

# McP

# PART A

Local Government  
Housing Innovation Program

March 2026

# Local Government's Housing Action Blueprint

With ———

Austin Maynard Architects

BKK Architects

Six Degrees Architects

HillPDA Consulting

Movement and Place Consulting

PlanCost

RMIT University, Centre for Post-Carbon Research

Municipal Association of Victoria  
City of Greater Dandenong



**The Municipal Association of Victoria, City of Greater Dandenong and our project team acknowledge the Traditional Owners of Country throughout Victoria, and recognise their continuing connection to lands, waters, and culture. We pay our respect to Elders past and present who carry the stories, traditions, cultures, and aspirations of First Peoples, and who forged the path ahead for emerging leaders.**

# McP

Prepared for  
Municipal Association of Victoria  
City of Greater Dandenong



Prepared by  
McP Studio Pty Ltd

Contact  
Level 6, 114 Flinders Street  
Melbourne VIC 3000  
Australia

ABN 81 123 980 781  
ACN 123 980 781

+61 448 201 344  
simon@mcpstudio.com.au

Project Team



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1.0

# About this project: Our purpose and objectives

# 1.1 Our strategic intent and methods

The Local Government Housing Innovation Program is a partnership between the Municipal Association of Victoria and the City of Greater Dandenong.

As a call to action, it identifies methods, prototypes and pathways for local councils to accelerate feasible and well-located housing opportunities using the levers they have at hand.

As the peak body for Victoria's 79 councils, the MAV is the sector's critical partner in developing innovative housing opportunities and is an advocate for locally-led housing solutions.

Funded through a Commonwealth Government Housing Support Program grant, the Local Government Housing Innovation Program seeks to support and accelerate new housing supply, to help achieve the National Housing Accord target of building 1.2 million new, well-located homes over 5 years.

The MAV engaged McP to lead a team of academics and design consultants to build an evidence base with case study examples for councils to use to unlock vacant and under-utilised land to address local housing challenges. This work was contextual to local housing needs and places. The project also engaged with four other councils across metropolitan and regional Victoria.



Cirqua, East Ivanhoe, by BKK Architects (photo: Peter Bennetts): Medium-density apartments which reference the suburban residential context, with a striking, engaging street frontage.



Hawke & King Apartments, West Melbourne, by Six Degrees Architects (photo: Dan Preston): Mid-rise apartment development with central communal courtyard and integrated landscaping.

(top) Terrace House, Brunswick, by Austin Maynard Architects (photo: Derek Swalwell): A lean, dematerialised multi-residential building seeking efficiency while maintaining and enhancing a sense of domesticity and communal wellbeing.

The Housing Innovation Program found that councils must be empowered to:

- identify better council-owned infrastructure and land to leverage for local housing needs
- build partnerships and engage early with communities
- test new models and pilots for innovative, contextual housing delivery
- broaden understanding of local housing supply drivers and barriers
- share their experiences and engage in the dialogue.

We uncovered these through:

### Research and best practice

We explored examples and case studies of Local Government action on housing and recent housing developments in varied contexts and scales, as well as insights and experiences from participants in the housing sector. We also interviewed industry leaders and documented best-practice, locally contextual designs.

### Concept design prototyping

We provide prototype designs and feasibility assessments to demonstrate opportunities and constraints on councils to unlock their land, and other public land, for local housing opportunities. The sites are located across different development contexts and regions of metro and rural Victoria:

- ✎ Warwick Avenue, Springvale.
- ✎ Eaglehawk Station Precinct.
- ✎ Wonthaggi Secondary School.
- ✎ Lonsdale Street, Dandenong.
- ✎ Osborne Avenue, Springvale.
- ✎ Brindisi Street, Mentone.

This project used real-life case study/prototype sites to show how underused council buildings and precincts can deliver unique, place-responsive housing. The design demonstration and testing explored the potential for under-utilised buildings to be converted into housing, to address housing shortages while lowering carbon footprints.

Our research has informed the prototype work, which has in turn been assessed from a design, cost and economic feasibility perspective, to provide a comprehensive analysis and demonstration of the opportunities and challenges for Local Government-led housing development.

## 1.2 A Blueprint and an Evidence Base for Action

This innovation program has brought together designers, cost planners, feasibility experts, council executives and planning and housing teams and policy advisers working across complex issues relating to housing, planning, construction, project delivery and cost planning and the unique contexts local governments operate within, on behalf of their communities.

To help navigate the complexity of the issues uncovered in the Housing Innovation Program, the content is structured into two parts:

### PART A: LOCAL GOVERNMENT'S ACTION BLUEPRINT

This document is your **Local Government Housing Action Blueprint**. It provides an overview of the key findings and implications and actions for councils and is a 'Call to Action' for councils. Councils can use this report as an accessible package of information to put towards supporting and accelerating locally-led housing development through the following parts:

- ✎ Project outline, purpose and background (as above).
- ✎ What should Councils do?
- ✎ How was the action plan informed by industry experience and knowledge?
- ✎ How was the action plan informed by real-world design testing?
- ✎ How does the action plan fit in the broader national context?
- ✎ The way forward for Local Government action on housing.

### PART B: AN EVIDENCE BASE FOR ACTION

Accompanying the Blueprint, is **An Evidence Base for Action**. This Part B report is all the analysis, research, investigations and design prototypes. This evidence base comprises of a series of reports that capture the full extent of research, analysis, design and evaluation work, which has informed the findings in the Part A Blueprint. The reports within Part B are as follows:

- ✎ Section 1: Project team and process.
- ✎ Section 2: Policy context and directions for housing.
- ✎ Section 3: Industry insights.
- ✎ Section 4: Architects' case studies.
- ✎ Section 5: Local government action case studies.
- ✎ Section 6: Design testing - introduction.
- ✎ Section 7: Design testing for Site 1: 4-16 and 32-24 Warwick Avenue, Springvale.
- ✎ Section 8: Design testing for Site 2: Eaglehawk Station Precinct.
- ✎ Section 9: Design testing for Site 3: Former Wonthaggi Secondary School.
- ✎ Section 10: Design testing for Site 4: 272-284 Lonsdale Street, Dandenong.
- ✎ Section 11: Design testing for Site 5: 5 Osborne Avenue, Springvale.
- ✎ Section 12: Design testing for Site 6: 9-15 Brindisi Street, Mentone.
- ✎ Section 13: Discussion and an action plan for Councils.

## 1.3 Meeting the housing challenge

We completed this work during a period of major planning and housing policy reform across Victoria and Australia. Our housing affordability crisis is well documented and remains acute, with housing supply and affordability now a priority for action at the Commonwealth level.

This includes:

- The **2022 National Housing Accord** recognised housing as a major economic challenge and sets a shared ambition across Commonwealth, State and Local Government to deliver up to 1.2 million well-located homes over five years from mid-2024, primarily through market-led delivery supported by government intervention.
  - This ambition is supported by targeted funding initiatives, including the **\$1.5 billion Housing Support Program**, which strengthens planning capability and enabling infrastructure and through which this project was funded.
  - The **Housing Australia Future Fund**, a dedicated funding vehicle to increase social and affordable housing supply nationwide.
- The Victorian Government is also seeking to accelerate housing supply through:
    - **Victoria's Housing Statement: The Decade Ahead 2024–2034** sets an ambitious target to deliver 800,000 new homes over the next decade (an average of 80,000 per year) to support population growth and housing need across regional and metropolitan areas.
    - The State's **Plan for Victoria** includes housing targets for every Local Government area, prioritising at least 70 per cent of new homes in established urban areas with jobs, services and transport access.
    - The **Activity Centres Program** is seeking to support planning for more than 300,000 additional homes around 60 existing train and tram zone activity centres, further underpinning the government's supply-side delivery focus.
    - Legislative reform through the **Better Decisions Made Faster Bill 2025** aims to streamline planning approvals and reduce regulatory barriers.



ParkLife, Brunswick by Austin Maynard Architects (photos: Tom Ross): Visually open arrival and communal spaces support social interaction and connection to the outside.

## 1.4 Where to from here?

Despite these strategic reforms, housing delivery continues to lag policy ambition amid challenging economic conditions.

This housing crisis calls for bold leadership and new public policy approaches. It calls for more cooperation between levels of government.

The housing crisis is about much more than planning approvals. New homes need new infrastructure. Financial barriers, labour shortages and rising construction costs mean it's often cheaper to buy an existing dwelling than build a new one. **Faster planning decisions alone won't see more homes being built.**

Victoria's councils understand this, as our communities feel the effects of delayed infrastructure and the lack of affordable homes in our communities.

Recent figures show that Victoria is building fewer dwellings than required to meet its housing targets, with Housing Statement analysis indicating that dwelling completions must rise to an average of 20,460 per quarter to stay on track for the decade's 800,000 target - compared with current completion rates below this threshold.

**At the same time, demand for social and affordable housing remains acute: Victoria's public and community housing waiting list recently exceeded 60,000 applications.** Demand has continued to grow, reinforcing pressures on the rental market and safety net systems. Social housing represents only around 2.8 per cent of total dwellings in the state - the lowest proportion in Australia - which contributes to long wait times.

These structural and market dynamics, persistent housing shortfalls, ongoing demand for social housing, and slow delivery relative to targets underscore the tension between a facilitative policy environment and a restrictive economic and development environment.

While strategic initiatives emphasise building homes "where people want to live", close to jobs and services, households continue to demonstrate a strong preference for detached housing in lower-density locations.

Local Government is uniquely placed to lead local communities through change, bring together experts and community voices to design and construct great places, and support the rapid approval of well-located homes near jobs and transport.

This political and market context, combined with cost pressures in materials and finance, means that councils and delivery partners must navigate both policy reform and economic realities to transform strategic intent into built outcomes that meet local needs.



17 Union Street, Brunswick, by BKK Architects  
(photo: Derek Swalwell): Housing and public realm renewal around a refurbished train station.



17 Union Street, Brunswick, by BKK Architects  
(photo: Derek Swalwell): The enhanced public realm integrates infill development with heritage and transport infrastructure.

# 2.0

## What should Councils do?

We have identified a range of recommended actions and levers councils can strategically use to boost locally-led housing provision.

Supporting locally-led housing supply requires councils to act as informed leaders, capable convenors and pragmatic partners.

Beyond land ownership, councils can influence delivery through leadership capability, engagement with the market and community, and informed calibration of expectations. Locally-led housing outcomes are strongest where councils actively support and potentially develop delivery ecosystems rather than relying on market forces alone.

By strengthening the discourse, engaging with commercial realities, supporting innovative housing techniques and building community understanding, councils can materially improve the likelihood that housing strategies and their assets can become great housing outcomes for locals.

## 2.1 Council's land and buildings

### Do the site preparation and approvals

Feasibility testing consistently showed that development risk and uncertainty materially undermine delivery.

Councils can play a decisive role by undertaking early site preparation and adaptive reuse opportunities upfront.

Consider where costs to developers/investors in housing projects can be reduced, such as finance, land holding, and permit approval process costs, which can make a big difference to getting projects 'off the ground'. Where appropriate, councils could consider securing commercially informed planning approvals prior to seeking delivery partners. This reduces holding costs, improves market confidence and shortens delivery timeframes.

Consolidating sites and buildings into larger parcels or precincts provides for greater potential scale and design flexibility. Larger developments can accommodate different housing tenure types, and attract larger investors, and may well support more housing than smaller sites.

### Undertake strategic precinct planning for government land

Establish precinct approaches to redevelopment on available government sites, as an ongoing program of work within council's land and asset management activities.

The study found that treating sites in isolation often limits housing yield, diversity and feasibility. In contrast, precinct-scale approaches across multiple council-owned or government-owned parcels provide greater flexibility in built form, staging and land use mix.

Councils should embed precinct planning for public land as an ongoing function of land and asset management, particularly in and around activity centres, transport nodes and town centres. This approach supports more coordinated infrastructure provision, improved urban design outcomes and stronger development feasibility.

Direct, partnered investment by Local Government in housing development, may catalyse further private sector investment in emerging areas for townhouse and apartment living or other different typologies depending on the local area and housing demands.

### Use your council's participation to reduce cost

Councils should prioritise reducing cost and risk over extracting the highest financial return from land.

Supporting not-for-profit organisations and community housing providers, moderating land price expectations, and minimising avoidable costs such as lengthy approvals or duplicated requirements are key levers councils can apply. These actions can make otherwise marginal projects viable and enable housing delivery, especially sorely needed social and affordable housing.

### Test options before committing to outcomes

The design testing undertaken for this study demonstrates the value of exploring multiple development scenarios for each site.

Testing higher- or lower-density designs, to compare and refine cost and feasibility results can identify opportunities to innovate, to deliver the best outcomes to meet local housing needs.

This evidence-based approach supports more informed decision-making and helps councils identify options that best respond to local housing needs while remaining deliverable.

### Consider temporary site usage

If surplus Government land is not commercially 'ready' for development, it may be suitable for temporary housing, such as movable public housing units.

Where council-owned assets, including underused buildings, are not immediately ready for permanent development, temporary housing solutions may provide interim housing supply and social benefit.

Movable or modular dwellings can be deployed without precluding future redevelopment, allowing councils to respond to urgent housing needs while longer-term planning and approvals are progressed.

### Facilitate innovation

Innovative construction and housing types may reduce costs, to increase development feasibility.

Emerging innovations include modular and pre-fabricated housing that are well-designed for Australian and Victorian climates.

The study identified strong potential for modular and prefabricated construction, as well as low-rise and mid-rise typologies suited to Australian and Victorian contexts. Councils can proactively support innovation through planning policy, assessment practices and partnership models, rather than relying solely on conventional development forms.

## 2.2 Supporting locally-led housing supply

### Understand your local housing needs

A strong, local evidence-base enables councils to identify the right sites, choose the right delivery model, target funding and advocacy, and lead informed community conversations about what type of housing is needed and why.

Many councils already have well-developed and adopted housing strategies.

Before deciding whether to sell, lease or repurpose council land, councils need a clear, evidence-based understanding of local housing demand, supply gaps and priority cohorts. This ensures land decisions deliver long-term community benefit, support transparent engagement with the community, and align with broader strategic planning objectives.

Understanding local housing needs moves beyond high-level forecasts to a local, place-based analysis of:

- population change
- household incomes
- housing stresses
- rental affordability
- demand for social and affordable housing
- key-worker needs
- ageing in place
- homelessness.

Councils are uniquely positioned to combine local service knowledge with State and National data, alongside insights from community housing providers, support services, market conditions and the development sector.

This will support the council's decision-making process, and lead communities in dialogue. It will also inform what other partnerships and funding models are best suited to meet needs.

### Engage in the housing discourse

Discussing and sharing information on delivering local-led housing will increase knowledge and grow confidence.

The study found that a lack of shared understanding about housing economics, feasibility and delivery constraints can undermine confidence and decision-making within councils and communities.

Councils should actively foster informed discourse on housing delivery, including openly discussing the realities of construction costs, financing conditions, planning risk and development timeframes.

Regular, evidence-based discussion, internally with officers and elected members, and externally with stakeholders, builds institutional confidence and reduces reliance on assumptions or abstract targets.

Discourse supports clearer prioritisation, more resilient decision-making and stronger alignment between strategic intent and deliverable outcomes.

### Engage with commercial drivers

Recognising and building an understanding of the commercial context, constraints and risks affecting housing development, will support effective engagement and decision making.

The feasibility testing and industry insights confirm that housing delivery is highly sensitive to commercial conditions, including construction costs, finance availability, land holding costs and approval risk. Councils should actively build understanding of these drivers to support effective engagement with delivery partners and to inform policy and project decisions.

Councils that understand these dynamics are better positioned to calibrate expectations, identify genuine barriers to delivery and distinguish between proposals that are marginal, viable or undeliverable in current market conditions.

## Engage the market

Councils should present partnership and delivery opportunities in ways that invite a range of responses, rather than prescribing a single development model or outcome.

The study demonstrates that early, flexible and well-structured engagement with the market encourages innovation and improves housing outcomes.

Market engagement should allow proponents to propose alternative approaches to tenure, staging, built form, construction and financing, provided that public interest objectives are clearly articulated. This openness enables councils to test the market, surface innovative solutions and select delivery models best suited to local conditions.

In facilitating housing development, the links between housing yield/scale, commercial viability, and potential design/construction quality, should be considered. Especially in emerging locations, pressure on yield is likely to affect feasibility and/or design quality (which may be reduced to lower construction costs, to support feasibility).

## Support innovative approaches

The study highlights the potential for innovation across design, procurement, construction and operational models to improve feasibility and reduce delivery timeframes.

Councils should positively receive and consider proposals that depart from conventional approaches where they demonstrate clear public benefit and sound delivery logic.

This includes supporting modular and pre-fabricated construction, alternative tenure models, shared amenity arrangements and new procurement pathways. Councils should ensure that internal assessment processes do not inadvertently disadvantage innovative proposals through rigid interpretation of standards or established practice.

## Co-invest and partner

We know, and the analysis confirms, that council involvement can be pivotal in delivering social and affordable housing, particularly where State and Commonwealth funding programs are available but require complementary local contributions.

Councils should actively pursue co-investment opportunities where their involvement materially accelerates delivery or improves outcomes.

Partnership opportunities for delivering social and affordable housing should be welcomed by Local Government, if its involvement can accelerate housing delivery, such as through contributing or leasing council land assets.

Partnering with a registered Housing Provider (community housing organisation – CHO) can significantly optimise the delivery of social and affordable housing in Victoria by unlocking financing, leveraging operational expertise, and retaining long-term affordability outcomes.

CHOs can access commercial debt, institutional investment and Housing Australia finance (including the Housing Australia Future Fund and National Housing Accord programs) in ways that councils cannot directly, particularly where projects include concessional land, ground leases, capital grants or planning uplift.

This aligns well with Victorian planning mechanisms and renewal opportunities, allowing councils to use their land as a strategic investment rather than a one-off disposal.

## Engage communities early and continuously

Community perception and acceptance were identified as significant risks to housing delivery.

Councils should engage communities early and consistently in locations identified for housing growth, clearly communicating both the need for housing and the implications of accommodating change.

Early communication of council housing strategies, priorities and constraints can reduce uncertainty and build awareness, even where consensus is not immediately achieved.

Engagement should acknowledge both the benefits and challenges of housing growth, positioning it as a necessary component of long-term liveability, inclusion and community resilience.

# 3.0

## How was the action plan informed by industry experience and knowledge?

This project commenced with three research activities, top gain insights, lessons and potential directions for Local Government action to boost housing supply.

## 3.1 Diverse perspectives: Housing industry participants sharing knowledge

The project team interviewed six housing sector leaders. The interviewees included a commercial developer, a co-housing developer, a real estate expert, a social housing consultant, and an architect/urban designer. The presentation of diverse views and perspectives on the challenges and opportunities for housing provision, and Local Government's involvement in this process that reflected a range of experiences and suggestions for council action.

These discussions provide several key messages, concerns, or even warnings, early in the project process, such as articulating:

- ✎ The elevated cost of construction for apartment buildings, which is outstripping potential sales rates;
- ✎ The impacts of construction costs on project viability, and therefore on the provision of housing;
- ✎ The ongoing market demand for 'greenfield' housing;
- ✎ The delivery benefits of greenfield housing, including low construction costs and simplified, flexible project staging;
- ✎ The myriad of challenges for housing developers, across land acquisition, holding costs, planning approval processes and disputes, construction finance, government levies, and market competition.

However, these conversations also provided a range of potential actions for Local Government, to help facilitate housing production, such as:

- ✎ Better understanding the commercial development process, and the constraints and opportunities affecting potential outcomes;
- ✎ Utilising land assets to accommodate housing, including using the land value as a subsidy for affordable housing, including planning controls and strategic, precinct-based approaches to unlocking land for housing;
- ✎ Supportive financial approaches, such as settlement times for funding;
- ✎ Flexibility regarding alternative, innovative or strategic design responses.

The industry insights report can be found at **Part B, Section 3.0**.



Nightingale 2.0, Fairfield, by Six Degrees Architects (photo: Rory Gardiner): Dual-aspect apartments adjoining a train station, with active retail uses fronting the ground floor street interfaces.

## 3.2 Good design outcomes: Local development case studies

This component of the study looks in-depth at three completed housing projects which demonstrate that higher-density housing can comprise high-quality, well-designed, high performance, liveable homes for diverse households.

These projects show what is possible, creating attractive, popular, comfortable living environments, which support 'triple bottom line' benefits for households and the wider community:

### ↘ Environmental:

- Compact housing, requiring less land per unit;
- Facilitation of walking, cycling and public transport.

### ↘ Social:

- Carefully considered social/communal spaces within developments, such as roof terraces;
- Open, amenable circulation spaces (stairs, corridors) which facilitate interaction.

### ↘ Economic:

- Integration of affordable housing in some cases;
- Dwellings which are more affordable / cost less than larger houses in similar areas;
- Reduced transport costs through local, walkable access and Public Transport services;
- Reduced energy costs through passive sustainable design (thermal stability, natural light and natural ventilation).

However, these case study projects are located in inner-suburban, established, desirable areas, where there is an established market and context for higher-density living. The projects are:

### Case study 1: ParkLife, Brunswick



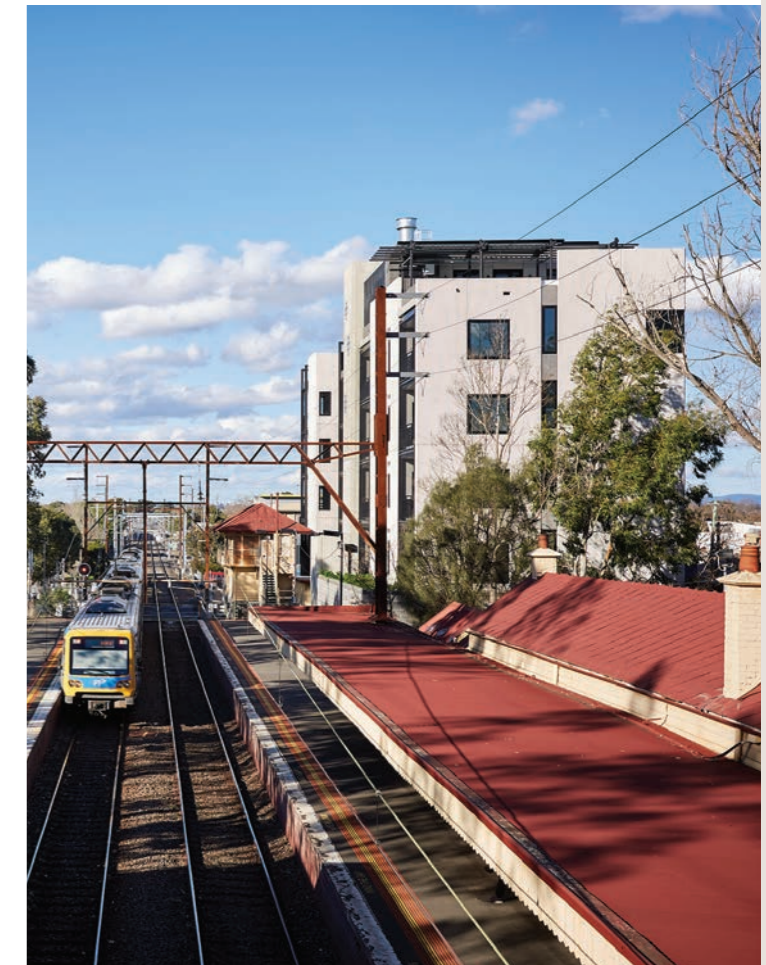
**ParkLife, Brunswick** by Austin Maynard Architects (photo: Tom Ross): Communal rooftop space enhances residential amenity and social interaction.

### Case study 2: Union Street, Brunswick (Jewell Station precinct, north building)



**17 Union Street, Brunswick**, by BKK Architects (photo: Derek Swalwell): Robust, adaptable mid-rise format with activation to the adjoining bikeway.

### Case study 3: Nightingale 2.0, Fairfield VIC



**Nightingale 2.0, Fairfield**, by Six Degrees Architects (photo: Tess Kelly): Rail-adjacent housing on underutilised land, supporting safety, activation and sustainable transport use.

Want to know more? This report can be found at **Part B, Section 4.0**.

## 3.3 Effective Council action: Local Government project case studies

RMIT University's Post-Carbon Research Centre researched local and international best-practice innovations where Local Government can support local housing delivery.

RMIT's research addressed how councils can intervene to improve housing production and supply, while also improving the sustainability and quality of local housing. To do so, it evaluates diverse Local Government approaches and involvement in housing projects, often in partnership with private sector organisations.

A key lesson for Local Government arose from consideration of how the resources and capacities within each of the case studies, council can be marshalled.

The examples in the report go beyond approval processes, and look at council land assets, finances, technical expertise and strategic capability. Each were successfully leveraged to drive housing development in important, valuable locations.

This involved leveraging in-house expertise and competencies, while using information sourcing and strategic procurement to reach their vision. While the three projects demonstrated admirable outcomes and ongoing opportunity, they also reflect the challenges for council of active participation in housing development. The case studies explored here include:

- ✎ **ARCHI:** City of Adelaide's adaptive reuse of underutilised shop-top housing which aligned advocacy, development approval assistance and 'triaging' that aligned with other programs with housing goals.
- ✎ **Maroochydore City Centre:** City of Maroochydore lead the development of a new CBD, housing diversity and transit-orientated development on a former golf course. Council, in partnership with the State Government and the private sector lead planning, and has an ongoing facilitation and development guidance role.
- ✎ **Love Wolverton:** Milton Keynes, UK facilitates a redevelopment of a former shopping precinct between private developers' interests and a local community vision; safeguarding of long-standing aspirations from residents while unlocking new housing supply and densities.

The research identified different roles for Victorian Local Government in the context of the system of government in Australia, and also the capacities and resources available to Local Government that empowers locally-led housing solutions through:

- ✎ **Visioning:** *How council defines and achieves shared goals frames success.*
- ✎ **Facilitating:** *Councils can initiate and steer innovation on behalf of their communities.*
- ✎ **Supporting:** *Councils must support housing innovation.*
- ✎ **Amplifying:** *Councils can apply and upscale innovative results and successes.*
- ✎ **Guarding:** *Councils have a key role in protecting democratic values.*

Want to know more? This report can be found at **Part B, Section 4.0.**

# 4.0

**How was the action plan informed by real-world design testing?**

## 4.1 Why were design concepts prepared?

This section focuses on a key component of this study - the preparation of prototype concept designs for hypothetical housing projects, on selected sites in a range of contexts in Victoria.

The aim is to demonstrate good design practices towards liveable, sustainable and economically viable housing projects, in varied settings.



Nightingale 2.0, Fairfield, by Six Degrees Architects: Concept sketch of an open, inhabited facade, integrated landscape and vibrant street edge.

## 4.2 Site selection challenges

The MAV set out to identify and select a total of six (6) council-owned sites – three (3) for new buildings, and three involving adaptive re-use of retained existing buildings, to:

- ✎ Potentially inform actual housing/development projects on the sites;
- ✎ Demonstrate to other councils how similar properties may be advanced for housing;
- ✎ Potentially utilise the value of the land parcels, to formulate the provision of viable and/or affordable housing.

The process of calling for and finding prototype sites for this study, led by the MAV, was more difficult than expected:

### Strategic land assets

- ✎ Many proposed sites were isolated from key precincts, transport corridors or in areas suitable for housing uplift.
- ✎ Some sites were too small, or irregular in shape to meet the program's requirements.
- ✎ Councils had not undertaken the strategic work or audits to identify potential sites for investigation and prototyping.

### Under-utilised buildings

- ✎ Even without detailed testing, many council-owned buildings were obviously too low-scale and unsuitable for adaptive re-use.
- ✎ Similar to many vacant council-owned land sites, many buildings were isolated from key areas and transport networks.
- ✎ Many buildings were already occupied by tenants and social services, already providing benefits to the community.
- ✎ Political and community sensitivities.

*ERA Architects in Toronto, Canada is a leader in the adaptive re-use and deep energy retrofitting of the city's postwar public housing towers, primarily through the Tower Renewal Partnership. These projects aim to modernise ageing social housing to meet high environmental standards, reduce energy use, and maintain affordability while allowing residents to remain in place during construction.*

### Lack of data or records on 'known' sites that may be development-ready

The study came up against what is already widely acknowledged in the sector - that there is no established or widely used process to identify council-owned surplus land and assets suitable for housing development, especially sites for more density and could progress towards new uses.

Councils reported internal challenges around a lack of clear and accessible information on the location, nature and potential of council land and building resources. This led to confusion in identifying readily available prototype sites.

Some blocks included:

- ✎ Previous work done for some properties, and so reluctance to start a new process;
- ✎ Lack of known sites in council area;
- ✎ Lack of internal resources at councils to participate effectively.

Many councils were interested in participating in this study, but could not readily provide a suitable site which had appropriate approvals or a strategic policy basis for consideration.

### Limited land and assets

Councils reported few or no known available land parcels, and some were unsuitable due to more remote locations or limited size.

Often council-owned land has an established use which is valued by the community, such as car parking, or public open space. Removal or relocation of these, to make way for new housing, is likely to cause community concern.

Regarding adaptive re-use sites, there was reportedly a lack of land assets for which council intended to retain existing buildings. Council would opt to remove existing buildings to make way for development, particularly if there was no heritage or community value.

*The University of British Columbia (UBC) hosts the Housing Assessment Resource Tools (HART) project, providing evidence-based, equity-focused, and census-based tools to improve housing outcomes and affordability across Canada. Key tools include a Housing Need Assessment Tool to calculate core housing needs and a Land Assessment Tool to identify public land for non-profit housing.*

*The University of Melbourne's Melbourne School of Design hosts a similar tool which was developed in 2018.*

### Community perception risk

Finally, some Councils perceived a risk of participating in this prototype design process, in terms of how the community might perceive the outputs and use of council land and infrastructure.

### Identified pipelines

Some councils had an identified 'pipeline' of (surplus) land assets as potential development sites/opportunities. Some parcels put forward had already been considered and/or analysed through other processes. This was beneficial in terms of building on previous work and 'momentum', and supporting 'real' project opportunities, but also revealed the limited depth of land identification across Local and State Government.

It is recognised that Development Victoria and VicTrack, for example, have internal mechanisms for identifying suitable State-owned land for potential development.

The Victorian Government's Urban Development Program (UDP) is currently being reviewed and so is unavailable, according to the Department of Transport and Planning website, updated in May 2025: <https://www.planning.vic.gov.au/guides-and-resources/Data-spatial-and-insights/discover-and-access-planning-open-data/urban-development-program-unavailable>

The UDP did not focus on land or specifically Government-owned land, but monitors and reports on major residential redevelopment projects across metropolitan Melbourne. Major redevelopment projects are those comprising ten or more dwellings. These include projects which may have an existing planning permit, or are in the planning processes, those that are currently under construction, as well as potential longer term projects on sites that local councils have identified for residential purposes (source: <https://discover.data.vic.gov.au/dataset/urban-development-program-major-residential-redevelopments-sites-2021>).

Aside from the UDP, there is not a known resource or mechanism for identifying council-owned, potential development sites.

## 4.3 Our prototype designs

The following pages provide the overview of our 6 prototype sites. These sites are:

### Redevelopment:

- Site 1: Former Wonthaggi Secondary School
- Site 2: Eaglehawk Station Precinct
- Site 3: 4-16 and 32-24 Warwick Avenue, Springvale

### Adaptive reuse:

- Site 4: 5 Osborne Avenue, Springvale
- Site 5: 9-15 Brindisi Street, Mentone
- Site 6: 272-284 Lonsdale Street, Dandenong

For more information, detailed designs and costing, please refer to Sections 6.0 to 12.0 of Part B: An Evidence Base for Action.

## 4.4 Design concept: Site 1 - Former Wonthaggi Secondary School (Bass Coast Shire)

### What is this site's potential for housing?

The relocation of Wonthaggi Secondary College has provided a large potential development site at the edge of the town centre, with immediate access to shops, open space and other facilities.

Redevelopment could activate this location and provide enhanced connectivity to the centre from the south, while supporting people to live in a highly walkable setting, and benefitting from established landscaping on the site.

### What are the site and context conditions?

The former Wonthaggi Secondary College is a large site, rectangular on the edge of the town centre, bounded by four street interfaces. As such it benefits from direct walkable access to a range of shops, services and facilities. The site contains several existing buildings and extensive open spaces.

The site is adjacent to commercial and retail uses to the north, residential to the south, and open space to the west.

Council has undertaken initial investigative and concept options work, in collaboration with the Victorian Government. From this work, housing is proposed to be positioned in the eastern portion of the site.

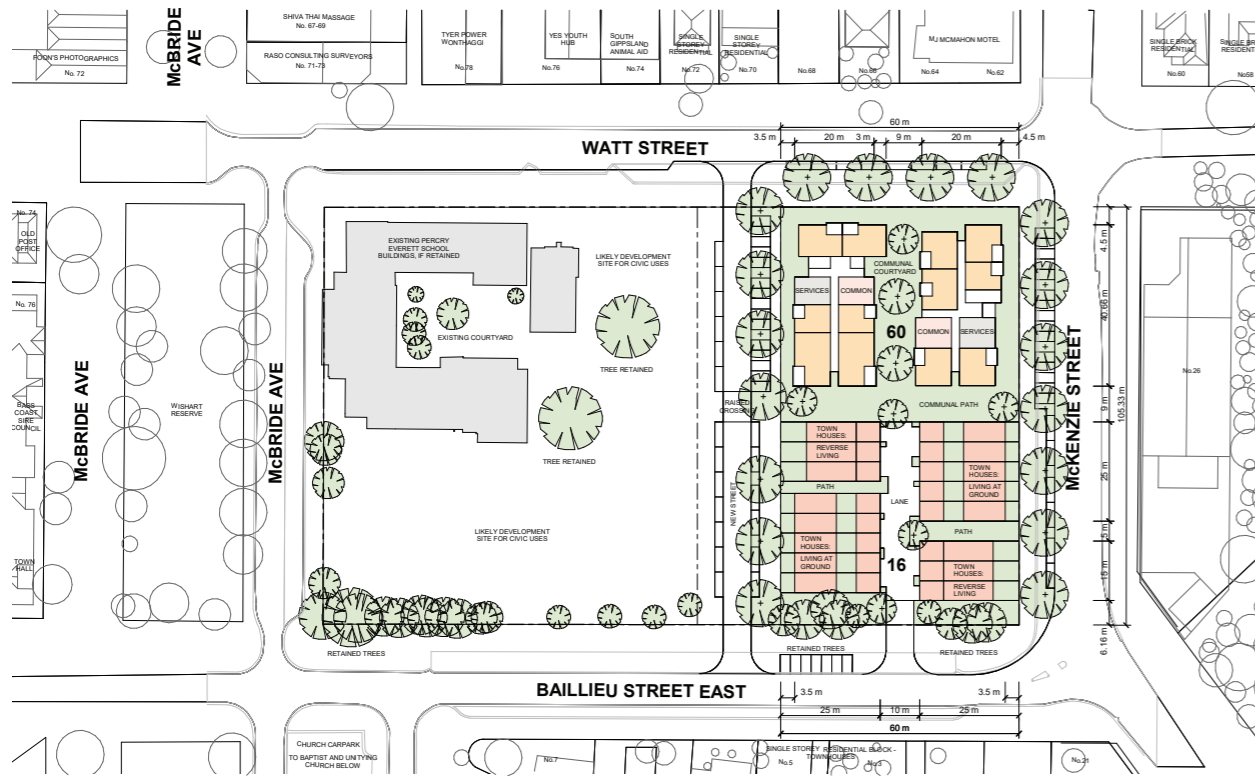
Wonthaggi is also predominantly low-scale, with very limited examples of medium density housing available currently.

### What does the design concept propose?

The concept proposes a flexible arrangement of four (4) blocks of housing (townhouses and apartments) in the eastern part of the former College site, with a new street running north-south, and new pedestrian connections. Car parking is located at grade, adjacent to the buildings.

The buildings face the existing street frontages and the new connections, while maintaining setbacks for landscaping. The modular layout provides flexibility in the types and scale of housing that could be developed.

## Site 1 - Former Wonthaggi Secondary School (Bass Coast Shire)



Design concept site layout, with housing and a new street link in the eastern part of the site.



Design concept aerial view/massing study.



Precedent for a well designed precinct with market, social and affordable townhouses, within a tenure blind model: **Tarakan Street Housing**, by NH Architecture + Bird de la Couer.



Precedent for compact townhouse development at a street corner location, with pedestrian and vehicle through-links.



Precedent for tenure blind townhouses that include 1 storey accessible homes.

## 4.5 Design concept: Site 2 - Eaglehawk Station Precinct (City of Greater Bendigo / VicTrack)

### What is this site's potential for housing?

Potential housing development at Eaglehawk Station can enhance and activate the setting, and improve the outlook for the platform, provide for transport-oriented living close to the town centre, while utilising largely vacant space around the Station.

It could provide a replicable model for other regional transport hubs in Victoria, where surplus land is available.

This project will likely require State Government to lead and undertake development given it is integrated with the Rail Station and infrastructure assets.

### What are the site and context conditions?

Eaglehawk Station is positioned close to the Eaglehawk town centre within Greater Bendigo, and incorporates a V-Line Train Station with local bus services nearby, as well as recreational open space connections.

The Station precinct is underutilised, and somewhat isolated, with limited access, and interfaced by back fences for much of the northern side, with surface car parking on part of the southern side of the precinct.

A Precinct Master Plan was prepared in 2016, proposing medium density housing and integrated courtyard spaces, to increase Station access, passive surveillance and activation, and integration with the surrounding urban area.

There is potential for the rail line to be duplicated in the future, with an additional platform and Station facilities on the northern side.

This area is characterised by low-scale, detached housing, with higher-density development in its early, emerging phases in Bendigo.

### What does the design concept propose?

The concepts incorporate linear buildings, predominantly parallel to the rail line, comprising dual-aspect dwellings which face north and benefit from extensive outlook and cross-ventilation potential.

These buildings address Hall Street to the south, and also occupy the back fence interface to the north.

Enhanced access ways from the north meet a new arrival space and potential Station facilities including a pedestrian overpass (which is not included in the costings for this study).

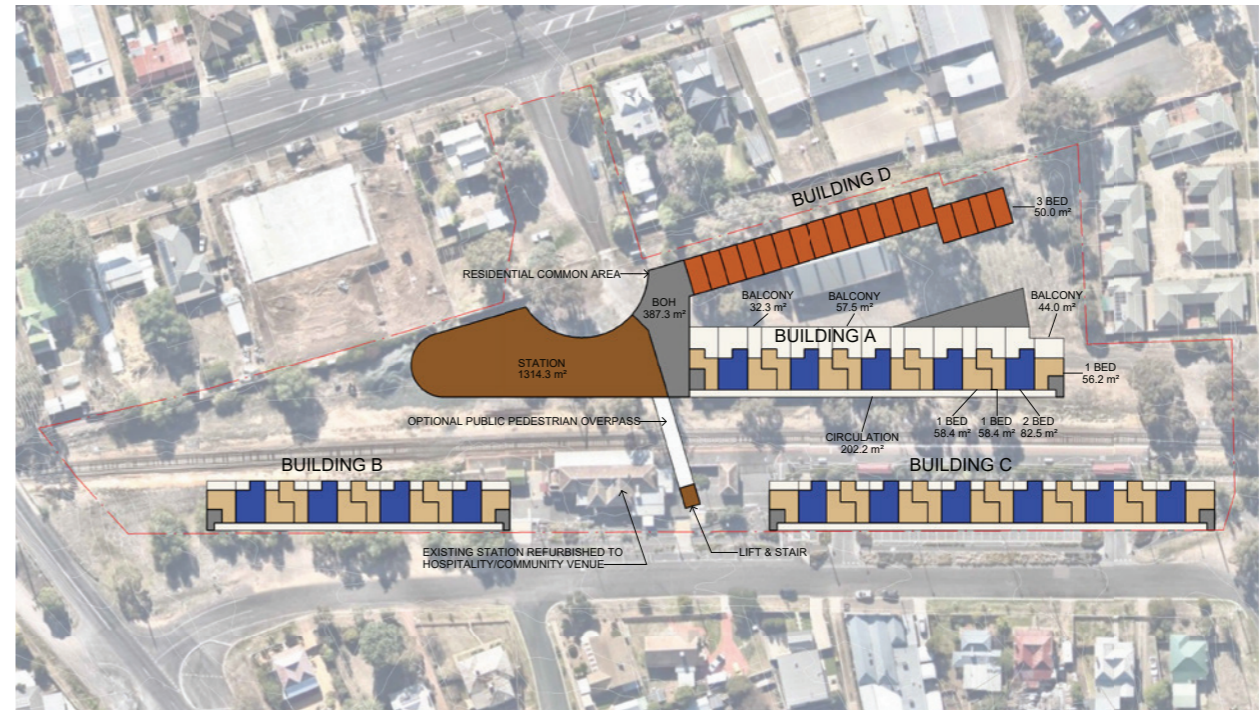
The buildings are configured with ground floor car parking, and enclose a courtyard space on the northern side. The apartment buildings range between 3-5 storeys, which is recognised as large in the local context, but moderate for medium density, transit-oriented development.

The buildings will not create any significant off-site impacts.

### Site 2 - Eaglehawk Station Precinct (City of Greater Bendigo / VicTrack)



Precedent for robust yet refined courtyard housing.



Design concept site layout, with potential new Station facilities, a central courtyard space, and dual-aspect housing along both sides of the rail corridor.



Design concept aerial view/massing study.

## 4.6 Design concept: Site 3 - 4-16 and 32-34 Warwick Avenue, Springvale (City of Greater Dandenong)

### What is this site's potential for housing?

This site comprises two separate land parcels, currently existing car parks on the same street, but approximately 50m apart, within the Springvale activity centre and close to Springvale Station, and the Springvale Road retail area.

At-grade public parking is an inefficient use of well-located land, and does not contribute to the streetscape or public realm experience.

Development could provide housing on these parcels, while replacing existing public parking within the new buildings.

Housing on these sites would enjoy excellent access to shops, schools, open spaces and public transport.

### What are the site and context conditions?

Springvale is an established, distinctive, diverse activity centre, and an emerging setting for higher-density housing, which benefits from great access to shops, services, facilities and public transport.

The parcels are in the Commercial 1 Zone, and the applicable DDO6 sets a preferred height limit of 10 storeys.

The existing 8 storey apartment building to the immediate north of 32-34 Warwick Avenue creates significant shadowing impacts to the southern parcel. The adjacent building also incorporates several primary balconies and habitable room windows facing south towards the subject site, with limited setbacks of approximately 3m, creating overlooking impacts for a future development on the site, as well as restricting its potential outlook and access to daylight/sunlight.

The southern site also interfaces an existing Primary School to the south, so a development on the site would cause overshadowing impacts to the school.

The northern parcel (4-16 Warwick Avenue) is larger and relatively unconstrained. Both parcels have frontages to Warwick Avenue, and a rear access lane.

While Springvale remains predominantly low-scale, early examples of higher-density residential development are emerging in this activity centre.

### What does the design concept propose?

The concepts for the two parcels address the context and interfaces by consolidating 'replacement' public car parking from both parcels into the southern development, given the amenity impacts from the adjacent development, and the 'free up' of the larger northern site.

The multi-level parking provision on the southern site is designed for potential adaptation to commercial or recreation uses, and has three levels of residential apartments above, which are dual-aspect and north-facing, and configured to optimise outlook while limiting amenity impacts on the neighbouring building.

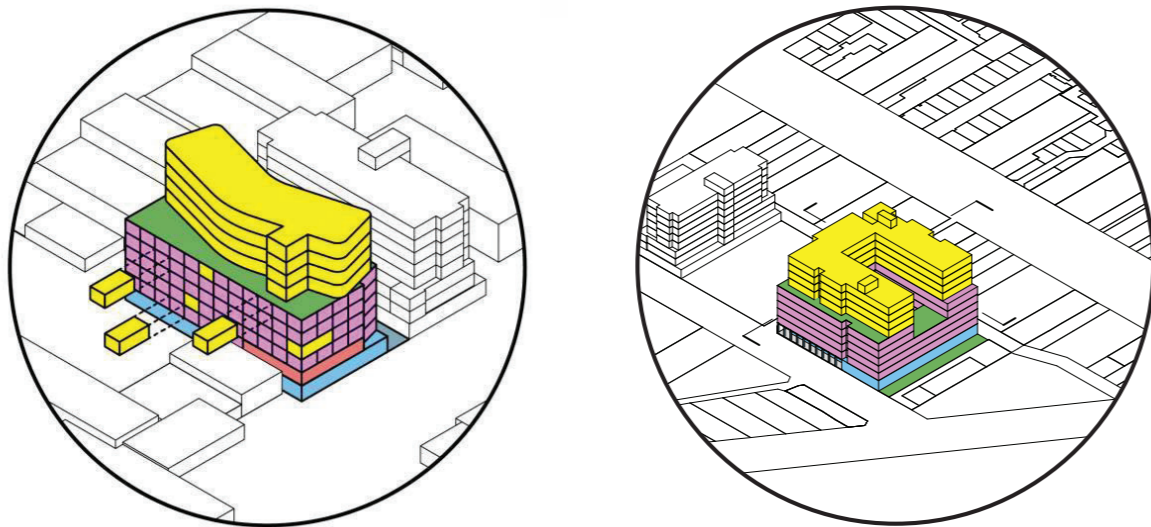
The northern parcel concept comprises a courtyard building, with a landscaped central space surrounded by single-loaded walkways for dual-aspect apartments, up to 10 storeys, but with a lower height to the northern wing, for solar access to the courtyard.

Both developments would provide commercial space at ground floor to activate the streets. The southern parcel can provide vehicle through-access to the rear lane, connecting through to Springvale Road, if required.

Site 3 - 4-16 and 32-34 Warwick Avenue, Springvale (City of Greater Dandenong)



Design concept streetscape view/massing study (4-16 Warwick Ave).



Design concept massing studies - 32-34 Warwick Ave (left) and 4-16 Warwick Ave (right).



Design concept site layout: 32-34 Warwick Ave.



Design concept site layout: 4-16 Warwick Ave.

## 4.7 Design concept: Site 4 - 5 Osborne Avenue, Springvale (City of Greater Dandenong)

### What is this site's potential for housing?

This 'island' site has three street frontages and a rail corridor interface. Its separation from adjacent housing by its surrounding streets avoids direct interfaces to existing residential properties.

The site presents an opportunity for higher-density housing close to a Train Station, bus routes, extensive cycling corridor along the rail line, and nearby shops, employment areas and open space. The adjacent footbridge provides direct access across the rail corridor, to further commercial and recreational areas.

As an established hub for community/recreational activity, the existing uses could be accommodated within a future development, including through the retention and re-use of existing buildings on the site.

### What are the site and context conditions?

This triangular land parcel is bound by three streets, and adjoins the rail corridor with a shared path and pedestrian overpass in close proximity.

The site is approximately 400m (5 minutes' walk) from Springvale Station, and the Springvale Road retail strip is also nearby, as well as various schools and open spaces.

The site contains multiple single-level buildings which accommodate community and recreational uses. While these buildings are not individually significant, they present potential for adaptive re-use.

### What does the design concept propose?

The design for this site comprises a 'courtyard building' or 'perimeter block' of housing along the street frontages, framing a landscaped space in the middle.

The existing sports/recreation building is retained and refurbished as a double-height space, and sits alongside other community use spaces at ground level, potentially with shared access to the central courtyard.

A mix of residential apartments form the upper levels, which are shaped to provide solar access to the courtyard, as well as upper-level communal open spaces. The single-loaded, dual-aspect dwellings are accessed from external walkways on the courtyard side, so all have outlook to the adjacent streets and beyond.

Site 4 - 5 Osborne Avenue, Springvale (City of Greater Dandenong)



Design concept upper level housing layout plan.



Design concept ground floor layout plan, in context, with community facilities and landscaped spaces.



Design concept aerial view/massing study.

## 4.8 Design concept: Site 5 - 9-15 Brindisi Street, Mentone (City of Kingston)

### What is this site's potential for housing?

This former aged-care facility is located within the Mentone activity centre, within walking distance to shops, schools and transport facilities, and even the beach. It is a relatively large rectangular land parcel, which presents potential opportunities for community-based or supported housing outcomes, building on the site's previous use and layout.

More substantial transformation of the site's existing buildings and layout could accommodate diverse housing in an established residential setting, close to a popular and appealing retail centre.

While development of this site could involve full demolition and clearing of the site for new, unencumbered development, the existing characteristics are seen as distinctive and valuable, particularly for community-based housing outcomes.

Retaining the site's intricate layout of small units around courtyards may be suited to modular construction, or pre-fabricated residential dwellings built off-site, then moved into position on the site.

### What are the site and context conditions?

The site contains multiple existing, mainly single-level buildings, with a distinctive layout comprising multiple small courtyards, framed by walkways and dwelling units, and containing established landscaping.

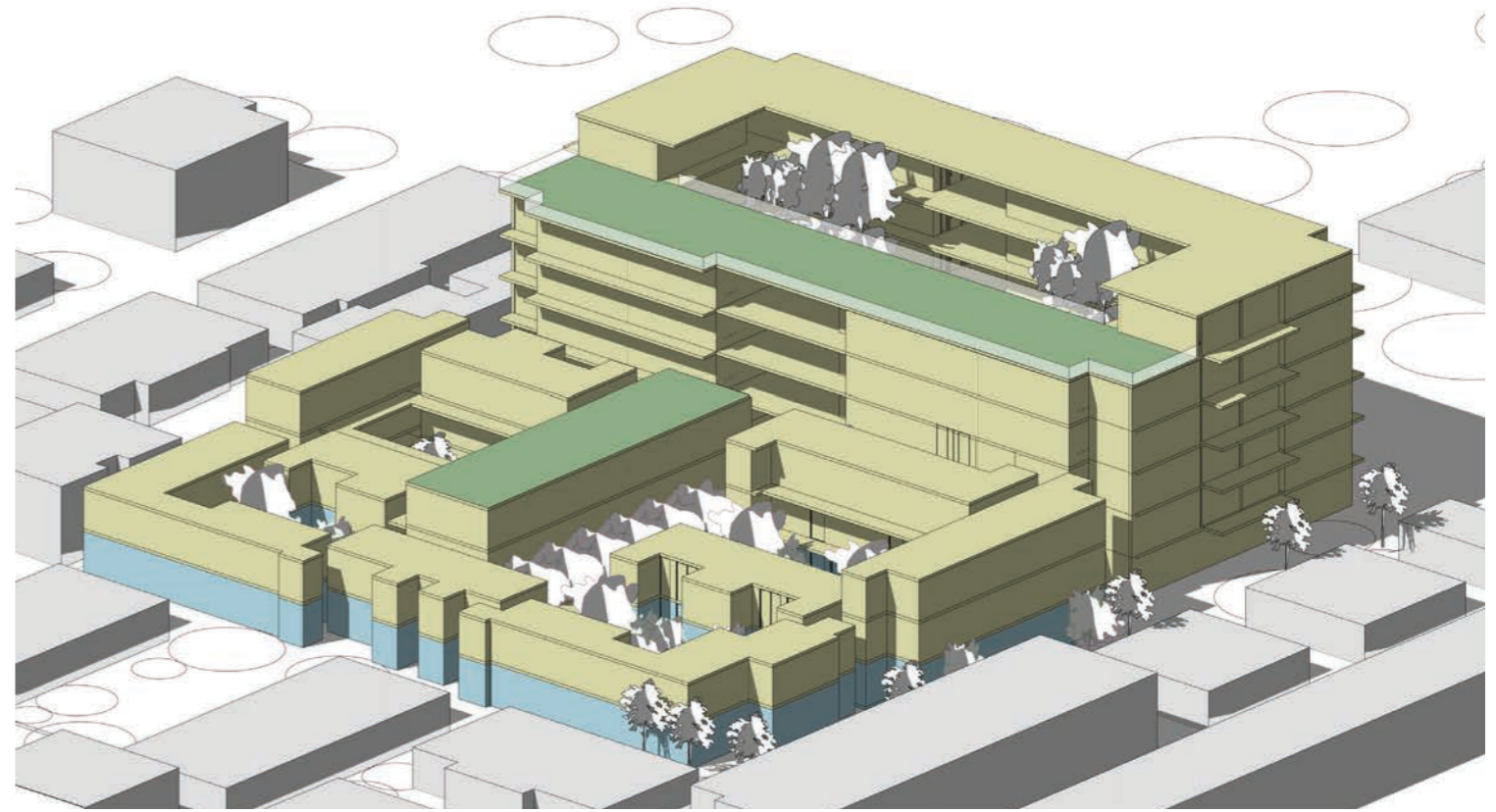
The site fronts a relatively major road, but interfaces low-scale residential uses on its other three sides.

### What does the design concept propose?

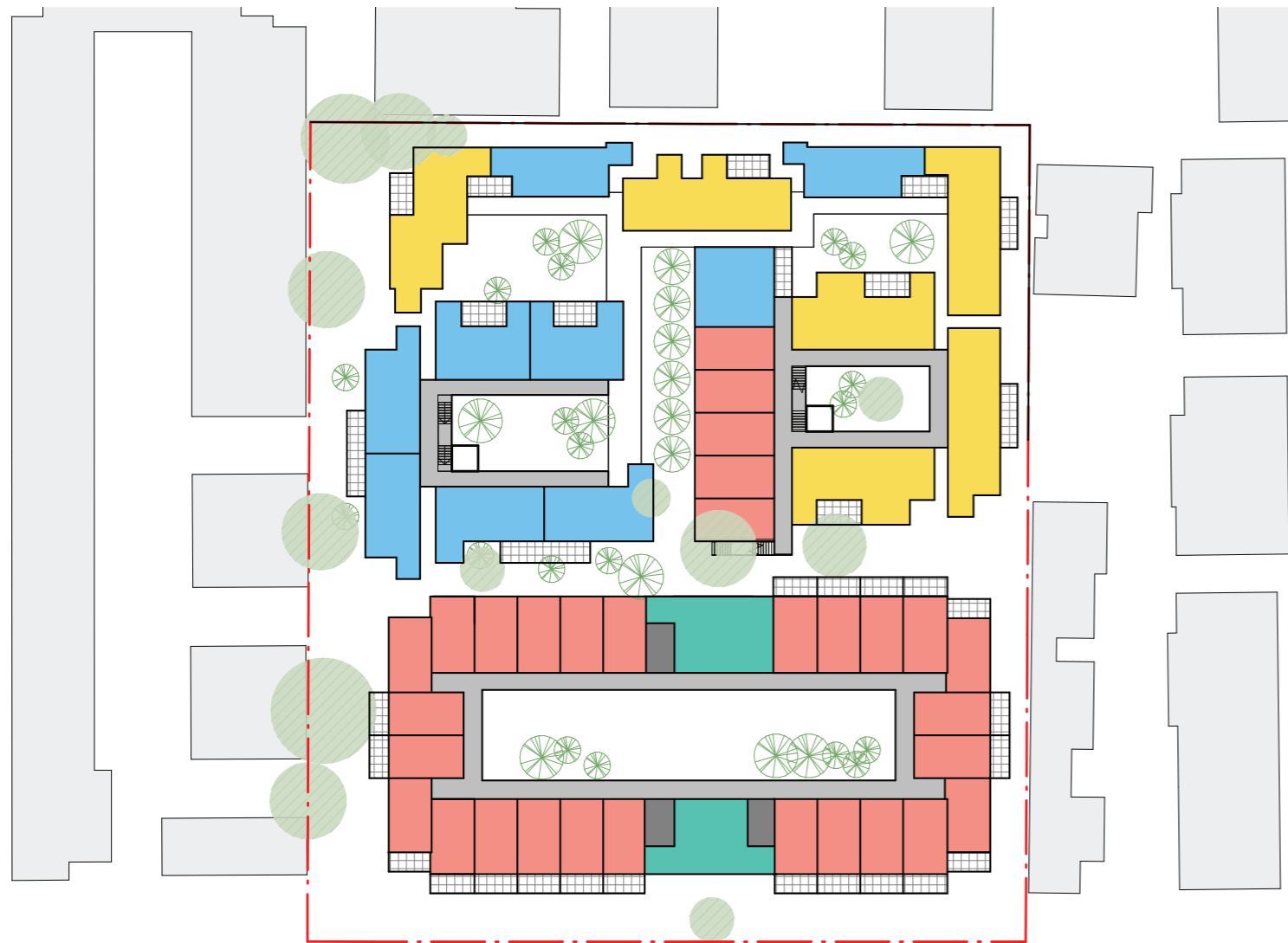
The concept retains the existing layout of courtyards and walkways in the central and northern parts of the site, with the insertion of a mix of Studio, 1-bed and 2-bed dwellings arranged around the existing courtyards, up to three levels, as well as a communal indoor space.

The southern (road frontage) part of the site is proposed to be demolished, and replaced by a new, higher-scale courtyard residential building with basement car parking. This building notionally comprises dual-aspect Studio apartments arranged with walkways around the landscaped courtyard, and extending to seven (7) levels, by stepping down to six (6) floors towards the north, creating a communal roof terrace space.

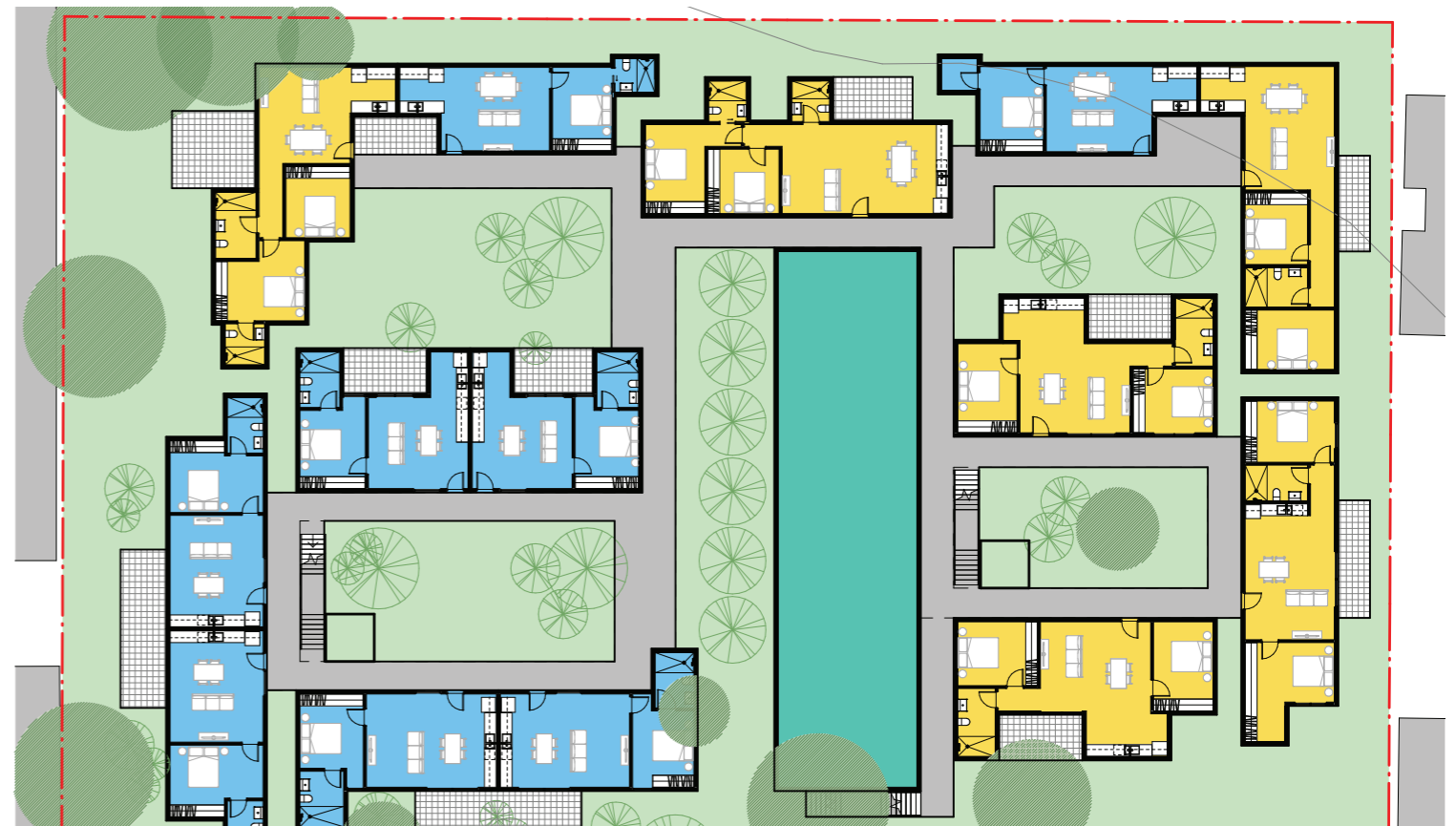
### Site 5 - 9-15 Brindisi Street, Mentone (City of Kingston)



Design concept aerial view/massing study.



Design concept housing layout site plan.



Design concept layout plan for adaptive re-use of existing buildings.

## 4.9 Design concept: Site 6 - 272-284 Lonsdale Street, Dandenong (City of Greater Dandenong)

### What is this site's potential for housing?

Central Dandenong is a major urban centre, with extensive transport services, a major produce market, and diverse employment opportunities within the centre and adjacent industrial areas.

This site presents an opportunity for housing in a prominent, entrance location within the activity centre, which benefits from the enhanced Lonsdale Street public realm, the Dandenong Market opposite, and Dandenong Station and numerous bus services within walking distance. Increased housing in this locality will also increase activation and safety in the area.

### What are the site and context conditions?

This site comprises four (4) adjoining, council-owned properties in a prominent position in the Central Dandenong city centre. They currently contain low-scale retail buildings and a pocket park, created when a building was destroyed by fire.

As a potential adaptive re-use site, the northern/corner parcel(s) contain existing facades which could be retained. The corner site in particular, has a handsome, curved brick façade and broad canopy which spans around this prominent, angular street corner.

The site sits at the northern entrance into Central Dandenong, between the upgraded Lonsdale Street boulevard and the pedestrianised Palm Plaza, and is opposite Dandenong Market. A raft of bus routes service this area and Dandenong Station is within walking distance.

The site forms part of the Dandenong Market Precinct, which is subject to a separate, current Precinct Planning process.

### What does the design concept propose?

The concept proposes a compact, mid-rise (8-storey) building comprising retail and commercial space at ground floor, and residential apartments above, potentially for community housing.

The compact site results in a robust building form with limited upper-level setbacks, but which presents a strong formal address to the adjoining major intersection and arrival space into Central Dandenong.

The apartments will enjoy extensive outlook and daylight access, and residents will benefit from local access to a wide range of facilities and services. The development will 'frame' and define the public realm spaces to each side, while supporting passive surveillance and activation outcomes at ground and upper levels.

Site 6 - 272-284 Lonsdale Street, Dandenong (City of Greater Dandenong)



Design concept aerial view/massing study.



(top) Design concept upper level apartment layout plan.

(bottom) Design concept ground floor retail/commercial and entrance layout plan, with potential adaptive re-use of existing building.

## 4.10 What were the cost and feasibility outcomes?

The concept designs set out to demonstrate potential housing development outcomes which utilise the strategic and financial value of council-owned land to support and facilitate commercially feasible housing development, potentially including affordable housing.

For each site/design concept, a cost plan was prepared, setting out estimated costs for construction/delivery of the development. These costings became the basis for a development feasibility assessment, based on a private sector, commercial development approach.

While the selected sites are well-located for local access and services, and are in areas with identified demand for smaller dwellings, they are not in established settings for apartment living, or in 'prestige' locations for urban housing.

### Findings

The key findings of this financial evaluation were:

- ✎ Construction costs are very high, reflecting a trend since the COVID-19 pandemic period, despite reported recent stabilisation in price growth;
- ✎ Construction costs are generally consistent, regardless of location, but some locations attract much higher revenues (or rent or sales rates) than others;
- ✎ The concepts are not currently commercially viable, even if the land value was contributed at no cost to support development, although some sites (Mentone, Springvale) are 'closer' to feasibility than others;
- ✎ The construction cost per dwelling is too high, relative to the potential sale value of the units, to support a private sector development.

It is expected that conditions will improve over time. However, a range of actions and initiatives for these and similar sites could improve feasibility conditions and outcomes, and contribute to boosting housing supply, as outlined above.

**The findings emphatically show that in current conditions, it is difficult to make housing developments 'stack up' financially, particularly in emerging locations for higher-density housing, and that affordable, social or community housing would require a subsidy to be achievable.**

**This is largely a result of elevated construction costs, higher interest rates, and cost of living pressures affecting people's capacity to purchase dwellings.**

## Feasibility in overview

The design concepts provide important insights into the housing needs and delivery challenges facing the Victorian community today. They are representative of public land opportunities in middle/outer suburban Melbourne (i.e. Dandenong, Springvale and Mentone) and regional Victoria (i.e. Wonthaggi and Eaglehawk).

The research shows that all of the property market areas examined have demand for smaller and more affordable housing options, such as one-, two- and three-bedroom apartments and townhouses of varying types and sizes in well-located and serviced areas.

The design process has identified that good design outcomes can be achieved on the selected sites, which vary in size and context.

The main issue impacting the non-delivery of such housing relates to financial viability issues impacting development. The design concepts are estimated to cost more to deliver than expected revenue.

In part this relates to there being no significant recent examples to support required prices for finance and valuation purposes. It also relates to a surge in construction costs since the pandemic.

For the case studies, this viability gap is least significant in Mentone and Springvale and higher in areas further away from the metropolitan centre. This is consistent with market research data that shows viable prices are being realised in inner Melbourne (this location is not in the case studies) and this generally falls away with distance from the central city.

Projects in Mentone and Springvale should be reviewed further to explore their private sector investment potential. It is possible a more detailed investigation into design, costs and revenue may reveal a model that can financially work in the foreseeable future.

If the proposed housing delivery is not possible under a purely private model, a subsidised model should be examined to unlock the housing supply and meet the needs of the community.

Some of the case study projects could be delivered in full or part by Community Housing Associations.

The concepts demonstrate there is likely to be significant stocks of public land located in well serviced and high demand areas capable of being designed and developed for a range of housing typologies.

The key to supporting the delivery of innovative housing supply over the long term relates to:

- Reserving surplus to needs public land for housing
- Unlocking the financial equation for delivery.

Initiatives to assist the process include:

- Delivery of Government supported demonstration projects to prove pricing and facilitate housing delivery, and
- Examination of initiatives to reduce the cost of development.

# 4.11 Costs and benefits

The table (right) provides data for the seven case study developments and shows what they can achieve in terms of delivering housing and providing other benefits. The case studies showcase examples of potential housing yield from smart and strategic use of public land.

The total land area of the seven sites is 47,284 sqm (or approximately 4.73 hectares).

Under a historic conventional density development approach, this amount of land would have yielded around 70 dwellings (at 15 dwellings per hectare) and accommodated a population in the order of 250 residents.

The designs provided for the sites would instead deliver 859 dwellings (773 apartments and 86 townhouses) at a density of 182 dwellings per hectare. The resident population would be in the order of 1,450, some 1,200 more than the conventional approach.

The developments would also deliver retail and commercial floorspace of nearly 8,000 sqm.

The developments would expect to support around 400 ongoing jobs from this floorspace (and more via working from home), and support nearly 1,300 jobs (job years) during construction on the seven sites, not including flow-ons via multipliers in the economy.

And this is across just six small sites, in 3 LGAs in one State. The potential for this across Local, State and Federal Government land in Australia is therefore enormous.

Concept/site specific metrics, costs and benefits are shown (right).

Case study	New build, Wonthaggi	New build, Eaglehawk	New build, Springvale	New build, Springvale	Adaptive reuse, Springvale	Adaptive reuse, Mentone	Adaptive reuse, Dandenong	Total of Case Studies
<b>Direct investment estimate (cost)</b>								
Construction cost (low-mid range)	\$48,449,480	\$149,495,129	\$40,291,653	\$104,448,115	\$110,312,149	\$85,961,059	\$53,114,131	\$592,071,716
Total estimate development cost*	\$56,694,810	\$159,322,313	\$46,141,638	\$117,870,933	\$127,719,948	\$104,236,860	\$61,014,634	\$673,001,136
<b>Development metrics delivered</b>								
Site area sqm	6,318	22,966	1,438	2,997	6,790	5,118	1,657	47,284
Gross floor area sqm	7,958	23,723	11,177	20,988	19,578	14,172	13,138	110,734
Apartments	60	163	28	122	157	165	78	773
Townhouses	16	18	0	6	0	46	0	86
Total dwellings	76	181	28	128	157	211	78	859
Density per hectare	120	79	195	427	231	412	471	182
Commercial area sqm	0	2875	160	529	2090	1126	1187	7,967
Car parking	86	137	196	76	98	54	0 or 76	647 to 723
<b>Population and jobs supported on site</b>								
Population	134	304	45	210	251	374	125	1,443
Ongoing jobs	11	123	10	37	93	69	51	394
Jobs during construction (Job years)	97	299	81	209	221	172	106	1,184
<b>Other matters (in addition to housing mix benefits)</b>								
Site / concept	New build, Wonthaggi	New build, Eaglehawk	New build, Springvale (south: 32-34 Warwick Ave)	New build, Springvale (north: 4-16 Warwick Ave)	Adaptive reuse, Springvale	Adaptive reuse, Mentone	Adaptive reuse, Dandenong	Total of Design Concepts
<b>Other benefits</b>	Makes use of strategic site in central part of town. Potential key worker housing supply to support local economy. Increased local housing diversity. New access through former College site. Activation to local streets.	Makes use of strategic site at Rail Station precinct. Enhances Station setting and outlook from platform. Creates new public open space. Improves Station access routes. Potential new Station facilities and integrated footbridge.	Consolidates public car parking on this site, which is amenity challenged, to release development potential at 4-16 Warwick Avenue. Potential vehicular through-access to rear lane and further to Springvale Road. Increased street activation. Limited impacts to adjacent school.	Makes use of strategic site in central part of Springvale close to shops, services and public transport. Increased street definition and activation. Increased local population to support businesses. New small commercial/ retail/ business spaces.	Makes use of strategic site in central part of Springvale close to shops, services and public transport. Increased activation to streets and rail corridor/path. New and refurbished community/ recreation spaces. Retention of existing building fabric to retain local character.	Makes use of strategic site in central part of Mentone close to shops, services and public transport. Potential re-use of buildings for social housing/crisis accommodation. Distinctive compact housing around small courtyards.	Makes use of strategic site in central part of Dandenong close to shops, services and public transport. Enhanced entrance/gateway presentation to Central Dandenong. Enhanced definition of street network at major intersection. Increased activation to Lonsdale Street and Palm Plaza.	Showcases examples of potential yield on and benefit from use of public land for housing. Increased housing mix/ diversity. Expanded housing opportunity in accessible locations. Increased local populations which supports local businesses.

\* Includes land, construction and soft costs

GST excluded in values

Summary of developments and costs and benefits, prepared by HillPDA.

5.0

# The way forward: From research and policy, to action on housing

This program of work equips Local Government with practical insights and strategic direction to play a more active role in accelerating locally-led housing delivery in Victoria.

Our research has recognised that while the current development environment is constrained by high construction costs, financing pressures and market uncertainty, councils need not be passive actors.

Local Government is uniquely positioned to influence multiple points across the housing delivery cycle.

This Blueprint demonstrates that no single intervention will resolve the housing challenge. Rather, progress will come from coordinated actions - spanning asset identification and preparation, partnership structuring, funding and financing pathways and design quality. Taken together, these levers can materially reduce risk, shorten timeframes and improve feasibility outcomes.

The actions outlined in this report establish a foundation for sustained contribution over the medium and long term.

In the immediate term, councils can take proactive steps to identify, assess and prepare strategic sites and buildings.

By undertaking early due diligence, resolving constraints, and signalling openness to partnership, councils can reduce time, cost and uncertainty for commercial and community housing partners - positioning projects to proceed when market conditions stabilise.

Importantly, this work is about strengthening the capacity of Local Government to shape housing outcomes that are equitable, inclusive, safe and responsive to local community needs. And it is about demonstrating that councils are capable, strategic partners in addressing one of the most pressing challenges facing Victoria.

**The task ahead is significant. But so too is the capacity of Local Government to lead.**

## A future research agenda

We also know that there is more to be done.

While this Blueprint and its accompanying Evidence Base for Action provides actions and steps, the MAV and McP have identified that Commonwealth, State and Local Government should together develop a future research and project agenda to:

### 1. Build a standardised council asset framework

- Develop a consistent methodology and data standards for auditing and categorising council-owned assets, to enable benchmarking and cross-council learning.
- Establish a performance framework for council land and buildings measuring:
  - Housing yield and tenure mix
  - Affordability outcomes
  - Design quality and environmental performance
  - Time to delivery
  - Community acceptance.

### 2. Close the viability gap with new delivery and finance models

- Comparative analysis of delivery structures suited to different developments (metro, regional, rural, growth areas).
- Clear guidance on risk allocation between councils, State Government, community housing providers, and their private partners.
- Research into subsidies and blended finance models for council assets.

### 3. Produce evidence for cost and time reduction

- Quantify the impact of early-stage due diligence and pre-approval pathways on holding costs and feasibility.
- Evaluate accelerated approvals models for publicly-led projects and those in the private sector.
- Examine procurement approaches that reduce transaction costs for councils.

### 4. Do more work on adaptive re-use and conversion feasibility

- Publish guidance for when adaptive re-use outperforms demolition and rebuild (with particular consideration put towards carbon, cost and time).
- Identify regulatory issues and barriers to adaptive re-use, and how they have been overcome in other contexts.

### 5. Effectively engage communities to build licence for change

- Evaluate which engagement approaches most effectively build trust, and support for innovative and locally-contextual housing outcomes.
- Develop an evidence-based communications toolkit to support councils in explaining housing economics and trade-offs.

### 6. Unlock better ways of doing precinct-scale coordination of public land

- Identify governance models that enable coordinated delivery across multiple public landowners.

