

AGENDA

Greater Shepparton City Council

COUNCIL MEETING

3:00PM, Tuesday 17 May 2022

Riverlinks Studio1

COUNCILLORS

Cr Kim O'Keeffe (Mayor)

Cr Anthony Brophy (Deputy Mayor)

Cr Seema Abdullah

Cr Geoffrey Dobson

Cr Greg James

Cr Rob Priestly

Cr Shane Sali

Cr Sam Spinks

Cr Fern Summer

VISION

GREATER SHEPPARTON, GREATER FUTURE

A thriving economy in the foodbowl of Victoria with excellent lifestyles, innovative agriculture a diverse community and abundant opportunities

12.2 Proposed Lease of Council Land for Affordable Housing - Request from Kids Under Cover

Author Senior Strategic Planner
 Approved by Director Sustainable Development
 Purpose For Decision by Council

Disclosures of Conflict of Interest in Relation to this Report

Under section 130 of the *Local Government Act 2020* officers, delegates and persons engaged under a contract providing advice to Council must disclose any conflicts of interests.

No Council officers or contractors who have provided advice in relation to this report have declared a conflict of interest regarding the matter under consideration.

RECOMMENDATION

That the Council, with regard to the request from Kids Under Cover:

1. provide in-principle support for the preparation of any funding applications by Kids Under Cover to lease land from Council at 4 Deane Court, Shepparton for the purposes of constructing approximately six relocatable studios to accommodate six young people and two live-in mentors for approximately 10 years;
2. commence the statutory process, under Section 115 of the *Local Government Act 2020* (the Act), to give effect to its intention to enter into a lease with Kids Under Cover for the purpose of providing temporary relocatable housing to accommodate six young people and two live-in mentors for approximately 10 years;
3. in accordance with Section 115 of the Act and the *Greater Shepparton City Council Community Engagement Policy 2021*, Council authorises that a public notice be placed in the Shepparton News outlining Council's intention to lease the land at 4 Deane Court, Shepparton and to call for submissions;
4. publish a copy of the public notice on Council's website, and provide a copy to owners and occupiers of all properties abutting the land, and any other properties that Council officers consider to be affected;
5. authorise the Chief Executive Officer to undertake the administrative procedures necessary to carry out Council's functions under Section 115 of the Act in relation to this matter; and
6. note that, following the completion of the consultation process, any submissions received in relation to Council's intention to lease the land at 4 Deane Court, Shepparton will be considered by Council at a future scheduled Council Meeting.

Executive Summary

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

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

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

In early 2022, Kids Under Cover made enquires with Council as to whether it would provide land on which to develop a Village 21 Program, which is an innovative model seeking to assist at-risk young people to successfully transition to independent living from out of home care.

Kids Under Cover is a not-for-profit organisation focused on delivering the unique combination of studio accommodation and education scholarships as a practical and proven strategy in preventing youth homelessness. The Village 21 Program is an accommodation and support program for six young people between the ages of 18-21 who have exited foster care. The program would involve construction of a communal building containing a kitchen, living room and laundry, three two-bedroom studios with a bathroom and two one-bedroom studios for two live-in mentors, and a communal BBQ area. The purpose of the program is to assist at-risk young people, between the ages 18 to 21, to successfully transition to independent living from out of home care.

Council officers proposed a number of potential site options and Council owned lots that may be suitable given the requirements of Kids Under Cover: 4 Deane Court, Shepparton was the preferred lot. On 24 February 2022, Kids Under Cover formally requested assistance from Council and stated that its preference is 4 Deane Court, Shepparton. The land is currently vacant, owned by Council, zoned General Residential Zone and located within an existing residential area. Council officers consider this to be an effective way of realising Affordable Housing outcomes. The site’s size at 900sqm and ideal location within Shepparton will ensure excellent amenity for future residents, enabling them to be securely and appropriately housed.

Section 115 of the *Local Government Act 2020* requires councils, before leasing land for 10 years or more (that was not included in a financial year budget), to undertake a community engagement process in accordance with its community engagement policy. Given that the proposed lease of 4 Deane Court is for a period of 10 years (or more), Council is required to complete a community engagement process and further consider this item after the completion of the consultation process.

This report recommends that Council undertakes the community engagement process by advertising Council's intent to lease 4 Deane Court, Shepparton and inviting public submissions. This report further recommends that Council considers public submissions at a future scheduled Council Meeting before deciding to lease the Land.

Report Detail

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

Following extensive consultation, Council resolved to adopt the *Greater Shepparton Affordable Housing Strategy: Houses for People 2020* in April 2020 (the Strategy). The Strategy demonstrated an undeniable need for Affordable Housing across Greater Shepparton. Beyond the municipality's identification as the Victorian regional city with the highest level of homelessness, at 5.6 homeless persons per 1,000, 1,041 households are on the waiting list for social housing support, 27% of low-income households are facing housing stress (2716 households), and overall rental affordability decreased by 10% between 2008 and 2018.

Up to 2020, the Strategy found that despite some allocations under a number of Commonwealth and State-funded programs, Council advocacy and programs to support low-income households, and remarkable work by housing providers, the resources required to address housing issues in Greater Shepparton substantially exceeded those available.

The Strategy draws on the premise of 'Housing First' that has been successfully implemented in Finland to reduce homelessness levels by a third over a seven-year period. Beyond advocacy for Commonwealth and State funding to undertake substantial construction of new stock, it outlines a variety of ways in which Council may facilitate and promote the provision of Affordable Housing through diverse agents, encouraging knowledge sharing, economical usage of existing resources, and collaboration between housing providers, government, developers, landowners, landlords and investors.

The Strategy aims to promote increased stock across the spectrum of affordable models, including crisis accommodation and social housing to address acute housing needs, 'alternative' options like cohousing, which may address the needs of identified 'at risk' cohorts, and broader diversity in size and configuration in the market-based supply to mitigate potential future shortfalls.

Council also subsequently resolved to form the Greater Shepparton Affordable Housing Reference Group to provide expert advice on ways that Council can realise Affordable Housing outcomes and on the implementation of the Strategy.

In late 2020, following the adoption of the Strategy, the Victorian Government announced \$5.3 billion in funding to realise Affordable Housing across Victoria as part of the Big Housing Build (BHB) initiative over four years. 25% of this fund was allocated to regional Victoria. The first round of grant funding under the BHB, the Rapid Grants Round, provided grants to Community Housing Agencies for development and construction of projects to realise new Affordable Housing. Under the BHB, 18 local government areas have been identified for a Minimum Investment Guarantee, with \$765 million committed across these local government areas. The Minimum Investment Guarantee for Greater Shepparton is \$45 million.

Funding for such a proposal could be provided through future rounds of grant funding under the BHB.

Kids Under Cover is a not-for-profit organisation focused on delivering the unique combination of studio accommodation and education scholarships as a practical and proven strategy in preventing youth homelessness. Kids Under Cover recently launched the Village 21 Model, an innovative model seeking to assist at-risk young people to successfully transition to independent living from out of home care.

Council officers proposed a number of potential site options and lots that may be suitable given the requirements described by Kids Under Cover: 4 Deane Court, Shepparton was the preferred lot. On 24 February 2022, Kids Under Cover confirmed it required assistance from Council and stated that its preference was 4 Deane Court, Shepparton (see Figure One below). The land is currently vacant, owned by Council, located in a General Residential Zone and within an existing residential area. Council officers consider this to be an effective way of realising Affordable Housing outcomes. The site's size at 900sqm and ideal location within Shepparton will ensure excellent amenity for future residents, enabling them to be securely and appropriately housed.

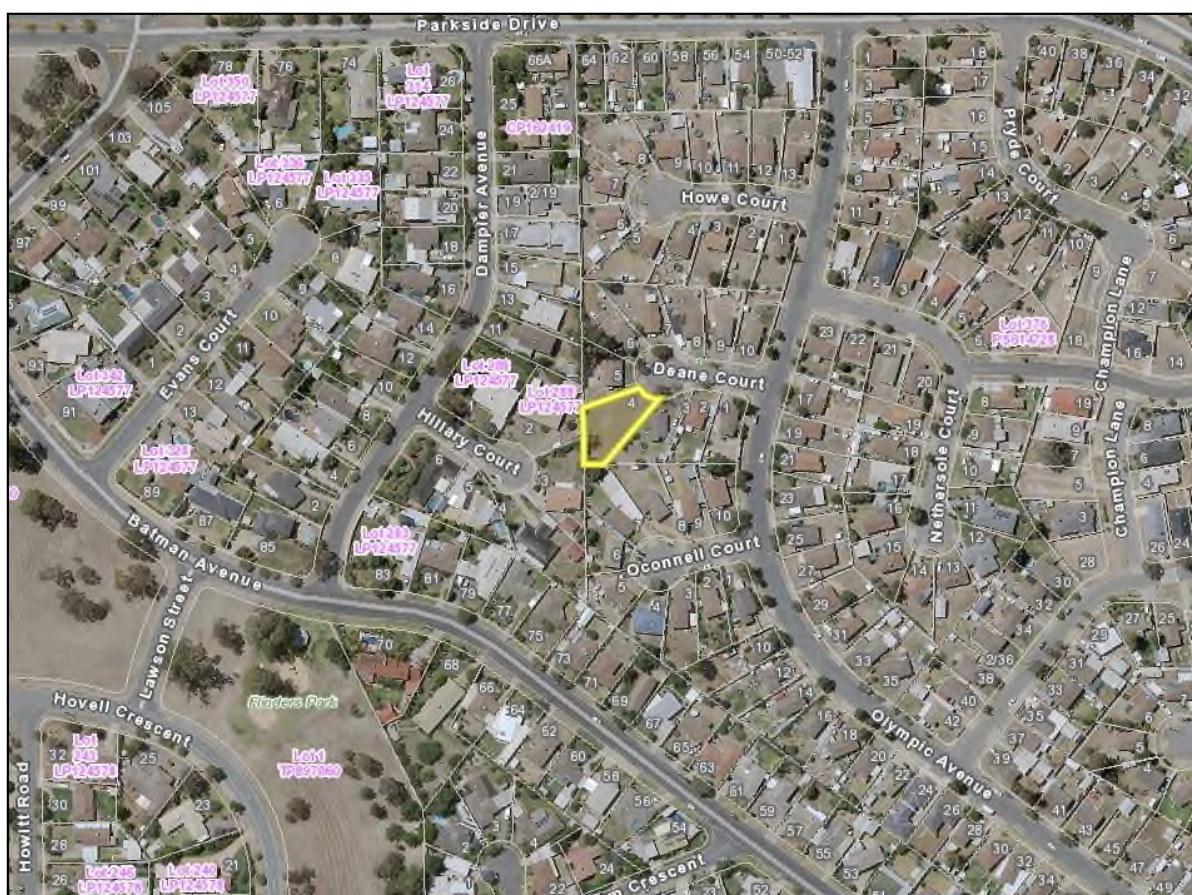


Figure One: Location of 4 Deane Court, Shepparton (location outlined in yellow).

The proposal would enable the construction of accommodation and implementation of a support program for six young people between the ages of 18-21 who have recently exited foster care. The Village 21 Model provides a communal building containing a kitchen, living room and laundry, three two-bedroom studios with a bathroom and two one-bedroom studios for live-in mentors, and a communal BBQ area, see Figure Two for an indicative concept plan. Kids Under Cover would be responsible for the maintenance of the buildings on site and their eventual removal at a future date.

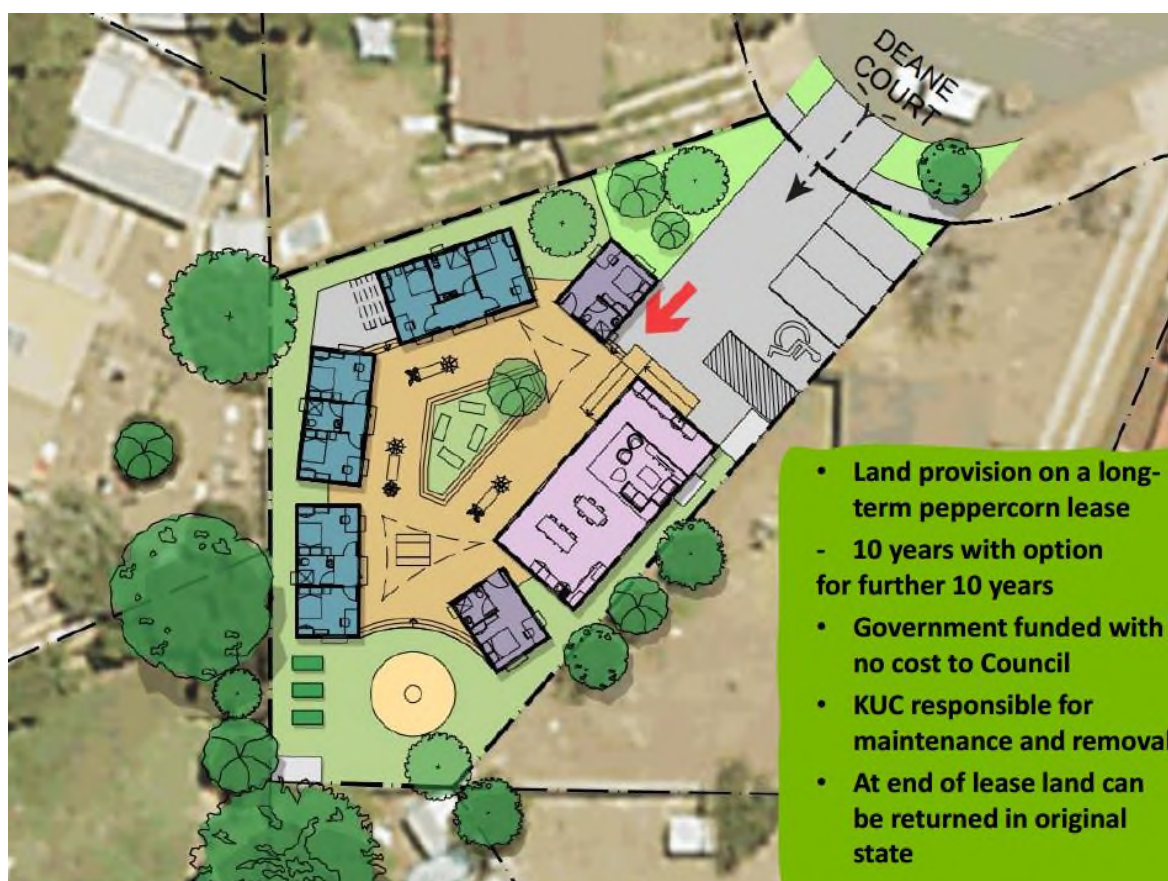


Figure Two: Indicative Concept Plan based on the Village 21 Model.

To comply with the requirements of Section 115 of the *Local Government Act 2020*, Council must undertake a community engagement process in accordance with the Council's community engagement policy, the *Greater Shepparton City Council Community Engagement Policy 2021*, in respect of the proposal before entering into the lease with Kids Under Cover.

This report recommends that Council undertakes the community engagement process by advertising Council's intent to lease land at 4 Deane Court, Shepparton and inviting public submissions. This report further recommends that Council considers public submissions at a future scheduled Council Meeting before deciding to lease the land.

Council Plan/Key Strategic Activity

COMMUNITY LEADERSHIP

We will prioritise leadership in the community to celebrate our cultures, people and places that makes Greater Shepparton a unique, vibrant, diverse and liveable region.

1.1 Council to take an active leadership role for access and inclusion in our community.

Council is to take an active leadership role for access and inclusion in our community. Council services will be realistic and delivered in an efficient and effective manner with the aim of continuously looking for delivery that matches our ever-changing environment. Council will work in partnership with the youth sector to develop collaborative approaches, responsive and coordinated services for the ultimate benefit of all young people.

SOCIAL RESPONSIBILITY and WELLBEING

We will support the mental and physical health and wellbeing of all in our community, ensuring universal access to information, services, housing, healthcare and learning

opportunities.

2.4 Leave no one behind.

2.7 Address issues contributing to homelessness.

2.8 Support for families and children at all stages of their learning and development.

2.9 Community members are supported to achieve and sustain physical, emotional and creative wellbeing.

Council will support the mental and physical health and wellbeing of all in our community, ensuring universal access to information, services, housing, healthcare and learning opportunities.

Council is to 'leave no one behind' by supporting vulnerable people within the community. Council is to address issues contributing to homelessness by implementing the Affordable Housing Strategy actions.

Council is to provide support for families and children at all stages of their learning and development by advocating for support programs and infrastructure.

Council is to ensure community members are supported to achieve and sustain physical, emotional and creative wellbeing.

VIBRANT and DIVERSE ECONOMY

We will drive the visitor economy by growing visitor experiences and major events that provide employment and other opportunities to the community. Our economic development will focus on establishing a strong, adaptive, sustainable and thriving region supported by agriculture and a diverse range of industries.

3.8 Maximise utilisation and investment return on Council assets.

Council will drive the visitor economy by growing visitor experiences and major events that provide employment and other opportunities to the community. Our economic development will focus on establishing a strong, adaptive, sustainable and thriving region supported by agriculture and a diverse range of industries.

Council is to encourage and facilitate investment and expansion.

Council is to attract people to live, work, study and remain in our region.

Council is to maximise utilisation and investment return on Council assets.

INFRASTRUCTURE and TECHNOLOGY

We will focus on the planning of our region's requirements to enable delivery of technology and infrastructure to meet the current and future needs of the community.

4.10 Progress housing and business development opportunities.

Council will focus on the planning of our region's requirements to enable delivery of technology and infrastructure to meet the current and future needs of the community.

Council is to progress housing and business development opportunities by ensuring all members of the Greater Shepparton community have access to safe, affordable and appropriate housing through implementation of the Affordable Housing Strategy actions.

Risk Management

The recommendation will not result in any unacceptable risk to Council. There are several issues that should be considered as part of this proposal.

Meeting the Needs of the Greater Shepparton Affordable Housing Strategy: Houses for People 2020

Failure to undertake the consultation on the lease of land and to consider the proposal later in 2022 may undermine the implementation of the actions in the *Greater Shepparton*

Affordable Housing Strategy: Houses for People 2020 and the delivery of appropriate housing to members of the community most in need.

Community perception

There is a risk that an Affordable Housing proposal may have a negative reception by some members of the community. Council will provide as much information as possible during the community engagement phase. If required, Council will also invite any submitter(s) to verbally present to Council on their submission(s).

Policy Considerations

There are no conflicts with Council policies. The project follows the objectives and goals of the *Greater Shepparton Affordable Housing Strategy 2020: Houses for People* to increase Affordable Housing.

Financial Implications

The costs of the preparation and negotiation of the lease would be met by Council. The costs have been budgeted for in the 2021-22 budget.

Any future proposals by the MCRE project will be required to be undertaken via Council's normal budget process.

Legal/Statutory Implications

There are a number of statutory and legal processes to be considered, particularly the requirements of the *Local Government Act 2020*. Council must complete a community engagement process in relation to the proposal to enter into the lease prior to entering into it.

Environmental/Sustainability Impacts

The recommendation will not result in any environment/sustainability impacts.

Social Implications

The project has the potential to deliver significant social benefits to the community of Greater Shepparton. The proposal will provide accommodation for some of Greater Shepparton's most at-risk individuals and households through the realisation of much-needed Affordable Housing.

Economic Impacts

The project has the potential to deliver significant economic benefits to the region and in particular to the local youth at risk of homelessness.

The leasing of land to Kids Under Cover will create two full-time employment positions for approximately ten years for the live-in mentors and assist youth to enter the employment market.

Consultation

The *Local Government Act 2020* requires Council, before leasing land, to publish notice of its intention to lease the land and undertake a community engagement process in accordance with its community engagement policy.

The community engagement process for leasing land is provided for in Section 115(3) and (4) of the *Local Government Act 2020* and requires that:

- (3) A Council must include any proposal to lease land in a financial year in the budget, where the lease is—

- (b) for 10 years or more.
- (4) *If a Council proposes to lease land that is subject to subsection (3) and that was not included as a proposal in the budget, the Council must undertake a community engagement process in accordance with the Council's community engagement policy in respect of the proposal before entering into the lease.*

Council officers will apply the principles of the *Greater Shepparton City Council Community Engagement Policy 2021* to ensure residents, business owners and visitors will be given detailed information about the proposal, and to facilitate a range of opportunities to make a submission.

This report recommends that Council begin these processes and further consider this item after the completion of the consultation process.

Council officers believe that appropriate consultation has occurred to understand the requirements of any application for funding and the matter is now ready for Council consideration.

Strategic Links

- a) Greater Shepparton 2030 Strategy
 - Nil
- b) Other Strategic Links
 - *Greater Shepparton 2030 Strategy 2006*
 - *Shepparton CBD Strategy 2008*
 - *Commercial Activity Centres Strategy 2015*
 - *Greater Shepparton Affordable Housing Strategy: Houses for People 2020*
 - *Shepparton & Mooroopna 2050: Regional City Growth Plan 2021*

Conclusion

Council officers recommend that Council provides in-principle support to Kids Under Cover to lease land at 4 Deane Court, Shepparton and begin the community engagement process.

Council will further consider these items after the completion of the consultation processes later in 2022.

Attachments

Nil