## **Appendix 3**

# **Project Brief - Improving Residential Standards in Tasmania**

#### 1.0 Overview

An experienced and suitably qualified consultant/s with extensive knowledge and understanding in land use planning is sought to review and recommend improvements to the urban residential use and development standards in the State Planning Provisions (SPPs) of the Tasmanian Planning Scheme.

The project will provide critical review and feedback on the residential use and development standards in the SPPs, drawing upon best compatible national and/or international models to inspire tailored recommendations for Tasmania. The project will require the successful consultant/s possess a detailed understanding of contemporary planning issues faced in urban residential development at local and national levels, and excellent skills in stakeholder and community engagement.

The successful consultant/s will undertake analysis and consultation to provide recommendations for improvements to the residential use and development standards in the main urban zones in the SPPs, including standards for apartments and any new zones that may be required. The project will consider the following urban zones:

- the three main urban residential zones General Residential Zone, Inner Residential Zone and Low Density Residential Zone; and
- the mixed use/business zones Urban Mixed Use Zone, Local/General/Central Business Zones

The recommendations will inform amendments to the SPPs.

#### I.I Rationale

The project forms part of the 5 yearly statutory review of the SPPs; providing an important opportunity to review and improve the residential use and development standards. Regular review of planning requirements is best practice ensuring constant improvement and addressing of emerging planning issues. The Tasmanian Government made the commitment to review the residential standards following the implementation of the Tasmanian Planning Scheme, specifically to address the Tasmanian Planning Commission's 2016 recommendations on the SPPs.

Tasmania is currently at a significant moment in time where it is possible to deliver planning changes that have longer-term focus making its urban areas more resilient, diverse and sustainable, as well as addressing some of the shorter-term critical housing affordability and supply concerns. Recent levels of growth in Tasmania emphasise the need to ensure we can provide the right types of housing in the right locations, but also protect important local character elements that our communities hold dear.

## I.2 Scope of the project

The scope of the project is outlined below and expanded upon in Section 3.

- Undertake a literature review of current best practice urban residential use and development standards.
- Develop a targeted engagement strategy and undertake consultation accordingly.
- Produce the following documents:
  - o recommended improvements to the residential use and development standards in the SPPs in a form that can be used to prepare amendments to the SPPs; and

 a background report which details how the recommendation have been prepared and tasks within the Brief undertaken, including the literature review.

## 2.0 Background and Context

#### Origin of residential use and development standards in the SPPs

A major outcome of the current Tasmanian planning reforms is the implementation of the single state-wide planning scheme, the Tasmanian Planning Scheme. The consistent planning requirements, the SPPs, came into effect as part of the Tasmanian Planning Scheme on 2 March 2017, and are incrementally coming into effect in each council area as their Local Provisions Schedule (LPS) is approved. The SPPs have been in effect in some local government areas for nearly 3 years, and some parts of the SPPs are also already in effect in the remaining interim planning schemes, including some of the residential development standards.

The residential development standards in the SPPs General Residential Zone and Inner Residential Zone are based on those in <u>Planning Directive 4.1 – Standards for Residential Development in the General Residential Zone</u> (Planning Directive No. 4.1). In 2014, Planning Directive No. 4.1 introduced statewide rules for residential development in the General Residential Zone across all interim planning schemes, which built on the state-wide rules for single dwellings implemented through Planning Directive No. 4 in 2011.

The Tasmanian Planning Commission in its December 2016 report on the SPPs recommended that the General Residential Zone and Inner Residential Zone provisions be reviewed. The Tasmanian Government accepted this recommendation but considered it more appropriate to gather further experience in their implementation before undertaking a further review.

### Context for implementation of residential standards

Following approval of the SPPs, <u>Guideline No. I Local Provisions Schedule (LPS): zone and code application</u> was issued to guide the spatial application of the SPPs zones and codes in the council LPSs. Spatial application of the zones has also been influenced by a historical intent to maintain a large degree continuity when transitioning from one planning scheme to the next, rather than for driving strategic changes.

#### Review of the residential development standards derived from Planning Directive 4.1

In 2020, the State Planning Office (formerly the Planning Policy Unit) engaged GHD to undertake initial consultation with stakeholders about their key concerns with the requirements in Planning Directive No. 4.1, and to seek examples of their practical application. In May 2022, the <u>Review of Tasmania's Residential Development Standards Issues Paper</u> was released to coincide with the commencement of the SPPs Review scoping process. The paper summarised issues identified from the initial consultation undertaken in 2020 to further inform the SPPs Review scoping process. This review and findings primarily focused on General Residential Zone and Inner Residential Zone provisions.

Under the Land Use Planning and Approvals Act 1993 (LUPAA), the SPPs are required to be reviewed every five years since taking effect from 2017. The SPPs scoping consultation opened from 25 May to 12 August 2022. There were 162 submissions received, providing both general comments and specific requests for changes to be made on a wide range of topics including those focusing on the residential standards. The submissions covered most of the issues raised in a preliminary 2020 consultation on the residential development standards.

A significant number of submissions call for best practice planning principles to achieve better outcomes. There are mixed views on many of the specific changes to residential zone provisions. Some identify short comings with zone operation which could be characterised as specific local legacy

issues resulting from transitioning zone application into subsequent planning schemes. Submissions requested a range of changes, including:

- improving drafting quality;
- more differentiated purpose and standards between residential zones;
- use standards to promote a variety of housing types and stock;
- improved subdivision standards;
- medium density housing requirements or new code for apartments;
- protection of residential amenity including sunlight access, privacy and landscaping,
- protection of local/neighbourhood characters;
- urban residential planning to improve liveability and connectivity; and
- residential development responding to climate change.

## Medium Density Residential Development Standards Project (Apartment Code)

In 2019, the then Premier of Tasmania announced a project to prepare planning rules to deliver consistent requirements for apartment developments in Tasmania. The new requirements were to be implemented through an Apartment Code in the SPPs to provide a clear pathway for the assessment of apartments and encourage good quality design and liveable spaces.

A range of best practice design and planning requirements have been considered from other Australian states in preparing a draft Apartment Code. Early work commenced on the Apartment Code in late 2019 with the assistance of technical reference groups consisting of local council planners and architects. A draft of the Code was made available for targeted consultation in early 2020.

Revisions were made to the draft Apartment Code and further testing was undertaken as part of the Hobart Central Precincts Plan. The further testing identified additional design matters for consideration. The finalisation of the Apartment Code will need to be informed by the recommendations of this project and the adopted Design Guidelines for Medium Density Residential Development being undertaken as part of the Greater Hobart Plan.

#### Tasmania's housing strategy

Tasmanians are facing increasing housing affordability impacts in the global economic downturn and rising inflation since last year. On 8 September 2022, the government issued *Housing Strategy Discussion Paper* for developing Tasmania's first 20-year housing strategy.

To facilitate the government initiative and address the housing issues raised in the submissions during the SPPs review scoping, the residential standards review aims to analyse existing development enablers and constraints with specific reference to social and affordable housing, and to promote diverse and affordable housing opportunities without compromising strategic long term urban residential quality such as amenity, liveability, local characters and efficient use of service and infrastructure.

#### 2.1 Related projects and government initiatives

There are a number of other complementary projects, reviews and documents which will inform this project and likewise, this project will inform some of the others. The purpose of taking account of the various interrelated projects is to ensure the analysis and findings are thoroughly investigated, final recommendations lead to consistent, holistic and effective residential planning provisions. These projects include:

- Preparation of the Tasmanian Planning Policies Minister for Planning and State Planning Office
- Toward Infill Housing Development project 2019 Department of State Growth

- Implementation of the Greater Hobart Plan, including the Design Guidelines for Medium Density Residential Development) within Greater Hobart – Department of State Growth
- Review of the subdivision requirements contained in the SPPs and Local Government (Building and Miscellaneous Provisions) Act 1993 – State Planning Office (SPPs Review)
- Tasmanian Housing Strategy Homes Tasmania

## 3.0 Scope and Project Deliverables

The deliverables will need to focus on the key outcomes outlined below:

- promote sustainable residential development;
- promote the community's health and well-being by providing for active living and connectivity, including accessibility to public transport, employment, public spaces, services and other amenities;
- provide for a variety of housing typologies in diverse settlement areas;
- provide for redevelopment opportunities and greenfield development at increased densities in a variety of strategic locations;
- enhance neighbourhood character and amenities;
- take account of natural landscape and heritage;
- recognise the existing and predicted Tasmanian climate and solar orientation; and
- appropriately balance competing needs.

In making its recommendations, it is expected that the consultant/s will take account of Tasmania's residential accommodation needs, development opportunities and constraints, which are influenced by:

- economy,
- demographics,
- building industry characteristics and constraints,
- topographical and climate conditions, and
- unique environmental, landscape, cultural and indigenous heritage values.

Examples of facts influencing recommendations include that Tasmania has the third smallest population of all State and Territories in Australia with 571,500 by the end of 2022 but is experiencing a period of relatively high growth (growth rate of 0.6% over previous year). Tasmania also has over 5000 state listed heritage sites and many listings at the local level; and there are a variety of settlements (e.g., metropolitan areas, rural and coastal towns) where the residential standards apply across the 29 local government councils in Tasmania.

Tasmanian cities and towns have unique urban characters which should be taken into account for any urban design and development. However, the standards in the SPPs do not need to cover situations that can be addressed through particular purpose zones and specific area plans in LPSs. Planning models suitable for other jurisdictions may not be suitable for Tasmania. The recommendations should relate positively to principles in answering questions such as:

- What residential developments make a great town, suburb?
- Are the residential standards delivering equity, healthy spaces and sustainability?
- Are the residential standards suitable for Tasmania?
- Will the residential standards enable a town or suburb to evolve towards desired future urban setting?

In general, the recommendations should provide for consistent decision making and encourage residential use and development that is affordable, liveable, and sustainable, consistent with the Schedule I objectives of LUPAA.

The key deliverables are set out below, and include (without limitation):

#### 3.1 Literature review

A literature review is to be undertaken of current best practice in regard to other examples of urban residential use and development standards and associated outcomes to inform recommendations for amendments to the SPPs.

Review should cover the following contextual literature and expand broadly to other Australian States and Territories, as well as overseas examples as appropriate:

- State Planning Provisions Review Scoping Paper
- Review of Tasmania's Residential Development Standards Issues Paper
- Public submissions following the release of the SPPs review scoping paper
- Summary of key issues raised in SPPs issues scoping consultation
- Final Report on SPPs issue scoping consultation April 2023
- the latest draft of the Apartment Development Code, and future outputs of the Design Guidelines for Medium Density Residential Development within Greater Hobart
- the Productivity Commission's newly released review on the National Housing and Homelessness Agreement (NHHA)
- Towards Infill Housing Development Department of State Growth 2019
- Tasmanian Housing Strategy Discussion Paper
- More information at\_SPO Planning in Tasmania website: <a href="http://www.planningreform.tas.gov.au">http://www.planningreform.tas.gov.au</a>
- Section 8A Guideline No.1 and Commission Practice Notes 5 at Commission website: <a href="https://www.planning.tas.gov.au/">https://www.planning.tas.gov.au/</a>
- theLIST Spatial application of zones and code overlays in Tasmanian Planning Scheme LPSs

#### 3.2 Engagement

Effective stakeholder engagement and consultation can lead to better planning decision-making. It furthers Schedule I objectives of LUPAA by encouraging public involvement in resource management and planning to identify potential issues or opportunities that may have been overlooked otherwise.

The consultant/s are required to develop a targeted engagement strategy and undertake consultations accordingly. The consultation audiences include the Steering Committee, a Technical Reference Group, and any other stakeholder groups such as industry, peak bodies, and community groups. This should occur in tandem with tasks in section 3.3.

The engagement strategy should draw upon the issues raised in the submissions from the SPPs review scoping process, and include but not limited to:

- clear and measurable engagement objectives;
- engagement action plan detailing methods, tools, deadlines for different target groups;
- evaluation criteria for engagement outcomes;
- stakeholder analysis and risk management e.g., managing critics that negatively impacts upon the project during engagement and consultation.

Engagement and consultation outcome are to be documented, forming the basis of the final background report.

## 3.3 Prepare recommendations and detailed background report

This task entails providing recommendations for improvements to the urban residential standards in the SPPs and an associated background report.

This task should draw upon the work undertaken as part of the literature review and analysis of the existing urban residential use and development standards in the SPPs, including their spatial application and development outcomes. Underpinned by evidence-based study, the recommendations should address the issues raised by stakeholders and reflect best urban residential development and place making practice broadly while tailoring them to the Tasmanian context.

- The recommendations should draw from the conclusions from the literature review in Task 3.1 and engagement in Task 3.2 and include, but not limited to:
  - o identifying any changes to the current zone purpose, use table, use and development standards objectives, acceptable solutions and performance criteria for the urban residential and mixed use/business zones;
  - the need of any additional residential zones e.g., a higher density residential zone having regard of the context of street precinct, broader neighbourhood, and suburb, a zone focused on protecting neighbourhood character areas;
  - o any standards for other types of residential development e.g., boarding house, communal residence, residential care facility, assisted housing, retirement village; seasonal or non-resident workers accommodation;
  - advising on the precondition for successful inclusionary zoning in the form of mandatory affordable housing percentages;
  - An audit on housing diversity (through recent decisions on development applications) with a particular case study on social/affordable housing. The purpose of the audit is to highlight enablers and barriers in the planning scheme of diversity in housing stock.
  - o the need for any of the residential standards to apply to visitor accommodation to acknowledge that the uses are often interchangeable and co-located;
  - o identifying any improvements to the current SPPs residential subdivision standards;
  - o implementing standards for apartments, based on the outputs of the Design Guidelines for Medium Density Residential Development within Greater Hobart;
  - advising required changes to other SPPs sections to facilitate residential use and development, such as parking requirements for residential use;
  - recommendations that are within the existing Tasmanian land use planning framework and avoid duplicating or overlapping with requirements under other legislative frameworks (e.g. building regulations);
  - any other recommendations on implementing proposed changes through the Tasmanian Planning Scheme such as practicalities of applying in the LPSs;

- o observation of any consequential legislative changes that may need to be considered;
- o identifying any other policy initiatives that may be required for implementing recommendations such as collaboration between organizations, public and private sectors.
- The background report should explain the methodology and methods that are applied in the
  project and provides justification for the recommendations above. The background report
  may also provide advice on establishing the benchmarks by which future change will be
  measured.

## 4.0 Requirements and Format for Outputs

The background report and recommendations must be delivered to the State Planning Office as a Microsoft Word document/s:

- in draft form ("Draft Report") for review by the Steering Committee, Technical Reference Group, and any other identified stakeholder groups, within the period agreed in the contract; and
- in final form ("Final Report") based on the Draft Report and revisions in response to input from the Steering Committee, Technical Reference Group and any other identified stakeholder groups, within the period agreed in the contract.

Following provision of the Final Report, the State Planning Office intends to use to inform the preparation of amendments to the SPPs with the approval of the Minister for Planning.