN DESIGN FRAMEWORK

# Castlemaine Town Entrances Land Use Strategy (2002) and addendum report (2009)

The Castlemaine Town Entrances Strategy was introduced into the Mount Alexander Planning Scheme as a background document via Amendment C24 in 2007. It was prepare to assist in improving the town entrance character. Amendment C19 to the Mount Alexander Planning Scheme (gazetted June 2011) implemented the recommendations of the 2002 and 2009 strategies/reports, including application of:

- DDO Schedule 9: land in the Elizabeth Street Precinct to enable peripheral or highway business land uses to be established.
- DDO Schedule 7: land on the south side of the Forest Street Precinct between Urquhart Street and Wheeler Street.
- DDO Schedule 8: 7 Main Road, Chewton and 188 Duke Street, Castlemaine to enable peripheral or highway business land uses to be established.

# 4. Heritage and Neighbourhood Character

# 4.1 Neighbourhood Character

#### PPN43 Understanding Neighbourhood Character

PPN43 provides guidance on what is meant by 'neighbourhood character'. It defines neighbourhood character as:

'the combination of the public and private realms. Every property, public place or piece of infrastructure makes a contribution, whether great or small. It is the cumulative impact of all these contributions that establishes neighbourhood character.'

## 4.2 Heritage

#### **Relevant Acts:**

Two of the key pieces of legislation regarding heritage include:

- The Aboriginal Heritage Act 2006 (provides for the protection of Aboriginal Cultural Heritage and Aboriginal intangible Heritage in Victoria); and
- The Heritage Act 2017 (provides for protection and conservation of the cultural heritage of Victoria).

## State Planning Policy

Clause 15.03-1S Heritage Conservation:

- To ensure the conservation of places of heritage significance.
- Identify, assess and document places of natural and cultural heritage significance as a basis for their inclusion in the planning scheme.
- Provide for the protection of natural heritage sites and man-made resources.

- Provide for the conservation and enhancement of those places that are of aesthetic, archaeological, architectural, cultural, scientific or social significance.
- Encourage appropriate development that respects places with identified heritage values.

Clause 15.03-2S Aboriginal Cultural Heritage:

- To ensure the protection and conservation of places of Aboriginal cultural heritage significance.
- Identify, assess and document places of Aboriginal cultural heritage significance, in consultation with relevant Registered Aboriginal Parties, as a basis for their inclusion in the planning scheme.
- Provide for the protection and conservation of pre-contact and post-contact Aboriginal cultural heritage places.
- Ensure that permit approvals align with the recommendations of any relevant Cultural Heritage Management Plan approved under the Aboriginal Heritage Act 2006.

## **Strategic Directions**

The Strategic Directions related to built environment and heritage (listed at Clause 2.03-5 of the Planning Scheme) include:

- Protecting and conserving the historic fabric and maintain the integrity of places of heritage and cultural heritage significance.
- Encouraging residential and commercial development that respects the existing form and character of streetscapes and allows for contemporary architectural expression.
- Managing the form and appearance of medium density and infill housing to protect the heritage and residential character of the

Shire's towns.

- Encouraging development at highway entrances that respect township character and heritage values.
- Encouraging development along the entrances to all towns to be landscaped with species consistent with the existing and planned landscape for each town.

## Dhelkunya Dja (Dja Dja Wurrung Country Plan 2014-2034)

Castlemaine is located on Dja Dja Wurrung country. Dhelkunya Dja provides direction for the Dja Dja Wurrung Clans Aboriginal Corporation ('the Corporation') and the Traditional Owner Land Management Board. It will be used to build partnerships with key stakeholders and to increase the involvement of Dja Dja Wurrung Traditional Owners in the effort to achieve the Corporation's goals. The Country Plan recognises the importance of the cultural heritage of the Traditional Owners of Dja Dja Wurrung Country - the significant places and landscapes, the stories and language, the customs and practices and the responsibilities for looking after Country.

Goal 3 of the Plan is cultural heritage: 'our cultural heritage is recognised and protected as a celebration of our identity and community'.

#### Forest Creek to Forest Street Heritage Assessment

The assessment provides an analysis of the human-nature relations that resulted in the urbanisation of Forest Creek and its environs in central Castlemaine, a transformation from an alluvial rich herb meadow and grassy woodland creek. It focused on identifying, assessing and documenting places of post contact cultural heritage significance. The assessment also examined how the different attributes of the area are interpreted and valued by the community, and why these cultural values are important and relevant for the present day.

The implementation of the assessment was completed via Amendment C60 to the Mount Alexander Planning Scheme (gazetted in October 2016), which included the incorporation of the study as a background

document, and the application of the Heritage Overlay: HO1214 'Forest Creek to Forest Street Historic Precinct'.

#### Castlemaine Architectural and Historical Study

The Castlemaine Architectural and Historical Study was published in 1981 as a prelude to preparation of the Planning Scheme for the (former) City of Castlemaine. It was used to identify places to be included in the Heritage Overlay. However, this study does not provide sufficient information regarding the significance of the place, and therefore leaves places vulnerable when developed as it does not allow planning and heritage officers to make an informed decision when assessing planning applications. The Castlemaine study focuses mainly on the town centre, however the information provided for the nominated places is very limited and is not sufficient to justify the significance of the place.

#### Mount Alexander Shire Thematic Heritage Study (2016)

The Thematic History identifies the key themes which are pivotal to understanding the evolution of the Shire. It is in part a study of the physical development of/change to the landscape and focuses on aspects such as settlement patterns and land uses that have been crucial to its development.

The recommendations outlined within the study which are relevant to this project include:

- Undertake a review of the places included in the early Castlemaine and Maldon studies and prepare citations.
  - Currently, many places included in the Schedule to the Heritage Overlay, typically those places identified in the 1970s heritage studies for Castlemaine and Maldon, do not have a corresponding citation outlining their significance in keeping with contemporary practice.7 Whilst there is some information included in the 1970s studies, there are no statements of significance in the Castlemaine study and they are brief in the Maldon study.

- Identify areas where there are major gaps in the listing of heritage places, and commission gap heritage studies as required.
  - Examples of areas where few or no heritage places have been identified include North Castlemaine, Wesley Hill and West Castlemaine. Some fine/substantial examples of the Federation period and good examples of the Interwar period survive in North Castlemaine, while there are Post WWII examples in West Castlemaine (behind gaol) and Wesley Hill.

# 5. Environment, landscape and environmental risks and amenity

## 5.1 Environment and landscape values

#### State Planning Policy

Clause 12 includes strategies relevant to protecting environmental and landscape values.

#### **Strategic Directions**

The Strategic Directions related to environment and landscape values (listed at Clause 2.03-2 of the Planning Scheme) include:

- Biodiversity
  - Minimising the impact of development at the urban-forest interface that pose a threat to native flora and fauna.
  - Protecting remnant native vegetation particularly in and around Castlemaine, Moonlight Flat and Lady Gully.
- Landscapes:
  - Discouraging development that is on or close to prominent ridges and hilltops to protect views and areas of remnant vegetation.

## 5.2 Bushfire

#### **State Planning Policy**

Clause 13.02-1S Bushfire Planning:

• Plan to strengthen the resilience of settlements and communities and prioritise protection of human life by:

- Directing population growth and development to low risk locations, being those locations assessed as having a radiant heat flux of less than 12.5 kilowatts/square metre under AS 3959-2009Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009).
- Not approving any strategic planning document, local planning policy, or planning scheme amendment that will result in the introduction or intensification of development in an area that has, or will on completion have, more than a BAL-12.5 rating under AS 3959-2009Construction of Buildings in Bushfire-prone Areas (Standards Australia, 2009).

#### **Council's Strategic Directions**

The local Strategic Directions related to bushfire include:

- Directing urban development to the lowest risk locations.
- Avoiding development in areas of high bushfire risk where defendable space cannot be provided.
- Minimising biodiversity impacts when creating areas of defendable space around new dwellings.

# 5.3 Flooding

## State Planning Policy

Clause 13.03 includes strategies relevant to floodplain management.

## Council's Strategic Directions

The local Strategic Directions related to flooding (listed at Clause 2.03-3 of the Planning Scheme) include:

- Protecting life, property and infrastructure from the risk of flooding.
- Supporting land use and development initiatives for flood mitigation works.
- Discouraging intensive forms of development or incompatible uses on flood prone land.

# 6. Development and Community Infrastructure

#### **State Planning Policy**

Clause 19 Infrastructure of the Planning Scheme states the following:

- Planning for development of social and physical infrastructure should enable it to be provided in a way that is efficient, equitable, accessible and timely.
- Planning should ensure that the growth and redevelopment of settlements is planned in a manner that allows for the logical and efficient provision and maintenance of infrastructure, including the setting aside of land for the construction of future transport routes.
- Planning should facilitate efficient use of existing infrastructure and human services. Providers of infrastructure, whether public or private bodies, are to be guided by planning policies and should assist strategic land use planning.
- Planning should minimise the impact of use and development on the operation of major infrastructure of national, state and regional significance, including communication networks and energy generation and distribution systems.
- Planning authorities should consider the use of development and infrastructure contributions in the funding of infrastructure.

#### **Council's Strategic Directions**

The local Strategic Directions related to infrastructure (listed at Clause 2.03-9 of the Planning Scheme) include:

- Preventing residential development in rural areas, that can significantly increase costs of infrastructure maintenance and service provision.
- Providing new physical or community infrastructure in new residential communities by way of developer contributions.

- Encouraging development in the General Residential Zone to be connected to reticulated sewerage.
- Open space:
  - Linking open spaces and movement networks.
  - Providing open space links along drainage corridors and creeks through residential subdivision.
  - Require contributions for open space for new residential subdivisions.

# 7. Residential Zones and Overlays

# 7.1 Planning Practice Note (PPN) 91 Using the Residential Zones:

#### **Overview of PPN91**

This PPN was developed concurrently with PPN90 (Planning for Housing), and identifies the role and application of each residential zone, given that once work surrounding housing and neighbourhood character has been completed, this will inform the application of the appropriate residential zones to reflect the housing and neighbourhood character.

Specifically, the PPN provides guidance about how to:

- use the residential zones to implement strategic work
- use local policies and overlays with the residential zones
- make use of the key features of the residential zones.

PPN91 also provides detail on the principles which underpin the residential zones, including:

- 1. Housing and neighbourhood character plans need to be consistent and align with one another when specifying preferred future housing and neighbourhood character outcomes for an area.
- 2. All residential zones support and allow increased housing, unless special neighbourhood character, heritage, environmental or landscape attributes, or other constraints and hazards exist.
- 3. The Residential Growth Zone promotes housing intensification in locations close to jobs, services and facilities serviced by public transport including activity centres.
- 4. The General Residential Zone is a three-storey zone with a maximum building height of 11 metres.

5. The density or number of dwellings on a lot cannot be restricted in the Neighbourhood Residential Zone unless special neighbourhood character, heritage, environmental or landscape attributes, or other constraints and hazards exist.

It is worth noting that the Rural Living Zone (RLZ) is not considered to be a residential zone, and is a 'rural zone'. A review of the RLZ and land zoned RLZ would be completed in a Rural Living Strategy to understand the supply and demand.

#### Background to PPN91

Over time, there have been multiple reforms to the role and application of the residential zones. The most recent reform was in 2017 which included the designation of the General Residential Zone (GRZ) as a zone that is applied to areas where housing development of three storeys exist or is planned for. The reform included the opportunity for neighbourhood character objectives to be specified in the zones. The 2017 reforms resulted in providing more certainty and consistency about housing growth and built form outcomes, by creating consistent and strengthened maximum building height controls and the introduction of a minimum garden area requirement in the GRZ and the NRZ.

In the earlier reforms to the residential zones in 2014, the newly introduced GRZ was applied to land that was previously zoned Residential 1 Zone, which became a redundant zone. This meant that there was an automatic transition to GRZ for land zoned Residential 1 Zone.

PPN91 provides guidance around the role and application of appropriate residential zones informed by the housing and neighbourhood character work (as completed in alignment with PPN90).

#### About the residential zones:

Table3 below outlines the revised roles and application of each of the reside ntial zones.

TABLE 3 ROLE AND APP	LICATION OF RESIDENTIAL ZONES
Residential Zone	Role and application
Clause 32.03 Low Density Residential Zone (LDRZ)	Applied to areas on the fringe of urban settlements and townships with reticulated sewerage (0.2 ha minimum) or without reticulated sewerage (0.4 ha minimum) to ensure lots remain large enough to treat and retain all wastewater but small enough to be maintained without the need for agricultural techniques or equipment.
Clause 32.04 Mixed Use Zone (MUZ)	Applied to areas suitable for a mixed-use function, including a range of residential, commercial, industrial and other uses. Suitable for areas identified for residential development at higher densities including urban renewal and strategic redevelopment sites.
Clause 32.05 Township Zone (TZ)	Applied to small towns with no specific structure of residential, commercial and industrial land uses.
Clause 32.07 Residential Growth Zone (RGZ)	Applied to areas suitable for housing diversity and housing at increased densities in locations offering good access to services, jobs and public transport, and to provide a transition between areas of more intensive use and development such as activity centres, and other residential areas.
Clause 32.08 General	Applied to areas where housing development of three storeys exists or is planned for in locations offering good access to services and transport.

Residential Zone (GRZ)	
Clause 32.09 Neighbourhood Residential Zone (NRZ)	Applied to areas where there is no anticipated change to the predominantly single and double storey character. Also to areas that have been identified as having specific neighbourhood, heritage, environmental or landscape character values that distinguish the land from other parts of the municipality or surrounding area.

Figure 10 below outlines the key features of each residential zone.

FIGURE 10 KEY FEATURES OF THE RESIDENTIAL ZONES

Feature	LDRZ	MUZ	TZ	RGZ	GRZ	NRZ
Can objectives be specified?	No	Yes	Yes	Yes	Yes	Yes
Is there a minimum garden area requirement?	No	No	No	No	Yes	Yes
Can the minimum garden area requirement be exempted?	N/A	N/A	N/A	N/A	Yes	No
Is there a minimum subdivision area requirement?	Yes	No	No	No	No	Yes
Is there a maximum building height/ number of storeys requirement?	No	No	Discretionary 9m	Discretionary 13.5m	Mandatory 11 metres and 3 storeys	Mandatory 9 metres and 2 storeys
Can a mandatory maximum building height be specified in the schedule?	No	Yes Height only	Yes Height only and not less than 9 metres	Yes Height only and not less than 13.5 metres	Yes Height and storeys and not less than 11 metres and 3 storeys	Yes Height and storeys and not less than 9 metres and 2 storeys
Can application requirements and decision guidelines be specified?	No	Yes	Yes	Yes	Yes	Yes

Building height is a key factor to consider when selecting a residential zone to give effect to housing and neighbourhood character objectives. As a general principle, applying a residential zone should align with either existing building heights if they are sought to be maintained, or align with future building heights identified in strategic work.

Figure 11 below outlines the maximum building height for each of the residential zones.

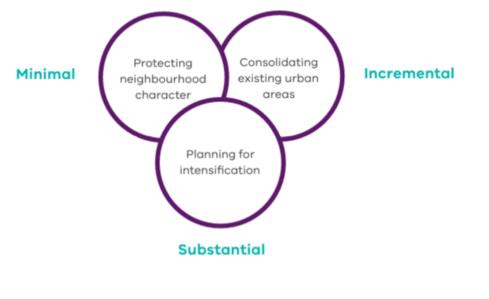
#### FIGURE 11 MAXIMUM BUILDING HEIGHT MATRIX

Maximum building height	Best zone	Best height tool	Rationale	
Less than 9m or 2 storeys	NRZ	Overlay	A maximum building height lower than the NRZ cannot be specified in a zone schedule. An overlay is required to recognise the special characteristics.	
9m (2 storeys)	NRZ	NRZ	The zone mandates this maximum building height and storey control.	
Greater than 9m (retain 2 storeys)	NRZ	NRZ schedule	The schedule to the zone enables a greater maximum building height to be specified while maintaining the 2-storey requirement.	
11m (3 storeys)	GRZ	GRZ	The zone mandates this maximum building height and storey control.	
Greater than 11m (retain 3 storeys)	GRZ	GRZ schedule	The schedule to the zone enables a greater maximum building height to be specified while maintaining the 3-storey requirement.	
13.5m (4 storeys)	RGZ	RGZ schedule	The schedule to the zone forces the discretionary maximum building height to be mandatory.	
Greater than 13.5m and greater than 4 storeys	RGZ	Overlay	Maximum building height requirements along with other specific design and built form requirements should be in included in an overlay so all built form requirements are included in the one provision.	

#### Housing change areas:

The PPNs (90 and 91) identify the different types of housing change to be applied to various areas (see Figure 12 and Table 4).

#### FIGURE 12 HOUSING CHANGE AREAS



#### TABLE 4 ABOUT THE HOUSING CHANGE AREAS

Change areas	About the change areas
Minimal change areas	<ul> <li>have special characteristics that distinguish them from other parts of the municipality or surrounding area</li> <li>have special neighbourhood, heritage, environmental, or landscape characteristics identified in the planning scheme</li> <li>are identified in a housing strategy, or in the planning scheme, as unsuitable for providing future housing growth</li> <li>tend to have overlays that reflect neighbourhood, heritage, environmental or landscape characteristics or other physical constraints which may impact their capacity for change.</li> </ul>
Incremental change areas	<ul> <li>have capacity for housing growth and more diverse types of housing</li> <li>are where new development should respect existing valued neighbourhood character attributes</li> <li>are where existing neighbourhood character will evolve and change over time with reference to the key identified neighbourhood attributes.</li> </ul>
Substantial change areas	<ul> <li>are close to jobs, services, facilities or public transport</li> <li>facilitate housing growth that takes advantage of their proximity to jobs, services, and public transport</li> <li>make the most of strategic development areas or opportunity sites that either exist or are identified from time to time</li> <li>promote housing diversity</li> <li>result in a new built form and neighbourhood character.</li> </ul>

Figure 13 below demonstrates the appropriate residential zones for the different housing change areas.

Zone	Special or constrained	Minimal	Incremental	Substantial
Low Density Residential Zone	~	$\checkmark$		
Mixed Use Zone			✓	~
Township Zone		✓	✓	
Residential Growth Zone			$\checkmark$	✓
General Residential Zone			$\checkmark$	~
Neighbourhood Residential Zone	~	$\checkmark$	✓	

#### FIGURE 13 ALIGNING THE RESIDENTIAL ZONES AND HOUSING CHANGE AREAS

## 7.2 Residential zones in Castlemaine, Campbells Creek and Chewton

The residential zones applied across Castlemaine, Campbells Creek and Chewton include (see Figures 14-16):

- Township Zone (TZ)
- General Residential Zone (GRZ1)
- Low Density Residential Zone (LDRZ)

GRZ is applied to the majority of Castlemaine, while Township Zone is applied to Chewton and Campbells Creek, with the exception of a parcel of land in Campbells Creek south which is also GRZ. Since the residential zone reforms were completed, there has not been a review of the application of these residential zones in the Shire. This project therefore presents the opportunity to review the residential areas and inform the preparation of the appropriate residential zones.

Refer to Figures 14-16 for the zoning of Castlemaine, Campbells Creek and Chewton.

## 7.3 Planning overlays in Castlemaine, Campbells Creek and Chewton

Planning overlays are used to complement the zoning of land in managing development. Certain overlays also control the use of land in special circumstances. Application of overlays land requires careful consideration of the development outcomes sought for the land.

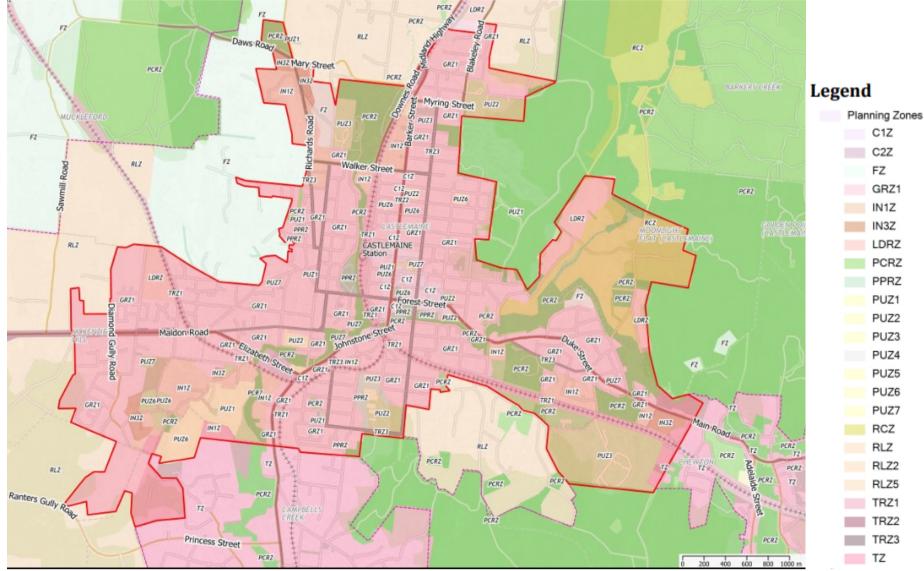
The overlays that apply in the study area include:

- Environmental and landscape overlays:
  - Environmental Significance Overlay (to identify areas where the development of land may be affected by environmental constraints and ensure that development is compatible with identified environmental values)
  - Significant Landscape Overlay (to identify significant landscape and conserve and enhance the character of significant landscapes)
  - Vegetation Protection Overlay (to protect areas of significant vegetation and ensure that development minimises the loss of vegetation)
- Heritage and built form overlays:
  - Heritage Overlay (to conserve and enhance heritage places of natural or cultural significance)
  - Development Plan Overlay (to identify areas which require the form and conditions of future use and development to be shown on a development plan before a permit can be granted to use or develop the land)
  - Design and Development Overlay (to identify areas which are affected by specific requirements relating to the design and built form of new development)
- Land management overlays:

- Bushfire Management Overlay (to ensure that the development of land prioritises the protection of human life and strengthens community resilience to bushfire)
- Land Subject to Inundation Overlay (to identify flood prone land in a riverine or coastal area affected by the 1 in 100 year flood or any other area determined by the floodplain management authority)
- Floodway Overlay (to identify waterways, major floodpaths, drainage depressions and high hazard areas which have the greatest risk and frequency of being affected by flooding
- Other overlays:
  - Restructure Overlay (to identify old and inappropriate subdivisions which are to be restructured, and preserve and enhance the amentiy of the area and reduce the environmental impacts of dwelling and other development)
  - Environmental Audit Overlay (ensures that potentially contaminated land is suitable for a use which could be significantly adversely affected by any contamination).

A spatial representation of the planning overlays that apply to the study area are available at VicPlan, the Victorian State Government's mapping system.

#### FIGURE 14 CASTLEMAINE ZONING



#### FIGURE 15 CAMPBELLS CREEK ZONING

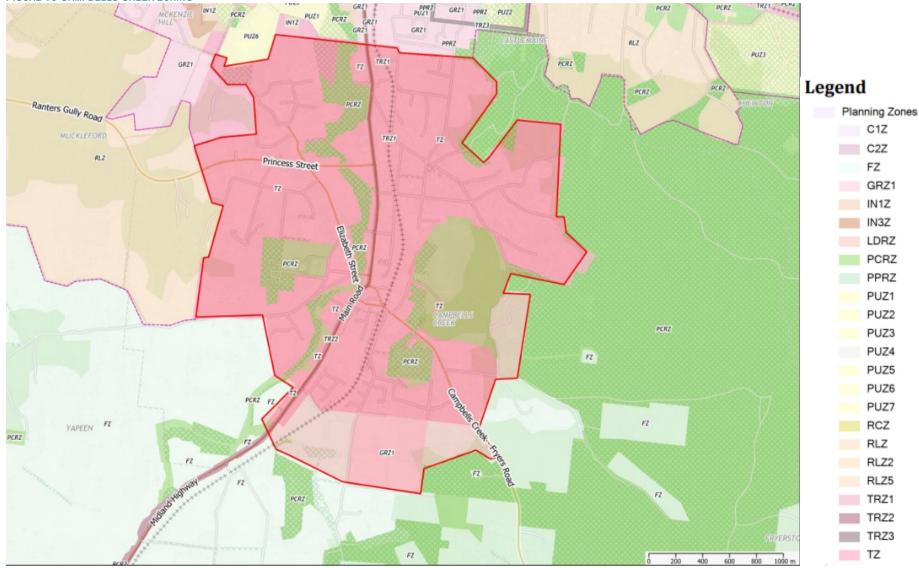
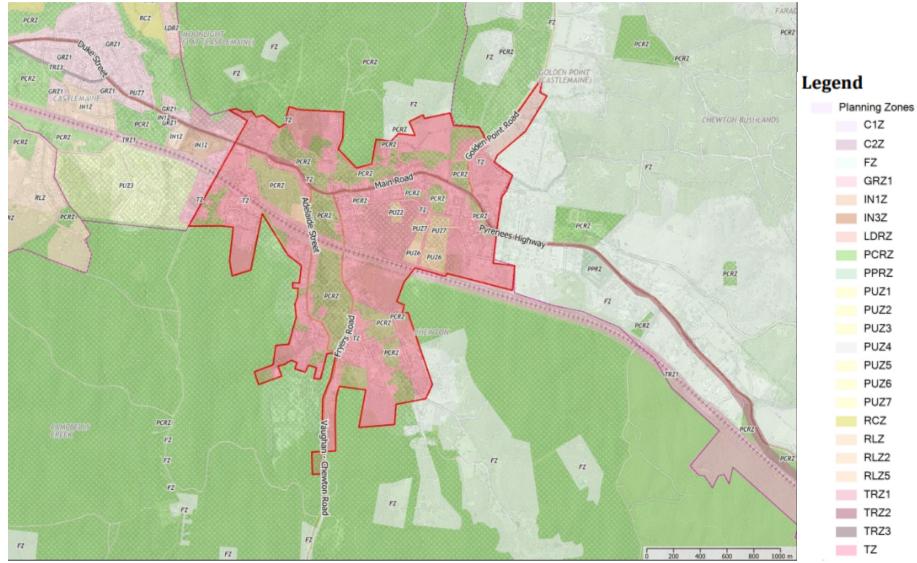


FIGURE 16 CHEWTON ZONING



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