

UNCONFIRMED MINUTES

Greater Shepparton City Council

COUNCIL MEETING

3:00PM, Tuesday 20 September 2022

Studio 1, Riverlinks Eastbank

COUNCILLORS

Cr Shane Sali (Mayor)

Cr Anthony Brophy (Deputy Mayor)

Cr Seema Abdullah

Cr Geoffrey Dobson

Cr Greg James

Cr Dinny Adem

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 Land for Affordable Housing - Kids Under Cover

Moved by Cr Spinks
Seconded by Cr Brophy

1. regarding the request from Kids Under Cover received on 24 February 2022:
 - a. note the conclusion of the community engagement process, undertaken in accordance with Section 115 of the *Local Government Act 2020* (the Act), regarding the proposed lease of land at 4 Deane Court, Shepparton to Kids Under Cover;
 - b. note the advice received from Kids Under Cover on 1 August 2022 withdrawing the request to lease land at 4 Deane Court, Shepparton; and
 - c. abandon the proposal to lease land at 4 Deane Court, Shepparton to Kids Under Cover.
2. regarding the request from Kids Under Cover received on 1 August 2022:
 - a. provide in-principle support for the preparation of any funding applications by Kids Under Cover to lease land from Council at 20-22 Perrivale Drive, Shepparton for the purposes of constructing approximately six relocatable studios to accommodate six young people and two live-in mentors for approximately 10 years;
 - b. commence the statutory process, under Section 115 of 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;
 - c. 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 20-22 Perrivale Drive, Shepparton and to call for submissions;
 - d. 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;
 - e. 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
 - f. note that, following the completion of the consultation process, any submissions received in relation to Council's intention to lease the land at 20-22 Perrivale Drive, Shepparton will be considered by Council at a future Scheduled Council Meeting.

CARRIED UNOPPOSED

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

Author	Graduate Strategic Planner
Approved by	Director Sustainable Development
Purpose	Information Only

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

1. regarding the request from Kids Under Cover received on 24 February 2022:
 - a. note the conclusion of the community engagement process, undertaken in accordance with Section 115 of the *Local Government Act 2020* (the Act), regarding the proposed lease of land at 4 Deane Court, Shepparton to Kids Under Cover;
 - b. note the advice received from Kids Under Cover on 1 August 2022 withdrawing the request to lease land at 4 Deane Court, Shepparton; and
 - c. abandon the proposal to lease land at 4 Deane Court, Shepparton to Kids Under Cover.
2. regarding the request from Kids Under Cover received on 1 August 2022:
 - a. provide in-principle support for the preparation of any funding applications by Kids Under Cover to lease land from Council at 20-22 Perrivale Drive, Shepparton for the purposes of constructing approximately six relocatable studios to accommodate six young people and two live-in mentors for approximately 10 years;
 - b. commence the statutory process, under Section 115 of 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;
 - c. 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 20-22 Perrivale Drive, Shepparton and to call for submissions;
 - d. 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;
 - e. 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
 - f. note that, following the completion of the consultation process, any submissions received in relation to Council's intention to lease the land at 20-

22 Perrivale Drive, 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 lease 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 three Council-owned lots considered suitable given the requirements of Kids Under Cover: 4 Deane Court, Shepparton was the preferred lot. On 24 February 2022, Kids Under Cover requested formal assistance from Council and stated that its preference was also 4 Deane Court, Shepparton. The land is currently vacant, owned by Council, zoned General Residential Zone and located within an existing residential area.

At the Ordinary Council Meeting held on 17 May 2022, Council resolved, amongst other things, to provide in-principle support for the proposal and undertook a community engagement process from May to June 2022.

On 1 August 2022, Kids Under Cover wrote to Council formally withdrawing interest from 4 Deane Court, Shepparton. Council officers now recommend that Council abandon the proposed lease of land at 4 Deane Court, Shepparton to Kids Under Cover.

The request outlined that Council consider leasing land at 20-22 Perrivale Drive, Shepparton stating that this land better suits its needs.

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 20-22 Perrivale Drive, Shepparton 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 undertake a community engagement process by advertising Council's intent to lease land at 20-22 Perrivale Drive, Shepparton and inviting public submissions. This report further recommends that Council consider 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.

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.

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. Kids Under Cover would be responsible for the maintenance of the buildings on site and their eventual removal at a future date.

Consultation

At the Ordinary Council Meeting held on 17 May 2022, Council resolved, amongst other things, to provide in-principle support for the preparation of any funding applications by Kids Under Cover Pty Ltd to realise three two-bedroom studios for Affordable Housing purposes on 4 Deane Court, Shepparton and to commence a community engagement process in accordance with *Section 114 of the Local Government Act 2020* and the *Greater Shepparton City Council Community Engagement Policy 2021*.

Community consultation commenced on Friday, 20 May 2022 and closed on Friday, 20 June 2022. Council received 17 submissions.

Submissions were invited via an online submission form, by email and by post.

Council used multiple methods to engage with key stakeholders and the broader Greater Shepparton community during the additional community consultation phase, including:

- a letter to adjoining landowners and occupiers of land;
- a letter to relevant stakeholders and referral agencies;
- a media release, which attracted media attention from the Shepparton News;
- public notice in the Shepparton News on Friday, 20 May 2022; and
- an online submission portal on the 'Shaping Greater Shepp' website.

Submissions were invited via an online submission form, by email and by post.

A range of common themes were identified in submissions, these were, in no particular order:

- Impacting the mental health of existing residents;
- Additional clustering of already existing Affordable Housing;
- crime and safety concerns;
- location is inadequate/suggests alternative location;
- flooding concerns and prohibitive easement; and
- Supported the proposal.

After re-evaluating the suitability of the site and community consultation, Kids Under Cover has formally withdrawn its request to lease the land at 4 Deane Court, Shepparton. Council

officers now recommend that Council abandon the proposed lease of land at 4 Deane Court, Shepparton to Kids Under Cover.

Kids Under Cover and Council officers have explored alternative sites that may be more suitable for the Village 21 Program. Council officers have recommended 20-22 Perrivale Drive, Shepparton as a more suitable location. Council officers consider this to be an effective way of realising Affordable Housing outcomes (see Figure One below). The site's size and ideal location within Shepparton will ensure excellent amenity for future residents, enabling them to be securely and appropriately housed. The land is identified as a 'reserve' for open space purposes. Given the size of the site and its unembellished nature, it is considered capable of accommodating the proposal and formalised open space as envisaged in the *Urban Forest Strategy 2017*.



Figure One: Location of 20-22 Perrivale Drive, Shepparton (the location is outlined and shaded in blue).

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 undertake the community engagement process by advertising Council's intent to lease land at 20-22 Perrivale Drive, 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

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.

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: Houses for People 2020* to increase Affordable Housing.

Financial Implications

The recommendation is not expected to result in any significant financial implications.

Legal/Statutory Implications

The *Local Government Act 2020* requires Council, before selling or exchanging land, to publish notice of its intention to sell the land, undertake a community engagement process in accordance with its community engagement policy and obtain a recent valuation. This community engagement process is provided for in Section 114(2) of the *Local Government Act 2020*.

Should Council receive a request to sell or gift land for the provision of Affordable Housing, Council will engage with the community as per the requirements of the *Local Government Act 2020*.

This recommendation is not expected to result in any legal or statutory implications.

Environmental/Sustainability Impacts

The development of the reserve at 20-22 Perrivale Drive, Shepparton will have minimal impacts on the environment. The land is identified as a 'reserve' for open space purposes. Given the size of the site and its unembellished nature, it is considered capable of

accommodating the proposal and formalised open space as envisaged in the *Urban Forest Strategy 2017*.

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.

Council officers believe that appropriate consultation has occurred and the matter is now ready for Council consideration.

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;* and

- *Shepparton & Mooroopna 2050: Regional City Growth Plan 2021.*

Conclusion

At the Council Meeting held on 17 May 2022, Council resolved, amongst other things, to provide in-principle support to lease land at 4 Deane Court, Shepparton to Kids Under Cover and undertook a community engagement process from May to June 2022.

On 1 August 2022, Kids Under Cover wrote to Council formally withdrawing interest from 4 Deane Court, Shepparton. Council officers now recommend that Council abandon the proposed lease of land at 4 Deane Court, Shepparton to Kids Under Cover.

Council officers recommend that Council provides in-principle support to Kids Under Cover to lease the land at 20-22 Perrivale Drive, Shepparton and begin the community engagement process.

Not supporting this recommendation will result in a significant policy failure of Council in achieving its adopted and publicly stated objectives in addressing the critical Affordable Housing need evident across Greater Shepparton.

Attachments

Nil