

18th August 2016

Victorian State Government
Department Environment, Land, Water & Planning

Re: **COMMENTS ON “VICTORIAN BETTER APARTMENTS – DRAFT
DESIGN STANDARDS”**

As Property Developers active in the Melbourne medium density residential development market we offer the following comments on the *Victorian Better Apartments - Draft Design Standards*.

Specific Comments:

Building Setback

Examining the proposed building setbacks it can be readily seen that the proposed setbacks will significantly effect development potential of small to mid size sites. Development yields will be impacted and thus become financially unviable. This proposed Standard is too onerous.

Taking a simple example of a development site of say 20M wide x 50M long and proposing a five (5) storey building, a massive and unstainable 696 sq/M (69.6%) of site ground level space would have to be sacrificed to setbacks (side & rear) under the proposed draft Standards (making allowance for a 6M front setback).

The resulting yield (available built area of only 304 sq/M) from the above site is minimal and would make most (if not all) residential apartment developments financially unviable. The price paid for the site in metropolitan Melbourne (especially inner and middle suburbs) requires greater density (yield) and the setbacks contemplated in the draft Standard destroy the development feasibility .

The unintended impact of these proposed setbacks will literally shut-down the residential development industry for small to mid size sites in Melbourne. These are the very sites which should be infilled with higher density development surrounded by established infrastructure.

Light Wells.

How will this Standard address overlooking and screening within light wells ?

We suggest the offsetting or staggering of separate dwelling windows within lightwells will not overcome overlooking problems.

Obviously screening (of any type) will further inhibit access to adequate daylight.

Windows

Under this proposed Standard a habitable room is defined as a bedroom, living room, dining room, kitchen area or study.

We can see no valid reason why a study should be forced to have a window for direct access to daylight and suggest "study" be deleted from the draft Standard.

There is wide spread debate in the development industry that not all bedrooms require direct access to daylight, especially since bedrooms are intended for sleeping at night and some people prefer dark, quite bedrooms.

Adequate ventilation can be achieved without the need of a window.

Communal Open Space.

Again, this proposed Standard's impact on small to medium sites will be significant, in most cases not financially feasible and will significantly impact yield making development unviable.

The proposed Standard states ...'be substantially fronted by dwellings and provide outlook for as many dwellings as practicable and be accessible". For ground level dwellings how will this Standard address overlooking and dwelling privacy ?

We question the concept and need for communal open space. It assumes that dwelling inhabitants will use this open space. Is there any recent survey or statistical data proving that dwelling inhabitants will infact regularly use intended communal open space ? We believe it is a misconception. We suggest most residents of medium density developments would prefer to leave the site and visit the local coffee shop, park, river walk or other local amenity rather than sit at the base of a 4,5 or 6 storey building in communal open space.

How can an area be deemed communal open space and also afford privacy to ground level dwellings ? In many cases window outlook will be curtailed and impaired. Privacy screening is an extremely poor design solution to overlooking and internal privacy amenity for apartment owners or tenants.

On the other hand, we feel rooftop break out areas and roof gardens are a concept of great merit, however a new proposed Standard should be developed to encourage their incorporation within apartment designs without detriment or limitation on overall building height (ie: the rooftop garden area, pergolas and walls are not counted nor considered as a level).

General Comments – Zoning

Should the Victorian Better Apartments - Design Standards clarify the application of these proposed Standards for various Council zonings.

For example , do these proposed Standards apply to mixed-use developments comprising retail ground levels with residential apartments above in a commercial / business zone ? We suggest this is a popular development scenario in suburban Melbourne.

General Comments - Development viability and dwelling affordability.

It is interesting to note that the existing Project Reference Group does not include numerous small, mid and large property developers. This is most unfortunate as these are the individuals “at the coal face” daily in residential medium density property development throughout greater Melbourne and have a honed working knowledge of development feasibility and viability. We would suggest their skill set is not matched by any of the current Project Reference Group members, including the Urban Development Institute of Australia and the Property Council of Australia. The reference group should be expanded to include minimum 5-10 property developers.

Without doubt, the proposed Draft Design Standards (ceiling heights, minimum bedroom room sizes, setbacks, windows and communal open space) will significantly impact development viability to the direct detriment of dwelling affordability.

To be perfectly frank, we feel, if implemented and brought into statutory effect, many of these Standards (in their current draft form) will so adversely effect residential development as to make literally hundreds of potential development sites throughout greater Melbourne financially unviable.

Reading through several of the proposed Standards we question whether any State Government panel or individual has worked through and applied many of the proposed Standards and their likely impact on the development industry. We venture to suggest they have not otherwise they would immediately understand some are both impractical and unachievable, unless of course it is the intention of the State Government to severely curtail development opportunity in the State.

In many cases we feel these draft Standards fail to understand the very fine balance between current land cost, site area, density (apartment yield) and project viability.

We don't feel an attitude of "lets simply get something out there and test the water" will suffice. It will cause wide spread industry confusion and resentment.

There is no doubt of the requirement for the Victorian Better Apartment Design Standards however these should be carefully considered, be practical, tested and then implemented. The property development industry has long been and will continue to be a key driver of the Victorian economy - lets not destroy it !
