

53.23

04/07/2025
VC258**SIGNIFICANT RESIDENTIAL DEVELOPMENT WITH AFFORDABLE HOUSING****Purpose**

To facilitate residential development that contributes to the provision of affordable housing to meet existing and future needs.

To facilitate the redevelopment and renewal of public housing stock to meet existing and future needs.

To facilitate residential development carried out by the State of Victoria or jointly or in partnership with the private sector, including via innovative funding, investment and partnership approaches.

To facilitate residential development with high quality urban design, architecture and landscape architecture.

To provide opportunities for non-residential use and development in association with residential development.

53.23-1

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VC258**Application**

The provisions of this clause prevail over any inconsistent provision in this planning scheme.

This clause applies to an application under any provision of this planning scheme if all of the following are met:

- The applicant submits written confirmation that the application is an application to which this clause applies.
- The application includes the proposed use or development of land for accommodation (other than camping and caravan park, group accommodation, residential hotel and small second dwelling).
- The conditions corresponding to a category in Table 1 are met.

This clause does not apply to an application to subdivide land.

In this clause:

- **Chief Executive Officer, Homes Victoria** means ‘Chief Executive Officer, Homes Victoria’ as defined in the *Housing Act 1983* and the body corporate established under the *Housing Act 1983*.
- **Invest Victoria** means the body called ‘Invest Victoria’, established as an Administrative Office in relation to the Department of Jobs, Skills, Industry and Regions under an Order made under section 11 of the *Public Administration Act 2004*.

Table 1

Category	Condition
Category 1	The estimated cost of the proposed development of land for accommodation (other than camping and caravan park, group accommodation, residential hotel and small second dwelling) as specified in a report prepared by a suitably qualified quantity surveyor must be one of the following to the satisfaction of the Minister for Planning: ▪ At least \$50 million if any part of the land is in metropolitan Melbourne. ▪ At least \$15 million if the land is not in metropolitan Melbourne.

Category	Condition
	The application includes an affordable housing report required under clause 53.23-3 that demonstrates how the affordable housing contribution specified in clause 53.23-4 (being at least 10 per cent of the total number of dwellings in the proposed development provided as affordable housing or an alternative contribution towards the provision of affordable housing) is intended to be provided if a permit is granted. Information demonstrating the likely feasibility of the proposed development is provided to the satisfaction of the Minister for Planning. This must include written advice from the Chief Executive Officer or delegate, Invest Victoria.
Category 2	The proposed use or development of land for accommodation (other than camping and caravan park, group accommodation, residential hotel and small second dwelling) will be: ■ carried out by or on behalf of, or jointly or in partnership with, the State of Victoria or a public authority; or ■ funded, or partly funded, by the State of Victoria, the Commonwealth or a public authority; or ■ carried out on Crown land. If the application is made by or on behalf of the Chief Executive Officer, Homes Victoria, the proposed development includes at least 10 dwellings.
Category 3	The Minister for Planning has advised in writing that they are satisfied the proposed use or development of land for accommodation (other than camping and caravan park, group accommodation, residential hotel and small second dwelling) is of significance having regard to: ■ The purpose of clause 53.23. ■ Whether a contribution towards affordable housing is proposed. ■ The estimated cost of the proposed development. ■ The location of the proposed development and whether it has convenient access to jobs, services, infrastructure and community facilities. ■ Whether the design, liveability and sustainability of the proposed development is exemplary. Information demonstrating the likely feasibility of the proposed development is provided to the satisfaction of the Minister for Planning. This must include written advice from the Chief Executive Officer or delegate, Invest Victoria.

Planning scheme requirements

The responsible authority may waive or vary any of the following:

- A minimum garden area requirement.
- Any building height or setback requirement.
- A condition opposite a use in Section 2 in a zone or a schedule to a zone.
- Any application requirement in this planning scheme if in the opinion of the responsible authority the requirement is not relevant to the assessment of the application.

This does not apply to the following:

- A decision that would be inconsistent with an approved Statement of Planning Policy for a declared area; and
- A requirement in clauses 45.07, 45.08 or 51.03, or in any schedule to those clauses.

Clauses 45.09 and 52.06 of this planning scheme do not apply to a use or development proposed in an application where:

- the proposed development will be funded, or partly funded, by the State of Victoria or the Commonwealth; or
- the application is made by or on behalf of the Chief Executive Officer, Homes Victoria.

The provisions of clauses 54.02-2, 55.03-5, 57.03-4 and 58.05-3 of this planning scheme do not apply to:

- an application for a proposed development funded, or partly funded, by the State of Victoria or the Commonwealth; or
- an application made by or on behalf of the Chief Executive Officer, Homes Victoria.

An application for a proposed development that will be funded, or partly funded, by the State of Victoria or the Commonwealth, or an application made by or on behalf of the Chief Executive Officer, Homes Victoria should meet the following standards:

- A minimum 0.6 car parking spaces should be provided to each dwelling. Car parking spaces may be covered or uncovered. If in calculating the number of car parking spaces the result is not a whole number, the required number of car parking spaces is to be rounded down to the nearest whole number greater than 1. Car parking for other land uses in the proposed development must be to the satisfaction of the responsible authority.
- A dwelling (other than an apartment) should have private open space consisting of:
 - an area of secluded private open space with a minimum area of 25 square metres, a minimum dimension of 3 metres and convenient access from a living room; or
 - a balcony of 8 square metres with a minimum width of 1.6 metres and convenient access from a living room; or
 - a roof-top area of 10 square metres with a minimum width of 2 metres and convenient access from a living room.
- Secluded private open space may be located in the front setback if it is no more than 30 per cent of the street frontage.

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Application requirements

An application must be accompanied by the following information, as appropriate:

- A report prepared by a suitably qualified quantity surveyor which specifies the estimated cost of the proposed development of land for accommodation to the satisfaction of the Minister for Planning.

- A report (affordable housing report) that outlines how a proposed contribution to the provision of affordable housing is intended to be provided should a permit be granted, including the following:
 - The nature of the proposed contribution.
 - The methodology for the delivery of the proposed contribution.
 - The proposed monetary value of the contribution (as a percentage of the estimated cost of the proposed development of land for accommodation).
- If the application includes a non-residential use or development, information about the purpose of the use and the types of activities proposed to be carried out.
- An application for a use or development that will be funded, or partly funded, by Homes Victoria must be accompanied by a letter from the Chief Executive Officer or delegate, Homes Victoria, consenting generally or conditionally to the application being made.
- An application for a use or development that will be funded, or partly funded, by the Commonwealth, must be accompanied by a letter from the Chief Executive Officer, Housing Australia confirming the funding.

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Permit condition requirement

The responsible authority must include the following condition in deciding to grant a permit:

“Before the use or development of the land begins, excluding demolition, excavation, piling, site preparation works, and works to remediate contaminated land, the owner of the land must enter into an agreement with the responsible authority under section 173 of the Act, in a form to the satisfaction of the responsible authority, that provides for a contribution towards affordable housing (affordable housing contribution) by way of either of the following options:

- *At least 10 per cent of the total number of dwellings in the development must be provided as affordable housing for sale or lease to a registered housing agency or to Homes Victoria. The details of when and how the affordable housing will be delivered and the total value of the affordable housing contribution must be set out in the agreement. The affordable housing dwellings provided should be representative of the approved dwelling mix to the satisfaction of the responsible authority.*
- *An alternative contribution towards the provision of affordable housing must be provided to the satisfaction of the responsible authority. The details of when and how the alternative contribution is to be made and the total value of the affordable housing contribution must be set out in the agreement to the satisfaction of the responsible authority.*

The land owner must pay the responsible authority’s reasonable costs of the preparation, execution, registration and ending of the section 173 agreement (where applicable).”

The above requirement to include a condition does not apply if any of the following apply:

- The responsible authority is satisfied that an agreement exists with the State of Victoria or a public authority for the provision of at least 10 per cent of the total number of dwellings in the development as affordable housing and:
 - the use or development will be carried out by or on behalf of, or jointly or in partnership with, the State of Victoria or a public authority; or
 - the development will be funded, or partly funded, by the State of Victoria, the Commonwealth or a public authority; or
 - the development will be carried out on Crown land.
- The conditions corresponding to Category 3 in Table 1 are met and a contribution towards affordable housing is not proposed.

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Exemption from review

An application under any provision of this planning scheme is exempt from the decision requirements of sections 64(1), (2) and (3), and the review rights of sections 82(1) of the Act.

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Decision guidelines

Before deciding on an application the responsible authority must consider, as appropriate:

- The purpose of the clause.
- The views of the Office of the Victorian Government Architect.

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Transitional provision

Clause 53.23 does not apply to:

- An application for a permit lodged before the approval date of Amendment VC242.
- An application for an amendment of a permit under section 72 of the Act if the original permit application was lodged before the approval date of Amendment VC242.