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FRANKSTON CITY HOUSING STRATEGY

BACKGROUND ANALYSIS

FRANKSTON CITY COUNCIL AND TRACT | MARCH 2023

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EXECUTIVE SUMMARY

This report was prepared by Urban Enterprise to provide background analysis to inform the preparation of a Housing Strategy for Frankston City. The Strategy will provide Council with a plan to manage housing growth and change across the municipality over the next 15 years.

CONTEXT

State planning policy requires Councils to plan for at least 15 years supply of land for housing growth and aims to increase the proportion of housing being accommodated in established areas. Frankston City will have an important role in accommodating growth in established areas given the absence of urban growth areas in the municipality.

The State significance of the Frankston Metropolitan Activity Centre (FMAC), Frankston Health and Education Precinct and Karingal Major Activity Centre (Karingal MAC) will influence future housing needs and opportunities. In particular, the FMAC is currently being planned to accommodate higher density housing as well as a substantial increase in employment.

DEMOGRAPHIC AND HOUSING PROFILE

Frankston City had a population of approximately 141,000 residents in June 2021. The municipal population increased at an average rate of 1.1% per annum prior to the Covid-19 pandemic, during which population decreased.

There were approximately 59,000 dwellings in the municipality in 2021, 78% of which were separate houses. Almost 30% of dwellings are rented - a higher proportion of households rent in Frankston North (46%) and Frankston (40%), which contrasts with the predominance of owner-occupancy in Langwarrin, Langwarrin South, Frankston South and Sandhurst.

Although the overall community is characterised by an ageing population and relative socio-economic disadvantage, the demographic profile varies widely by suburb. In general, there are significant variations in the socio-economic and housing characteristics of residents in Frankston and surrounds compared with generally lower density ‘hinterland’ suburbs which should be considered as part of the Strategy.

Lone person households account for a significant and increasing proportion of households. This household type has a significantly greater propensity to live in medium and higher density dwellings than other household types.

Couples with and without children and single-parent families are also important cohorts in terms of their proportion of the overall household composition. Most couples without children occupy dwellings with 3 or more bedrooms, suggesting both a preference for separate dwellings and an opportunity to make more efficient use of the existing housing stock.

PROPERTY MARKET CONDITIONS

Although the Victorian economy is recovering well from the effects of the COVID-19 pandemic, unemployment is forecast to increase in the short term and Frankston’s unemployment rate has generally been higher than that of Melbourne, a consideration for the Strategy in terms of housing temporary and longer term unemployed residents.

In the short term, the concurrent impacts of inflation and rising interest rates are likely to continue to limit the capacity of households to pay for and purchase housing. This is likely to lead to a reduction in housing market participation, property prices and development activity in many parts of Melbourne.

Frankston City house prices increased at 7.5% per annum over the past 10 years, higher than metropolitan Melbourne‘s 6% indicating strong medium term demand for houses in the municipality. A feature of the post-pandemic property market has been generally stronger price performance of houses compared with units, as many households have sought greater living space. Property prices and consultation with real estate agents indicate that there is currently moderate demand for medium density housing in Frankston City by comparison.

Frankston City has experienced sustained and accelerating rent price growth over the past 3 years. Rental vacancy rates have been very low at approximately 1% for several years and there are significant waiting lists for rental properties in the municipality.

In broad terms, housing affordability has declined across Melbourne over the medium term, including in Frankston City. Of greatest concern in Frankston City is rental affordability given the substantial proportion of the community who rent and the proportion of the community experiencing socio-economic disadvantage. In 2021, 40% of Frankston City households who rent spent more than 30% of their total income on housing, indicating likely housing stress. The proportion of new rental lettings in Frankston City classified as affordable for low income earners was just 4% in 2022 - this proportion has declined substantially over the past 5 years.

Rental affordability pressures are intensifying, indicated by strong rent price growth and an overall lack of new rentals becoming available.

DEVELOPMENT ACTIVITY

From 2016 to 2022, an average of 557 new dwellings were approved for construction per annum in the municipality. The highest number of approvals were recorded in the suburbs of Carrum Downs, Frankston and Langwarrin.

A common development type has been 2-4 lot subdivisions creating townhouses or units on former house lots. There has been a lack of larger residential buildings constructed, although several low-rise apartment buildings have recently been delivered in the FMAC. Importantly, several applications are before Council for development in the FMAC including both low rise and high rise development proposals, including towers of up to 30 storeys.

In 2022, there were approximately 1,720 dwellings in the Major Redevelopment Site pipeline within the municipality, over 50% of which are in the suburb of Frankston. These dwellings are within developments that were proposed, under planning consideration, approved or under construction in 2022. Apartments account for 60% of all 'pipeline' dwellings, representing a significant change to the type of development activity which has occurred in recent years.

FUTURE HOUSING NEEDS

Analysis of population growth rates, demographic changes and various sources of dwelling projections and activity levels indicate that the Frankston Housing Strategy should plan to accommodate at least 9,000 additional dwellings over the next 15 years. Population growth and housing demand is expected to be strongest in the FMAC, along with the suburban areas of Frankston, Carrum Downs and Seaford.

The analysis identifies that:

- Significant growth projected in lone person households and older residents highlights the importance of increasing the stock of housing suitable for older singles (including retirement living and aged care).
- The substantial projected increase in couples without children will result in decreasing household sizes and a need for smaller dwellings in addition to standard density housing.
- One parent households are expected to continue to increase in scale and have a high propensity to occupy larger rental housing, a housing product which will be important to enable movement within the local area when family circumstances change.
- Ongoing development of housing suitable for families will be required, including both separate dwellings and medium density alternatives.
- Approximately 3,000 additional rental properties will be needed by 2038, requiring a fundamental increase in the current rate of growth of rental housing.
- If no changes are made to the balance of dwelling sizes over the strategy period, there is likely be an ongoing misalignment in terms of dwelling size compared with household size. In the context of an established municipality with a lack of developable residential land and declining housing affordability, increasing utilisation of the existing housing stock should be a key priority for the Strategy.

The relatively high incidence of social disadvantage, unemployment and low incomes in parts of the municipality will require ongoing delivery of supported housing in addition to market-supplied housing. This will become increasingly critical in the context of very low vacancies, strong rent growth, high inflation and low wage growth.

The availability of affordable and accessible housing for students and key workers (especially proximate to the Frankston Health and Education Precinct) is an important consideration given social and economic implications.

HOUSING CAPACITY

Most residential land in Frankston City is in the General Residential Zone – the majority of this land is characterised by separate houses on lots typically between 600 and 1,000sqm. By contrast, supply is relatively limited in residential zones where higher density housing development is encouraged (other than the FMAC and surrounds).

Housing capacity has been assessed based on unit and townhouse typologies throughout the General Residential Zone and apartment development on larger sites in zones where policy encourages higher densities including the Residential Growth Zone, Mixed Use Zone and Commercial 1 Zone.

There was a total theoretical capacity of approximately 37,000 dwellings in 2022, including approximately 10,000 dwellings in the FMAC and 27,000 in the balance of the municipality.

Outside the FMAC, 95% of the additional capacity is within the General Residential Zone. Opportunities for subdivision in the LDRZ are mostly exhausted, while there is low to moderate capacity within the Commercial 1 Zone, Mixed Use Zone and Residential Growth Zone.

76% of theoretical capacity is within infill sites with the potential to accommodate one or two net additional lots. Realisation of this type of capacity is typically slow and highly uncertain given the reliance on a very large number of individual landowners to sell or develop.

There are approximately 900 dwellings within current development proposals outside the FMAC (based on UDP and Council permit information for strategic sites).

KEY ISSUES FOR STRATEGY

Based on the analysis in this report, the following key issues should be considered as part of the Housing Strategy:

1. Accommodate at least 9,000 additional dwellings over the next 15 years.
2. Increase the stock of housing suitable for older singles (including retirement living and aged care).
3. Ensure a range of dwellings sizes are available to suit overall decreases in average household sizes.
4. Address the lack of rental housing relative to demand (especially for lower income earners and single parent families), as well as accommodating a net increase of 3,000 rental dwellings. This should include consideration of emerging development types such as Build to Rent.
5. Respond to ongoing housing affordability pressures.
6. Plan for ongoing increases in housing suitable for families, including a combination of separate dwellings and medium density alternatives. This could include both larger apartments and townhouses.
7. Address the likely misalignment of dwelling size and household size by aiming to increase the utilisation of existing housing stock.
8. Ensure that social and affordable housing is prioritised to respond to the relatively high incidence of social disadvantage, unemployment and low income households.
9. Further investigate and address issues associated with the availability of affordable and accessible housing for students and key workers, especially in proximity to the Frankston Health and Education Precinct.
10. Encourage increases in housing stock in areas that will support ready access to employment, health, education and services, especially those proximate to public transport, train stations and the FMAC.
11. Capitalise on the substantial housing capacity of established residential areas to complement strategic sites, higher density zones and activity centres where (with the exception of the FMAC) the availability of logical larger scale development opportunities is diminishing.

1. INTRODUCTION

1.1. ENGAGEMENT AND PURPOSE

Urban Enterprise was engaged by Tract on behalf of Frankston City Council (Council) to prepare background analysis to inform the preparation of a Housing Strategy for the municipality (referred to in this report as Frankston City). The Housing Strategy will provide Council with a plan to manage housing growth and change across the municipality over the next 15 years.

1.2. SCOPE OF WORK

This report considers historic and projected population and dwelling growth, demographic influences, property market conditions, housing capacity, future housing needs and specific issues regarding housing affordability and housing required for students and key workers.

1.3. STRUCTURE OF THIS REPORT

This report has the following structure:

- Section 2: Background and Context – this section provides an overview of the location and strategic context of Frankston.
- Section 3: Demographic and Housing Profile – this section provides a profile of current demographics and housing in Frankston City, including historic population growth and drivers, dwelling growth, household type and size and propensity for community cohorts to use different housing types.
- Section 4: Property Market Conditions and Affordability – this section provides an overview of current property market conditions influencing demand, availability and affordability.
- Section 5: Development Activity – provides analysis of the types and locations of housing development that has occurred in the municipality over the past 10 years.
- Section 6: Future Housing Needs – this section provides an overview of the future housing needs across Frankston City, with consideration given to Victoria in Future and Forecast Id population and dwelling projections and the specific needs for affordable housing, students and key workers.
- Section 7: Capacity for Housing Growth – this section provides a summary of the dwelling capacity of residential zoned land to accommodate housing.
- Section 8: Strategy Considerations – this section identifies the key implications of the preceding analysis for the Housing Strategy.

2. CONTEXT

2.1. INTRODUCTION

This section of the report provides an overview of the location and strategic context of Frankston City, including consideration of key state and local planning policy.

2.2. KEY POINTS

- **Plan Melbourne identifies the Frankston Metropolitan Activity Centre (FMAC), Frankston Health and Education Precinct, and Karingal Major Activity Centre (Karingal MAC) as locations of state significance relevant to planning for housing, but does not identify any urban growth areas or urban renewal areas within the municipality.**
- **Frankston City will have an important role in supporting the achievement of the State policy aspiration of 65% - 70% of housing being accommodated in established areas.**
- **Major investments in public transport, health and education within and near the municipality will improve the accessibility of houses in Frankston City to employment in other parts of metropolitan Melbourne, as well as supporting additional employment and training opportunities within Frankston City, which is expected to result in additional demand for housing in proximity to these opportunities.**
- **The FMAC is currently being planned to accommodate higher density housing as well as a substantial increase in employment.**

2.3. LOCATION CONTEXT

Frankston City is located approximately 40km southeast of the Melbourne CBD. The municipality incorporates the suburbs of Frankston, Frankston North, Frankston South, Carrum Downs, Langwarrin, Langwarrin South, Seaford, Skye and Sandhurst. A context map is provided in Figure 1.

F1. CONTEXT MAP

Source: Urban Enterprise.

2.4. POLICY CONTEXT

PLAN MELBOURNE

Plan Melbourne was prepared in 2017 by the Victorian State Government and provides a strategic plan and framework for the future growth and development of the metropolitan area, including Frankston City Council.

Plan Melbourne identifies the Frankston Activity Centre as a state significant Metropolitan Activity Centre (MAC). MACs are locations where both employment opportunities and housing growth is directed to occur. The FMAC is specifically identified as a location where a range of services is supported, including government, education and health-related land uses. Further, the Frankston Hospital and Monash University Precinct is identified in Plan Melbourne as a Health and Education Precinct, and Karingal is identified as a Major Activity Centre.

Plan Melbourne does not identify any urban growth areas or urban renewal areas within the municipality, meaning that only the FMAC is designated as a location of state significance in terms of accommodating substantial housing growth. Plan Melbourne has an aspirational target of achieving between 65% and 70% of all new dwellings being constructed in established areas, with the remainder in urban growth areas. As an established area, Frankston City will have an important role in supporting the achievement of this policy aspiration.

Plan Melbourne identifies a number of level crossing removal projects in the City, as well as identifying the nearby Port of Hastings as a transport gateway and state significant industrial precinct.

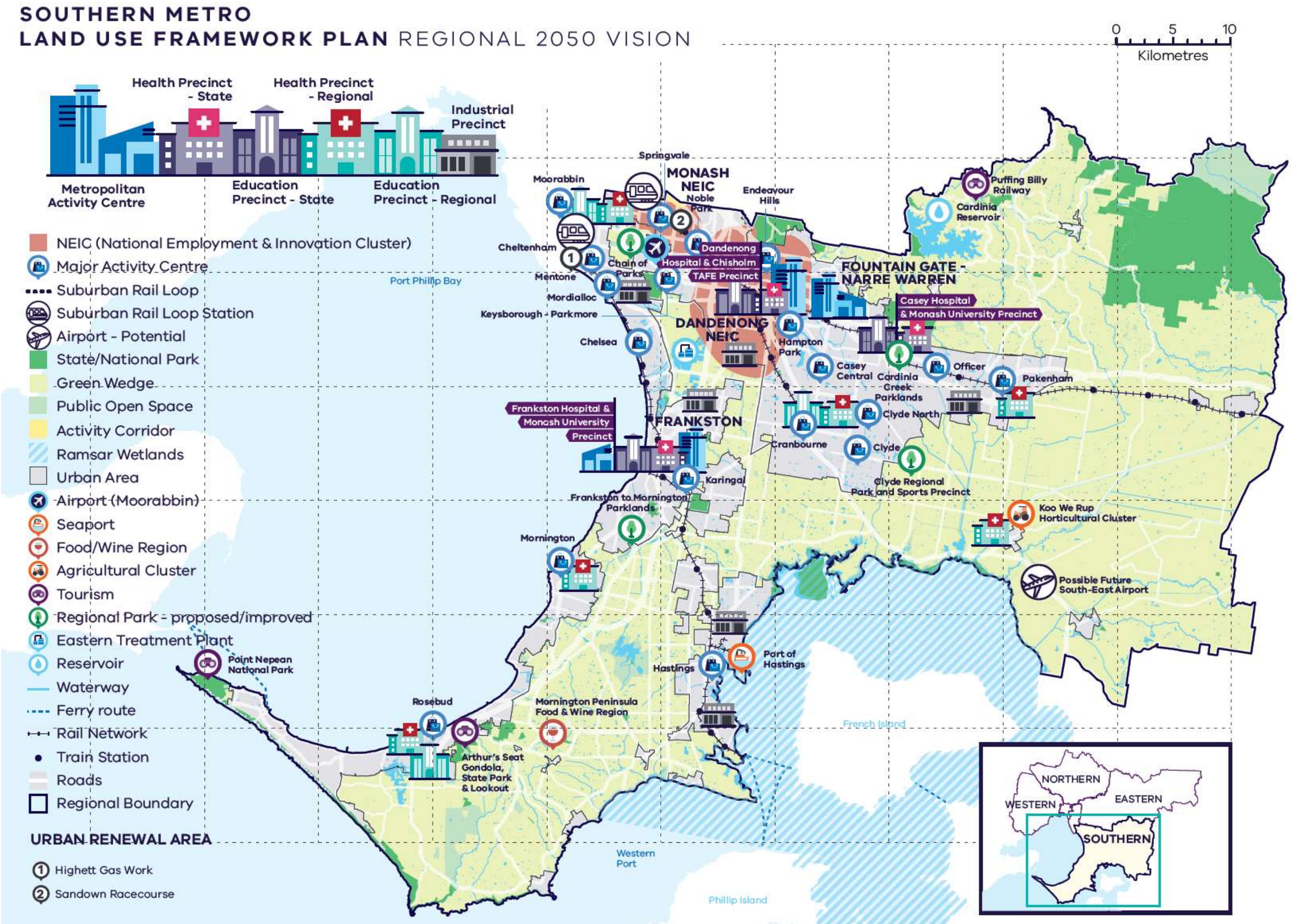
DRAFT SOUTHERN METRO LAND USE FRAMEWORK PLAN

The Draft Southern Metro Land Use Framework Plan (Vision shown in Figure 2) was prepared by the State Government to provide further guidance for the future development of the southern region of metropolitan Melbourne.

In relation to housing, the draft Framework Plan identifies that the FMAC will have a significant role in accommodating medium to higher density housing as well as mixed use development, with structure planning required to identify the most suitable / preferred locations for increasing density of housing in the MAC.

The Framework Plan identifies the Karingal Major Activity Centre as a location for medium- and higher-density housing and mixed-use development which could extend 800m from the activity centre. The Framework Plan also identifies the area around Seaford Station as a 'Housing Investigation Area' with "potential to support medium and higher-density housing development in line with maximising access to public transport and 20-minute neighbourhood principles." (p.69)

F2. DRAFT SOUTHERN METRO LAND USE FRAMEWORK PLAN



Source: Draft Southern Metro Land Use Framework Plan.

2.5. PREVIOUS HOUSING STRATEGIES

The current Frankston Housing Strategy (2013) was incorporated as a reference document in the Frankston Planning Scheme through Planning Scheme Amendment C100 in 2016.[1]

The following challenges were identified in the Strategy:

- Limited supply of land available for greenfield residential development.
- Demand for and distribution of public and social housing.
- Protection of areas with significant environmental and neighbourhood character values.
- Relative socio-economic disadvantage of the area.
- Provision and capacity of physical and community infrastructure.
- Promoting environmentally sustainable development and responding to the projected impacts of climate change.

To respond to these challenges and expected change, the Strategy identified a number of key themes including location and capacity, diversity and specialised housing, and affordability.

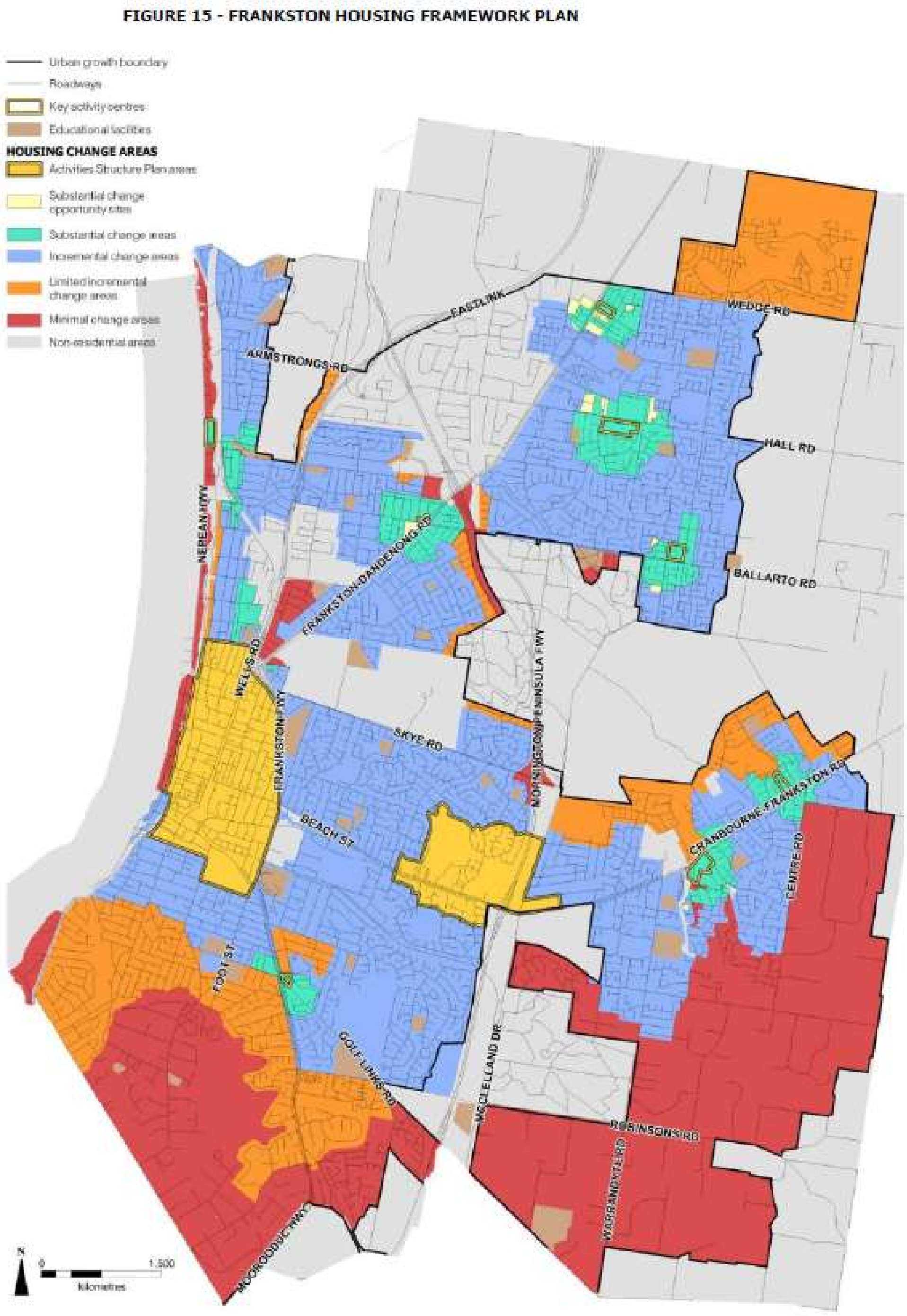
[1] A 2018 update to the Housing Strategy was prepared and adopted by Council but not implemented into the Frankston Planning Scheme.

The Strategy also identified four housing change areas as well as opportunity sites to assist in the identification of locations suitable for low, medium and high density development (see Figure 3). The four change areas are:

- Activities Structure Plan Areas;
- Substantial Change Areas;
- Incremental Change Areas; and
- Minimal Change Areas.

Figure 3 shows the location of each of these areas.

F3. FRANKSTON HOUSING FRAMEWORK PLAN, 2013



Source: Frankston Housing Strategy, 2013, p49.

2.6. FRANKSTON METROPOLITAN ACTIVITY CENTRE STRUCTURE PLAN

The FMAC Structure Plan was prepared by Council in 2015 and provides guidance for the further growth and development in the Metropolitan Activity Centre.

The Plan supports the development of higher density housing such as apartments. The Plan also encourages a mix of dwelling sizes and types including mixed use developments and student housing / accommodation in suitable locations.

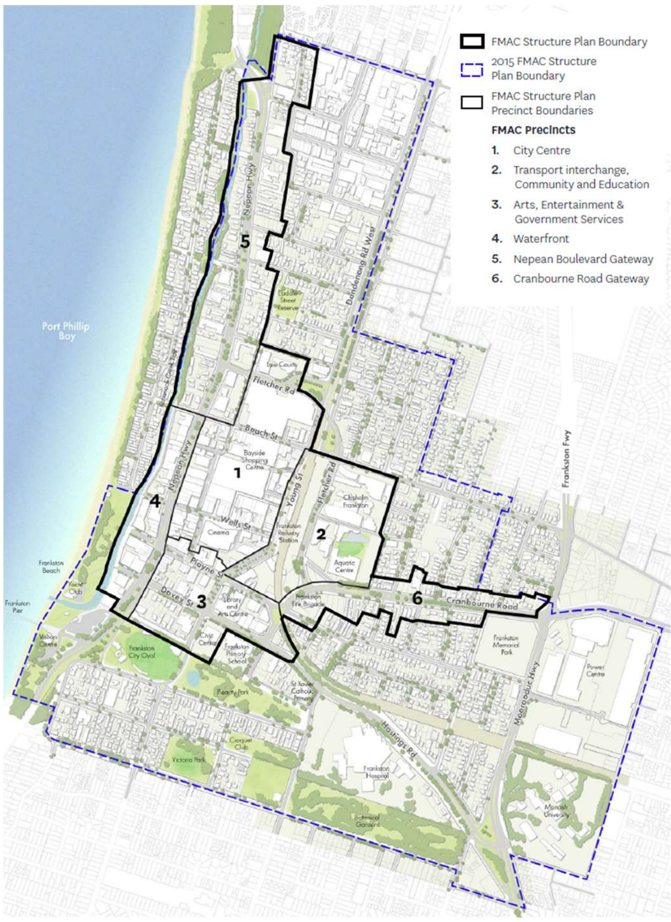
An updated Draft FMAC Structure Plan was prepared by Tract Consultants on behalf of Council in October 2022. The Draft FMAC Structure Plan provides a vision and framework for the future development of FMAC and anticipates an additional 1,888 dwellings will be required within the activity centre by 2041. In addition 93,000sqm of non retail employment floorspace and 65,300sqm of retail floorspace is anticipated to be required to support employment growth by 2041.

The draft FMAC Structure Plan identifies that a range of housing opportunities will be provided in the Activity Centre including high density development. The strengthening of FMAC's employment, service and retail role is also supported and aims for FMAC 'to become the capital of the south east'. To support this, six precincts are identified in the Draft Structure Plan. A range of retail, office, accommodation, community and other uses are supported across the precincts.

Consultation on the Draft FMAC Structure Plan has been completed and the final Plan is expected to be prepared and presented for Council adoption by June 2023.

Figure 4 shows both the existing and proposed revised boundary of the FMAC.

F4. FMAC BOUNDARY PLAN



Source: Draft FMAC Structure Plan, 2022, p10.

2.7. INFRASTRUCTURE AND INVESTMENT

Demand for housing in Frankston City will be influenced by investment within and near the municipality. Current and proposed projects include:

- The removal or proposed removal of five level crossings located within or at the Frankston City boundary as part of the Level Crossing Removal project.
- The construction of the Suburban Rail Loop (East) which is proposed to connect Cheltenham with Box Hill in Melbourne's east. Construction for the project has commenced and is expected to be completed by 2035.
- Potential electrification of the Baxter railway line which could include new and upgraded stations at Langwarrin, Frankston East, Frankston and Baxter (the project has been the subject of proposed funding commitments but is yet to be officially funded or finalised);
- Nomination of the Port of Hastings as the preferred location of an off-shore wind renewable energy construction hub to support major renewable energy projects in Gippsland;
- A $1.1 billion redevelopment of Frankston Hospital to deliver a new 12-storey clinical services tower and main entrance, 130 more beds, new spaces for mental health and oncology services and 15 new operating theatres, expected to be completed in 2025;
- Ongoing upgrades and expansion to the Chisolm TAFE campus in Frankston;
- Sealing of roads identified in Council's Contributory Schemes Policy (2019);
- Upgrade to commuter carparks at Frankston (500 cars) and Kananook (330 cars) railway stations; and
- Upgrade of sport and recreation facilities including the Frankston Basketball Stadium ($45 million) and Jubilee Park Sports Stadium ($32.5 million).

These investments in transport, health, education and recreation will improve the accessibility of houses in Frankston City to employment in other parts of metropolitan Melbourne, as well as supporting additional employment and training opportunities within Frankston City which will result in additional demand for housing in proximity to these opportunities.

3. DEMOGRAPHIC AND HOUSING PROFILE

3.1. INTRODUCTION

This section of the report provides a profile of current demographics and housing in Frankston City, including historic population growth, drivers of population change, dwelling growth, households, student housing and key worker housing.

Definitions for key terms are provided in Appendix A. Data is provided for several spatial areas which are shown in Appendix B.

3.2. KEY FINDINGS

- **The municipal population was approximately 141,000 in 2021 and increased at an average of 1.1% per annum prior to the COVID-19 pandemic, which resulted in a marginal population decrease.**
- **Net Overseas Migration is an important component of the City's population growth and therefore demand for housing.**
- **Although the overall community is characterised by older residents, an ageing population and relative socio-economic disadvantage, the demographic profile varies widely by suburb.**
- **There are significant variations in the socio-economic and household characteristics of residents in Frankston and surrounds compared with generally lower density 'hinterland' suburbs which should be considered as part of the Strategy.**
- **The household composition of suburbs varies widely, with a high proportion of families in Skye, Langwarrin South and Sandhurst, which contrasts strongly with the prominence of lone person households and one-parent families in Frankston North, Frankston and Seaford.**
- **There is substantial variation in median weekly household incomes between suburbs. Langwarrin South and Sandhurst households have substantially higher median incomes than Greater Melbourne, while Frankston North, Frankston and Seaford households have materially lower median incomes.**
- **There were approximately 59,000 dwellings in the municipality in 2021, 78% of which are separate houses. Almost 30% of dwellings are rented.**
- **High proportions of households rent in Frankston North (46%) and Frankston (40%), which contrasts with the predominance of owner-occupancy in Langwarrin, Langwarrin South, Frankston South and Sandhurst.**
- **Lone person households account for a significant and increasing proportion of households (26% in 2021), while couples with and without children and single-parent families are important cohorts in terms of their proportion of the overall household composition.**
- **Lone person households have a significantly greater propensity to live in medium and higher density dwellings than other household types. 86% of couples without children occupy dwellings with 3 or more bedrooms, suggesting both a preference for separate dwellings and an opportunity to make more efficient use of the existing housing stock available.**

3.3. POPULATION AND DEMOGRAPHIC PROFILE

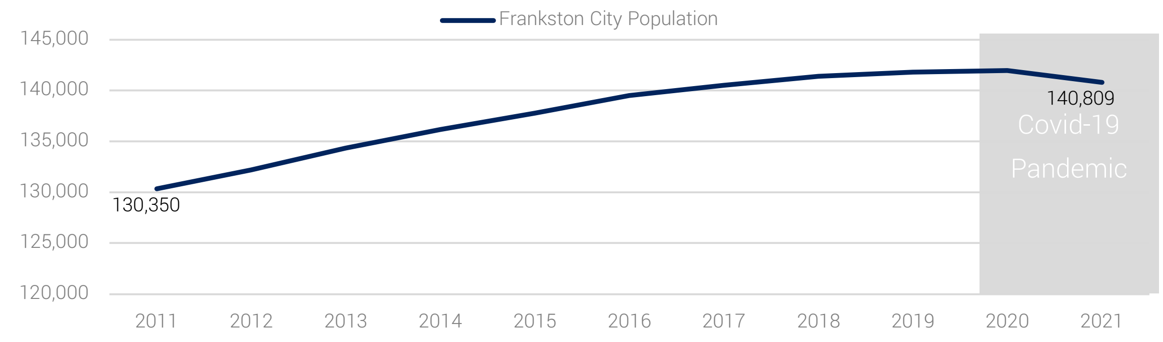
POPULATION

Frankston City Council had a population of approximately 140,800 residents in June 2021.

The municipal population increased at an average rate 1.1% per annum from 2011 to and 2019, followed by a slight decline from 2019 to 2021, a period directly impacted by the COVID-19 pandemic. The pandemic and associated impacts led to changes in overseas and internal migration patterns, with no international arrivals and a surge in the number of Melbourne residents migrating to regional Victoria or interstate.

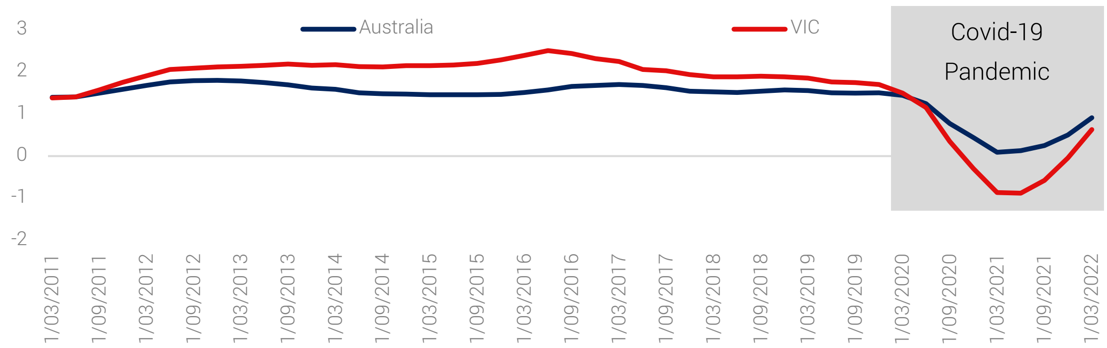
Now that state and international borders are open and health directions have ceased, population growth is generally reverting to pre-pandemic levels (this is evident at the national level as shown in Figure 6).

F5. ESTIMATED RESIDENTIAL POPULATION, FRANKSTON CITY



Source: Estimated Residential Population, ABS, 2021.

F6. POPULATION GROWTH RATES, AUSTRALIA AND VICTORIA MARCH 2011 TO MARCH 2022



Source: Centre for Population Growth. *Growth rate is a percentage for example 1 = 1%.

Prior to the pandemic, the rate of population growth experienced in Frankston City (1.1%) was comparable to other established areas of southern metropolitan Melbourne such as Kingston (1.2% per annum) and Bayside (1.1% per annum), but considerably lower than Greater Melbourne overall (2.3% per annum) (Table 1).

T1. POPULATION GROWTH RATE

	Pre-Pandemic				Pandemic Period			
Year	2011	2019	2011 to 2019	AAGR%	2020	2021	2020 to 2021	AAGR%
Frankston City	130,350	141,819	11,469	1.1%	141,984	140,809	-1,175	-0.8%
Greater Melbourne	4,105,857	4,913,138	832,551	2.3%	5,001,917	5,054,839	52,922	1.1%

Source: Estimated Residential Population, ABS, 2021.

DRIVERS OF POPULATION GROWTH

In Frankston City, the primary driver of population growth has been natural increase (births minus deaths) with an average net increase of 866 residents per annum over the past 5 years. In most years (except during the pandemic), Frankston City has experienced positive Net Overseas Migration, an important consideration for housing (see Table 2).

T2. POPULATION COMPONENTS, FRANKSTON CITY

Year	Natural Increase	Net Internal Migration	Net Overseas Migration	Change in Population
2017	1,064	-687	839	1,216
2018	991	-664	802	1,129
2019	737	-733	794	798
2020	830	-761	567	636
2021	708	-1,533	-309	-1,134
Average	866	-876	539	529

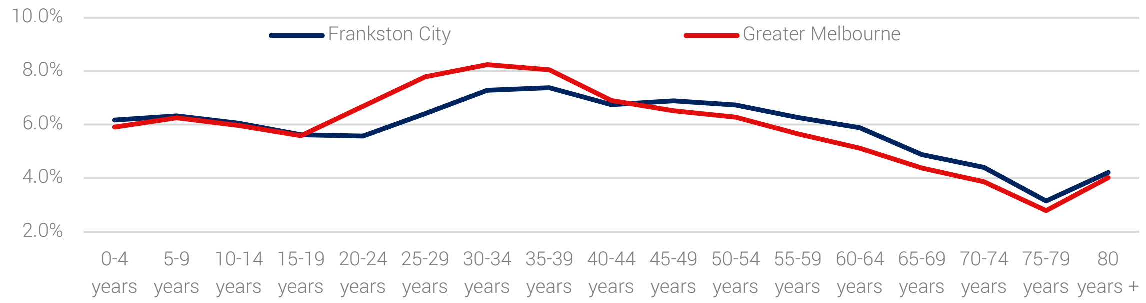
Source: Estimated Residential Population, ABS, 2021.

AGE PROFILE

The median age of residents in 2021 was 39 years, higher than the Greater Melbourne median of 37. Compared with Greater Melbourne (Figure 7), Frankston City has a greater proportion of residents aged 45 years and older and a lower proportion of residents aged in their late teens (15 years to 19 years), young adults (20 years to 34 years) and parents and homebuilders (35 years to 44 years).

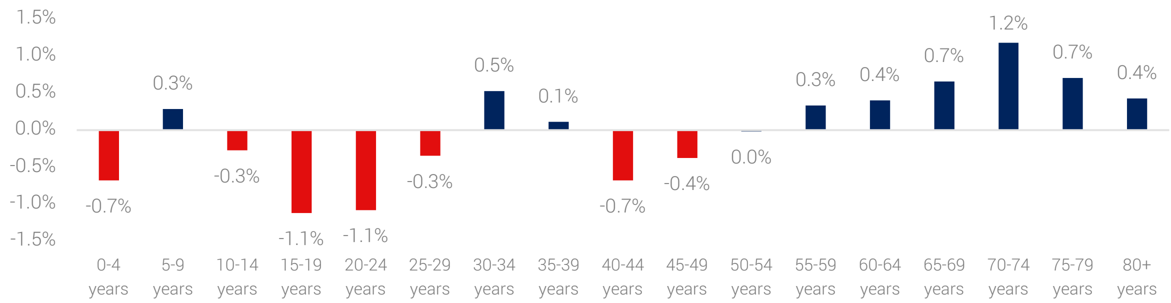
The community is also aging, with the proportion of pre-retirees, retirees / seniors and elderly residents increasing between 2011 and 2021 as shown in Figure 8. Over the same period, the proportion of young children, teenagers and adults decreased.

F7. AGE PROFILE, FRANKSTON CITY, 2021



Source: Census of Population and Housing, ABS, 2021.

F8. CHANGE IN AGE, FRANKSTON CITY 2011 TO 2021



Source: Census of Population and Housing, ABS, 2021.

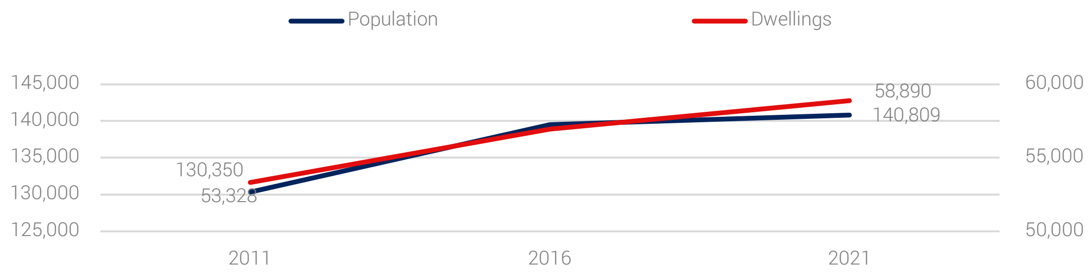
3.4. DWELLINGS

There were approximately 59,000 dwellings located in Frankston City in 2021 (ABS Census), 95% of which were occupied on Census night.

The number of dwellings increased by approximately 560 per annum (1.0%) between the 2011 and 2021 Census, comparable to the population growth rate over the period.

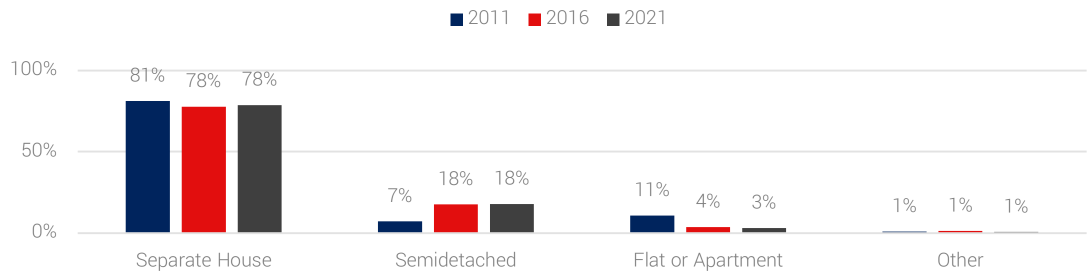
As shown in Figure 10, the majority of existing housing stock in the municipality is comprised of separate houses (78%), with medium density housing accounting for 18%. Only 3% of dwellings are flats or apartments.

F9. TOTAL DWELLING GROWTH, FRANKSTON CITY



Source: Estimated Residential Population, ABS, 2021 and Census of Population and Housing, ABS, 2011, 2016 and 2021.

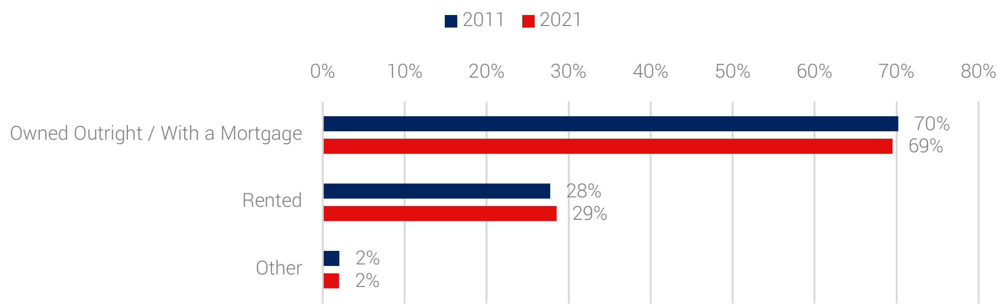
F10. DWELLING STRUCTURE, FRANKSTON CITY



Source: Census of Population and Housing, ABS, 2011, 2016 and 2021.

The majority of dwellings (70%) are owner-occupied (either owned outright or with a mortgage). 29% of occupied dwellings are rented, marginally higher than 28% in 2011 (Figure 11).

F11. TENURE, FRANKSTON CITY



Source: Census of Population and Housing, ABS, 2011 and 2021.

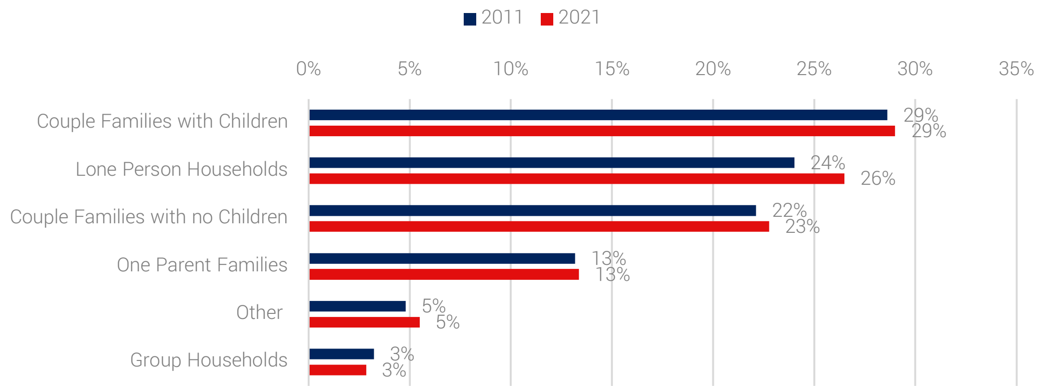
3.5. HOUSEHOLDS

Households in Frankston City are generally similar in size to households across Greater Melbourne, with an average of 2.5 people per household.

Almost 30% of households in the municipality are couple families with children, with a further 23% of households couples with no children. These proportions have remained relatively consistent since 2011.

Lone person households account for a significant and increasing proportion of households (26% in 2021). Any continuation of this trend will increase demand for housing that is suitable for singles in terms of dwelling size, location, tenure and price.

F12. HOUSEHOLD COMPOSITION



Source: Census of Population and Housing, ABS, 2011 and 2021.

3.6. HOUSING PROPENSITY

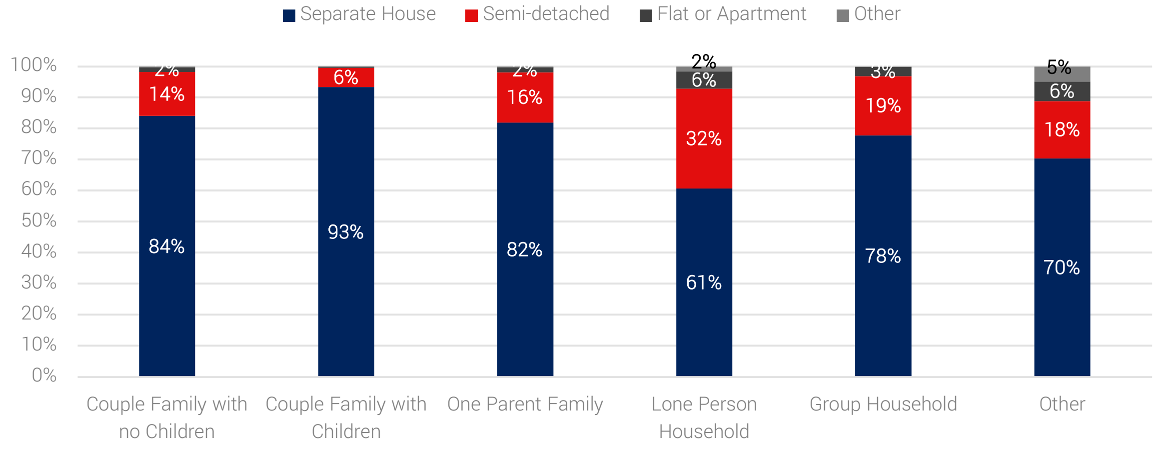
The size and type of households directly influences housing choices in terms of dwelling types, sizes and tenure. Figures 13, 14 and 15 shows the propensity of households in Frankston City to occupy different types of housing.

Key observations are as follows:

- Separate houses are the most commonly occupied dwelling type for all household types. 93% of families with children live in separate houses, along with 84% of couples with no children.
- Lone person households have a significantly greater propensity to live in medium and higher density dwellings than other household types. Further, a third of lone person households live in semi-detached dwellings or flats and apartments.
- In terms of tenure, group households and one parent families have the greatest propensity to rent while couples (no children) and families (couple with children) are mostly owner-occupiers.
- Three bedroom dwellings are most commonly occupied by all household types, however lone person households have a higher propensity for one and two bedroom dwellings when compared to other household types. 86% of couples occupy dwellings with 3 or more bedrooms, suggesting both a preference for separate dwellings and an opportunity to make more efficient use of the existing housing stock available.

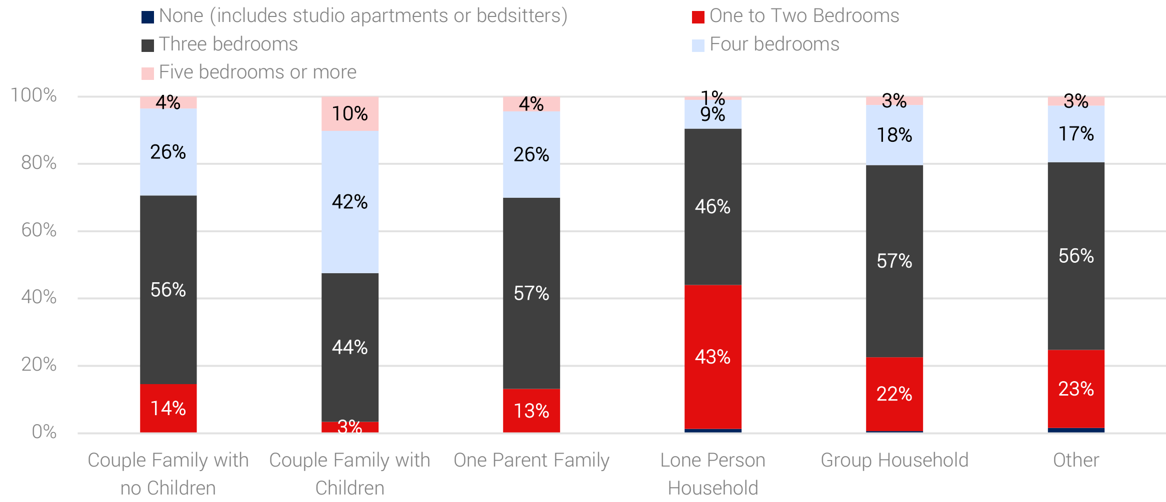
These propensities and preferences will influence the dwelling types that are needed to meet demand for housing from different market segments.

F13. HOUSEHOLD COMPOSITION BY DWELLING TYPE, 2021



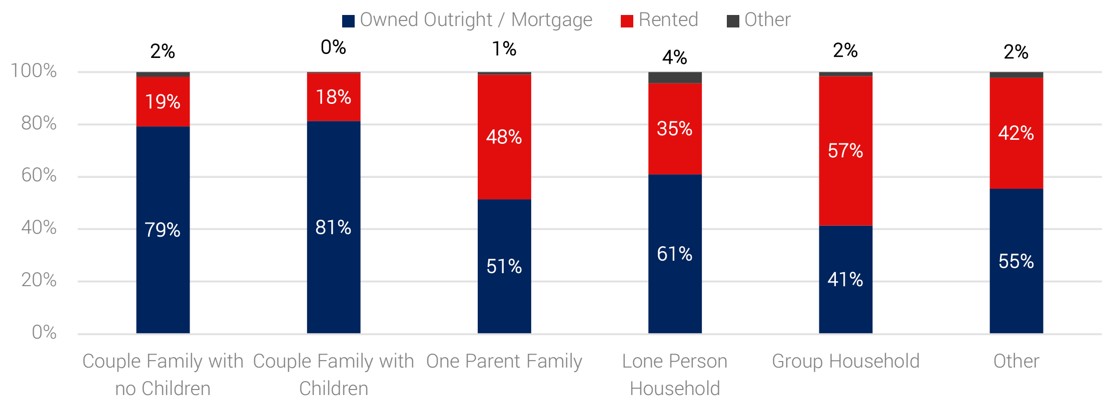
Source: Census of Population and Housing, ABS, 2021.

F14. HOUSEHOLD COMPOSITION BY NUMBER OF BEDROOMS, 2021



Source: Census of Population and Housing, ABS, 2021.

F15. HOUSEHOLD COMPOSITION BY TENURE, 2021



Source: Census of Population and Housing, ABS, 2021.

3.7. SUBURB PROFILE

A demographic and housing profile of each suburb is shown in Appendix C, including population, age profile, dwelling type and household type.

Key findings and variations by suburb relevant to the Housing Strategy are summarised as follows:

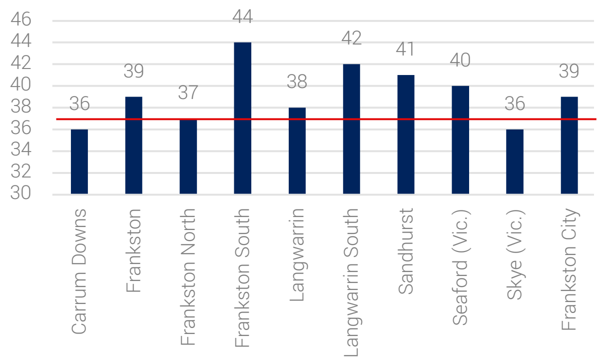
- Dwellings: the suburb of Frankston accommodates 30% of all housing in the municipality. Frankston and Seaford have the highest incidence of medium density housing of all suburbs (28%).
- Growth rates: the suburb with the highest rate of population growth over the period 2011 to 2021 was Sandhurst (5.5% per annum) due to ongoing greenfield development in the area. Other suburbs which have experienced population growth above the municipal average include Langwarrin South (+1.8% p.a.) and Frankston (+1.4% p.a.).
- Age: there is a wide variation in median age by suburb. Frankston South, Langwarrin South, Sandhurst and Seaford have a higher median age (40 or above), while Carrum Downs, Skye and Frankston North have lower medians (37 or below).
- Household size: households in Langwarrin South are larger than other suburbs with an average of 3.3 residents. Smaller household sizes occur in Frankston (2.2), Frankston North (2.3) and Seaford (2.3).
- Household type: the household composition of suburbs also varies widely, with a high proportion of families with children in Skye, Langwarrin South, and Sandhurst, which contrasts strongly with the prominence of lone person households and one-parent families in Frankston North, Frankston and Seaford.
- Income: there is strong variation in the median weekly household income between suburbs, Langwarrin South and Sandhurst households having substantially higher median incomes than Greater Melbourne, while Frankston North, Frankston and Seaford households have materially lower median incomes.
- Tenure: high proportions of households rent in Frankston North (46%) and Frankston (40%).

T3. POPULATION AND DWELLING SUMMARY BY SUBURB

Suburb	Population		Dwellings	
	#	% of municipal total	#	% of municipal total
Carrum Downs	21,976	16%	9,091	15%
Frankston	37,331	27%	17,512	30%
Frankston North	5,711	4%	2,597	4%
Frankston South	18,801	13%	7,397	13%
Langwarrin	23,588	17%	9,084	15%
Langwarrin South	1,346	1%	426	1%
Sandhurst	5,211	4%	1,819	3%
Seaford	17,215	12%	8,187	14%
Skye	8,088	6%	2,851	5%
Frankston City	140,809	100%	58,890	100%

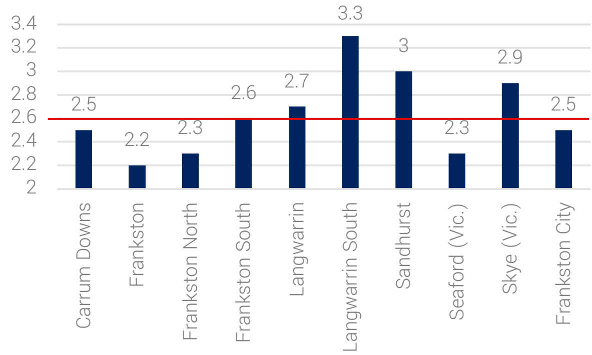
Source: Census of Population and Housing, ABS, 2021.

F16. MEDIAN AGE BY SUBURB, 2021



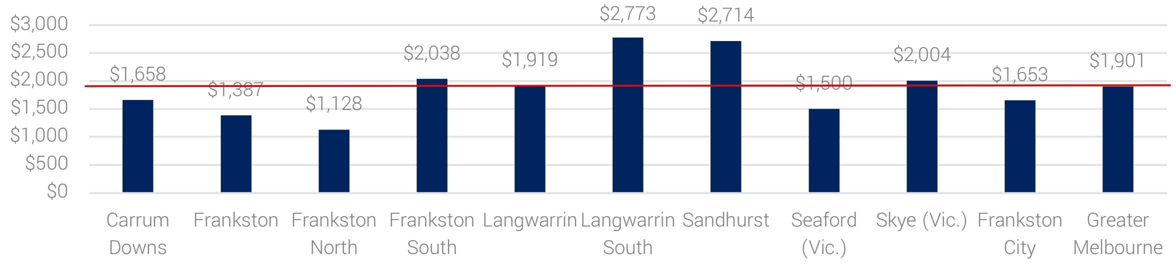
Source: Census of Population and Housing, ABS Quick Stats, 2021.

F17. HOUSEHOLD SIZE BY SUBURB, 2021



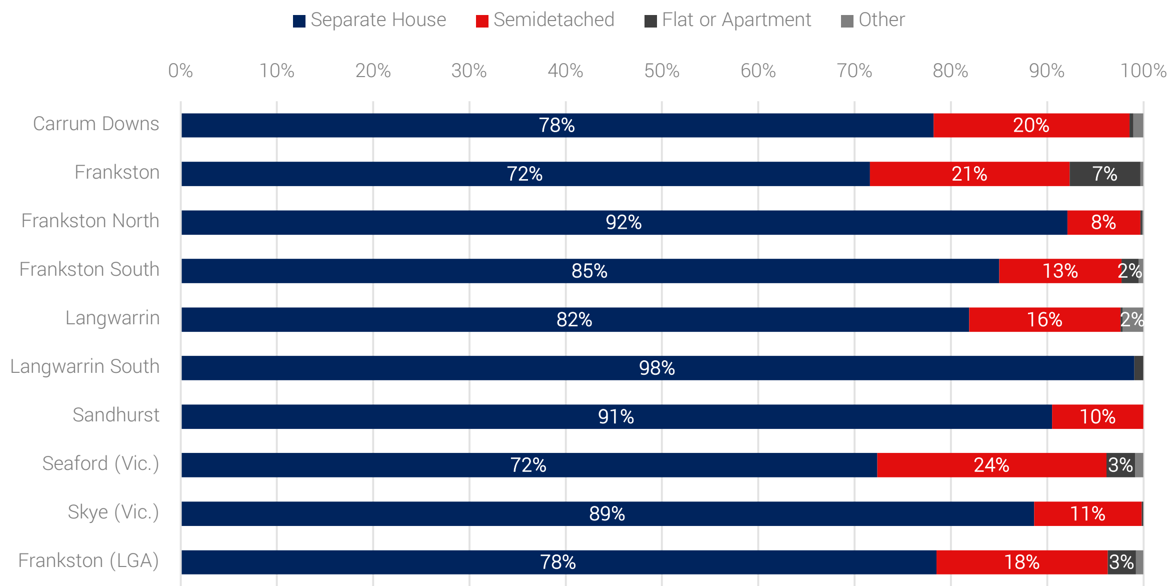
Source: Census of Population and Housing, ABS Quick Stats, 2021.

F18. MEDIAN GROSS WEEKLY HOUSEHOLD INCOME BY SUBURB, 2021



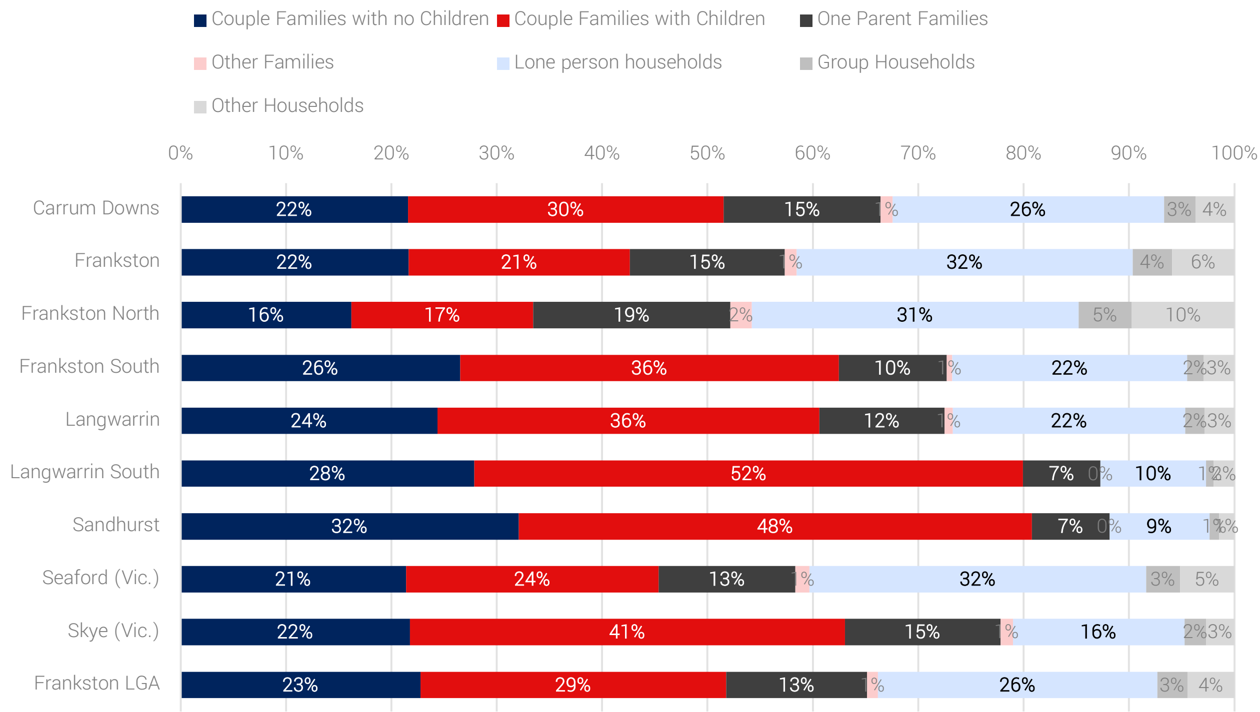
Source: Census of Population and Housing, ABS Quick Stats, 2021.

F19. DWELLING STRUCTURE BY SUBURB, 2021



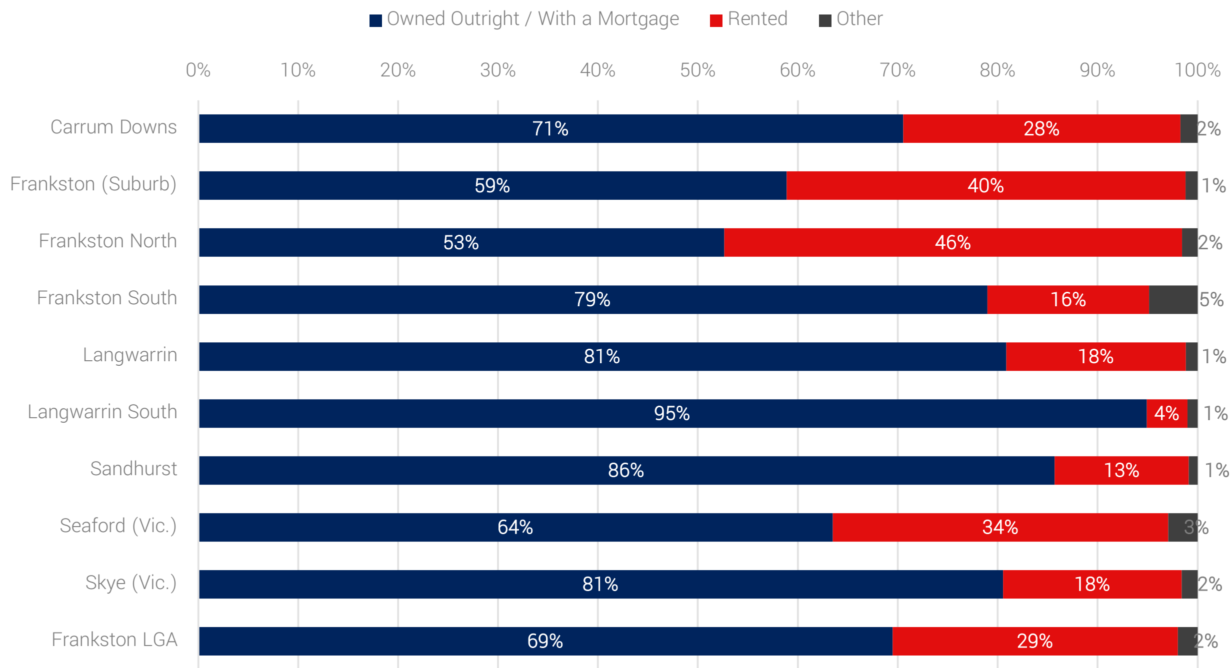
Source: Census of Population and Housing, ABS, 2021.

F20. HOUSEHOLD COMPOSITION BY SUBURB, 2021



Source: Census of Population and Housing, ABS, 2021.

F21. TENURE BY SUBURB, 2021



Source: Census of Population and Housing, ABS, 2021.

4. PROPERTY MARKET CONDITIONS

4.1. INTRODUCTION

This section of the report provides an overview of the current property market conditions influencing housing demand, availability and affordability in Frankston City.

4.2. KEY POINTS

- **Although the broader Victorian economy is recovering well from the effects of the COVID-19 pandemic, unemployment is forecast to increase in the short term and Frankston's unemployment rate has generally been higher than that of Melbourne, a consideration for the Strategy in terms of housing temporary and longer term unemployed residents.**
- **The concurrent impacts of inflation and rising interest rates are likely to continue to limit the capacity of households to pay for and purchase housing. This is likely to lead to a reduction in housing market participation, property prices and development activity in many parts of Melbourne over the short term.**
- **A feature of the post-pandemic property market has been generally stronger price performance of houses compared with units, as many households have sought greater living space. Frankston City house prices increased at 7.5% per annum over the past 10 years, higher than metropolitan Melbourne's 6%[2].**
- **There is strong variation in median house price by suburb. Suburbs in strong demand at present include Frankston, Frankston South, Langwarrin and Carrum Downs. Frankston South is a very popular suburb with higher demand and prices than other locations in the municipality.**
- **There is moderate demand for medium density housing, with agents consulted indicating that units and townhouses typically account for up to 20% of the housing market.**
- **In terms of rental housing, Frankston City has experienced sustained and accelerating rent price growth over the past 3 years. Rental vacancy rates have been very low at approximately 1% for several years and there are significant waiting lists for rental properties in the municipality.**
- **Across Victoria, house and unit price growth has increased at between 0% and 15% per annum over the past 10 years, while wages have increased at between 2% and 4% per annum, contributing to a decline in overall housing affordability.**
- **In Frankston City, 40% of households who rent spend more than 30% of their total income on housing costs, indicating likely housing stress. Housing stress is particularly common for households earning less than $50,000 per annum.**
- **The proportion of new rental lettings in Frankston City classified as affordable for low income earners was just 4% in 2022 - this proportion has declined substantially (-6.5%) over the past 5 years.**

[2] Valuer General, A Guide to Property Values, 2022.

4.3. MACROECONOMIC CONDITIONS

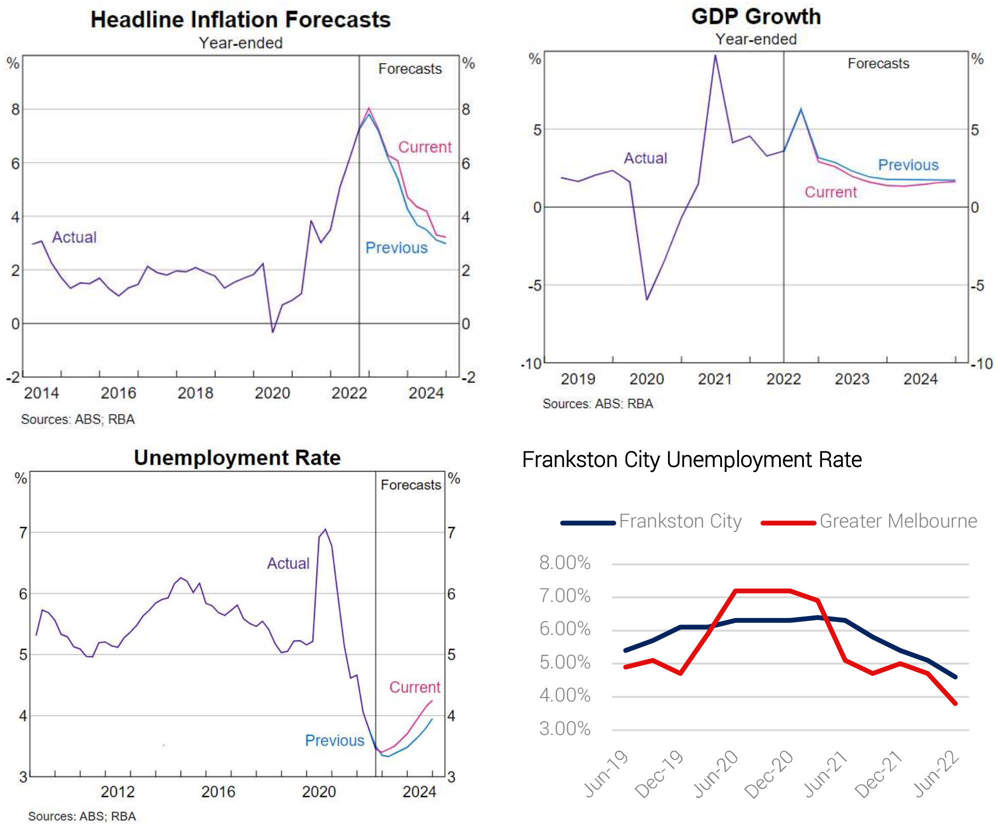
Macroeconomic conditions influence local housing markets in many ways, especially fiscal conditions and the overall performance of the economy. An overview of relevant considerations for the housing market is provided below.

Economic Growth and Outlook

Australia has experienced strong economic growth in recent years and is recovering strongly from the initial effects of the COVID-19 pandemic. However, the Reserve Bank of Australia expects GDP growth to slow in early 2023 due to cost of living pressures and minimal wage price growth reducing household spending and consumption. In addition, while unemployment has been extremely low, the unemployment rate is forecast to increase to 4.5% by the end of 2024. Frankston's unemployment rate has generally been higher than that of metropolitan Melbourne over the past 3 years, with the exception of the COVID-19 peak period in 2020 (Figure 22).

The slowing down of economic growth and increases in unemployment may also contribute to a decreased participation in the housing market and development activity in the short term. While buyer demand is likely to reduce, population growth will continue to be a driver of housing demand, including for new dwellings such as townhouses and apartments.

F22. ECONOMIC INDICATORS



Source: Reserve Bank of Australia, 2022 and Remplan (Frankston Profile) 2022. Note: in RBA graphics, "current" refers to the most recent RBA forecast for the measure, whereas "previous" refers to the RBA forecast which preceded the current forecast.

Fiscal Conditions

Inflation in Australia has risen to above 7% per annum (September Quarter 2022) due to a range of factors including continued effects from the COVID-19 pandemic, overseas conditions and strong consumer demand. As a result, the Reserve Bank of Australia lifted Australia's official cash rate over a series of monthly increases from historic lows of 0.10% in April 2022 to 3.6% as of March 2023. With inflation anticipated to reach 8% in early 2023, it is anticipated that the Reserve Bank will continue to raise the official cash rate over the short term.

The impacts of inflation and rising interest rates are likely to continue to limit the capacity of households to pay for and purchase housing. This is likely to led to a reduction in housing market participation, property prices and development activity in many parts of Melbourne over the short term.

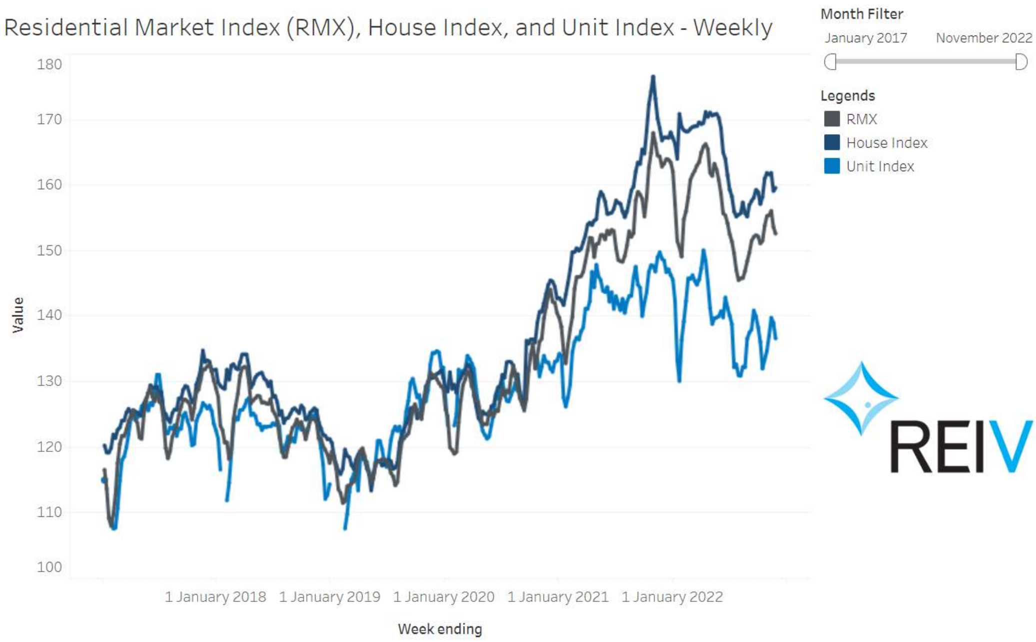
4.4. SALES AND PRICE TRENDS

VICTORIA

House and unit prices across Victoria have experienced strong growth since 2017, with the exception of recent reductions during 2022 as demonstrated by the index shown in Figure 23.

A feature of the post-pandemic property market has seen generally stronger price performance of houses compared with units as many households have sought greater living space (however rental conditions are particularly tight at present, which generally influences demand for units as well as houses and is considered in subsequent sections of this report).

F23. MEDIUM TERM RESIDENTIAL MARKET PRICE INDEX FOR HOUSES AND UNITS, VICTORIA



Source: REIV, November 2022.

FRANKSTON CITY PRICES AND SALES

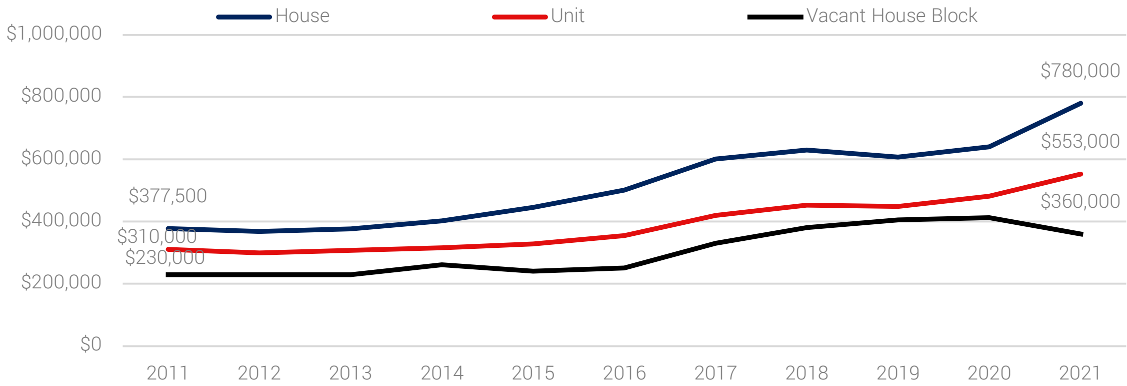
In Frankston City, residential property values experienced strong growth over the 10 year period between 2011 and 2021, with house values increasing at 7.5% per annum, higher than the metropolitan Melbourne growth rate of 5.9% over the period (Table 4).

A large proportion of recent price growth occurred in 2020 and 2021, a period of very low interest rates and strong demand for larger dwellings. Increasing interest rates is resulting in considerably lower price growth during 2022.

According to REIV, the median house price in the municipality is now $825,000 (Q3 2022). Analysis of median house prices in each suburb (Figure 25) shows that:

- There is strong variation in median house price by suburb.
- Frankston South had the highest median house price of $1.15m in 2021. Other suburbs with median house prices above the municipal median include Sandhurst, Seaford and Langwarrin.
- Frankston North had the lowest house price of all suburbs ($580,000), approximately half the median of Frankston South, reflecting the significant differences in housing price, quality and demand in different parts of the municipality.

F24. MEDIAN RESIDENTIAL PROPERTY VALUES, FRANKSTON CITY



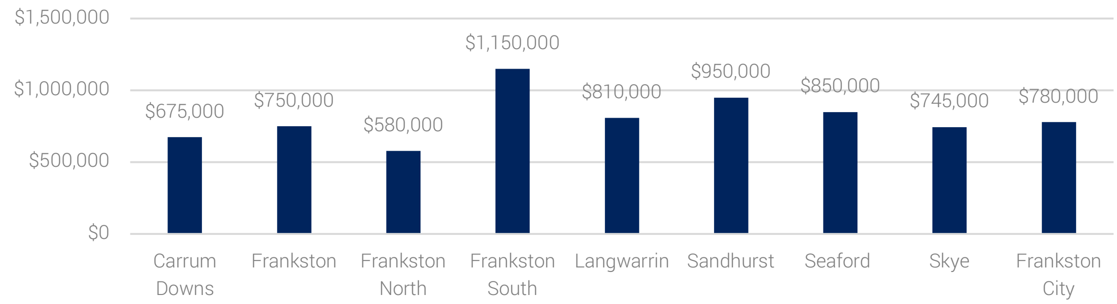
Source: Valuer General, A Guide to Property Values, 2022.

T4. MEDIAN RESIDENTIAL PROPERTY VALUES, FRANKSTON CITY AND METRO MELBOURNE

Location	Property Type	2011	2021	Change	AAGR
Frankston City	House	$377,500	$780,000	$402,500	7.5%
	Unit	$310,000	$553,000	$243,000	6.0%
Metro Melbourne	House	$493,000	$875,000	$382,000	5.9%
	Unit	$445,000	$630,000	$185,000	3.5%

Source: Valuer General, A Guide to Property Values, 2022.

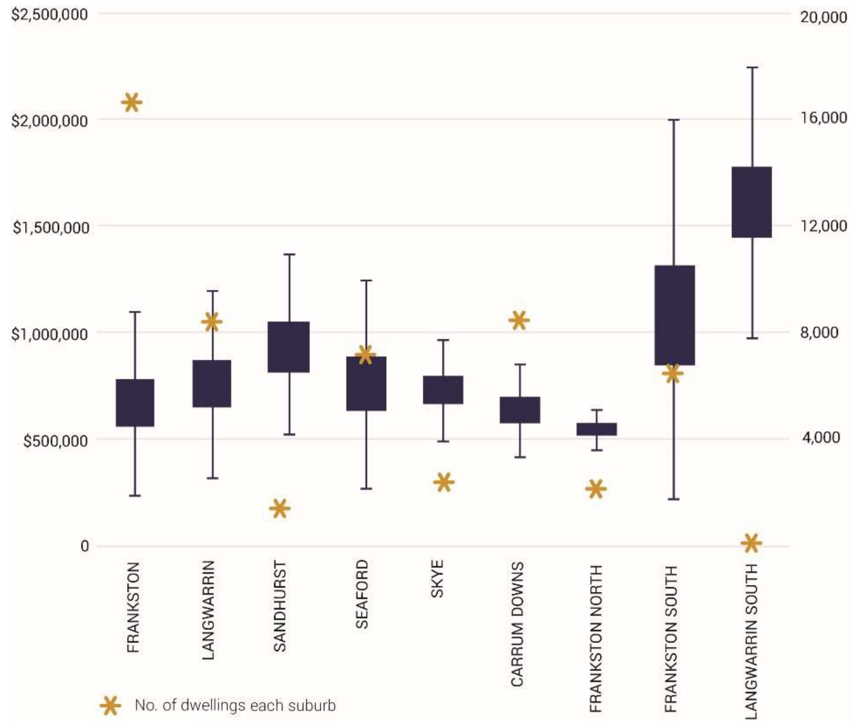
F25. MEDIAN HOUSE PRICE BY SUBURB, 2021



Source: Valuer General, A Guide to Property Values, 2022.

Figure 26 shows the distribution of dwelling values based on the most recent Capital Improved Value of all dwellings at the most recent rating valuation (January 2022). This provides an indication of the breadth of housing values available within suburbs and a comparison across suburbs.

F26. DISTRIBUTION OF DWELLING VALUES BY SUBURB, 2022



Source: Frankston City Council Rating Data; Urban Enterprise.
Graphic shows 'box and whisker' plots, where the centre of the box represents the median of all property values in the suburb, the top of the box represents the upper quartile (indicates that 75% of results are below this point) and the bottom of the box represents the lower quartile (which indicates that 75% of the results are higher than the point). The 'whiskers' at the end of each line represent 1.5x the upper and lower quartile values respectively.

MARKET COMMENTARY

Consultation with several residential real estate agents active in the municipality was undertaken in November 2022 to obtain local insights into market conditions for housing sales. The following summarises the input received:

- A large proportion of buyers (approximately 80%) are local to the Frankston area, generally moving within the municipality and immediate surrounds.
- The broader area is attractive to buyers due to its combination of proximity to Port Phillip Bay beaches and access to both Melbourne and the Mornington Peninsula via major roads and rail public transport. The municipality offers more affordable housing than other bayside locations such as Edithvale, Bonbeach, and Mordialloc.
- The buyer profile includes a mix of families (often with younger children), first home buyers and retirees, with tradespeople noted as a particularly common profession of house buyers in the area. Spatial variations include:
    - First home buyers and downsizers typically buy smaller dwellings in suburbs such as Carrum Downs and Frankston (including in the Karingal area);
    - Buyers seeking to 'upsize' their existing house typically buy in suburbs such as Frankston South, Langwarrin, Sandhurst and Skye.
- Suburbs in strong demand amongst buyers include Frankston, Frankston South, Langwarrin and Carrum Downs. Frankston South is a very popular suburb with higher demand and prices than other locations in the municipality.

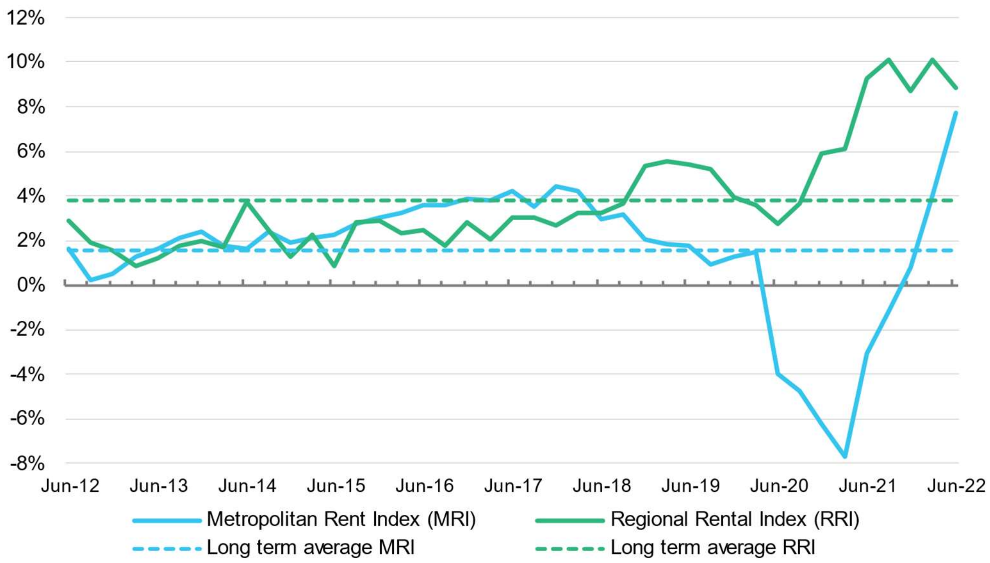
- Residential properties of at least 500-600sqm or larger with 3 to 4 bedrooms are the most in demand housing type in the municipality.
- Views on demand for larger lifestyle lots (i.e. 2,500sqm or larger) ranged from moderate to strong, with agents noting that many lifestyle buyers had particular reasons for seeking larger residential lots such as space for horses.
- There is demand for medium density housing, with units and townhouses accounting for up to 20% of the housing market. These dwellings are particularly popular amongst first home buyers and downsizers/retirees.
- Agents noted that although there is limited demand for apartments at present, interest in this housing type (including development interest) is emerging.
- Other observed trends include:
  - Buyers purchasing older established homes with plans to renovate due to the limited new and / or renovated homes available on the market.
  - There are some investors purchasing housing to rent or develop.
  - In some suburbs such as Frankston, house prices declined strongly in 2022, however in most areas prices have since stabilised.

4.5. RENTAL MARKET

The rental market across Victoria is tightening, with limited supply and strong demand. Key indicators include:

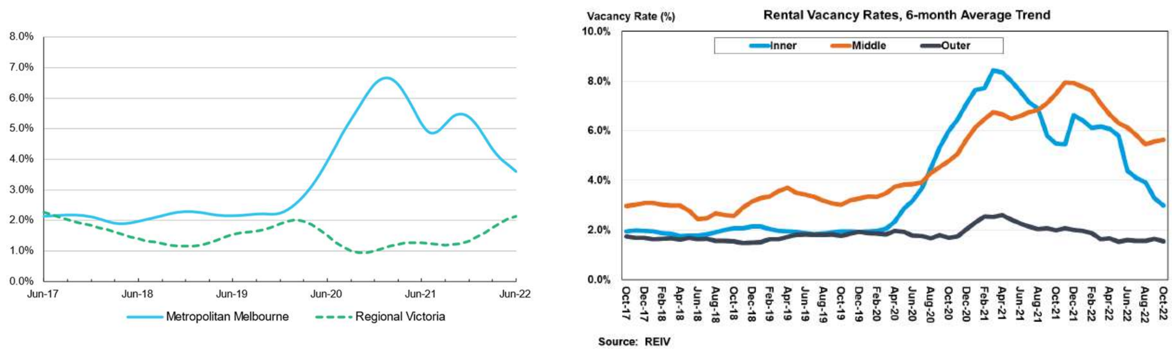
- Rent prices: the Metropolitan Rent Index (Figure 27) provides an indication of price growth over time. Following a period of price decline during the pandemic, rents across Melbourne have experienced significant increases. The Index is currently at 8%, significantly higher than the long term average of less than 2%.
- Vacancy Rates – as shown in Figure 28, Melbourne's rental vacancy rate is currently less than 4% (June 2022) and is declining. Vacancy rates have remained very low in outer Melbourne (areas more than 20km from the Melbourne CBD), with the current vacancy rate at 1.5%, compared with higher vacancies and greater volatility in inner and middle suburbs during and after the COVID pandemic peak.

F27. RENT INDEX, METRO MELBOURNE AND REGIONAL VICTORIA



Source: Rental Report, Department of Families, Fairness and Housing, 2022.

F28. VACANCY RATES



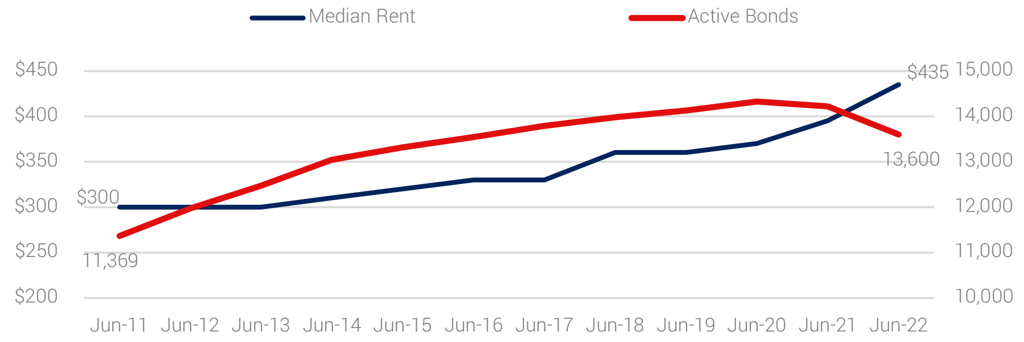
Source: Rental Report, Department of Families, Fairness and Housing, 2022 and REIV Research Bulletin, November 2022.

Rental market indicators for Frankston City (Figure 29) show that:

- Median rents increased from $300 per week in 2011 to $435 in 2022, with strong growth since 2019 of 6.5% per year.
- There has been a decrease in the number of active rental bonds over the past 2 years. When combined with increasing rents, this represents a period of declining availability of affordable rental accommodation, especially for those seeking lower rent premises.

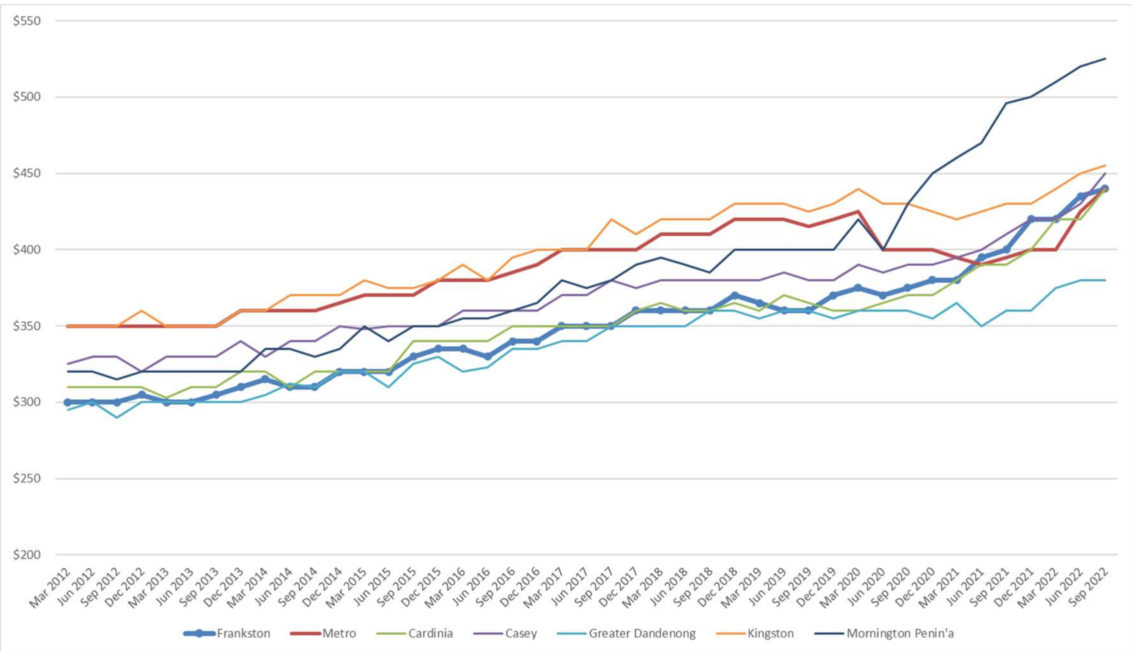
Figure 30 shows the median rent in the municipality compared with nearby municipalities and the metropolitan median over the past 10 years. The graph shows that Frankston City has experienced sustained and accelerating rent price growth over the past 3 years, following a similar trajectory to nearby Mornington Peninsula, Casey and Cardinia, and higher growth than other municipalities in the region (such as Kingston and Greater Dandenong) and the Melbourne median.

F29. MEDIAN RENTS AND ACTIVE BONDS, FRANKSTON CITY



Source: Rental Report, Department of Families, Fairness and Housing, 2022.

F30. MEDIAN RENT, FRANKSTON CITY AND COMPARISON AREAS, 2012-2022

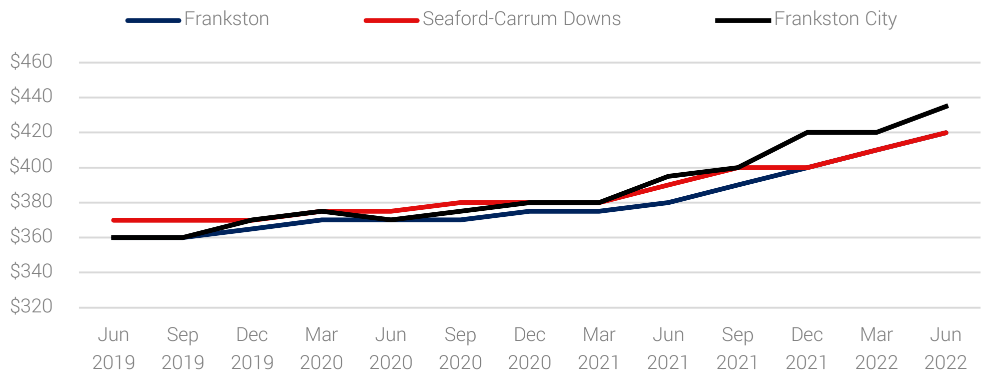


Source: DHS Rental Report.

Official rent data published by suburb is limited to the suburbs of Frankston and Seaford – Carrum Downs. Results are shown in Figure 31, indicating that median weekly rents in Frankston and Seaford – Carrum Downs have increased at 5.3% per annum and 4.3% per annum respectively since June 2019.

Local real estate agents consulted noted that rental vacancy rates have been very low at approximately 1% for several years and there are significant waiting lists for rental properties in the municipality.

F31. MEDIAN RENTS BY SUBURB, JUNE 2019 TO JUNE 2022



Source: Rental Report, Department of Families, Fairness and Housing, 2022.

4.6. HOUSING AFFORDABILITY

Housing affordability generally refers to the relationship between the cost of housing (prices, mortgage payments or rents) and household incomes. Many factors impact the supply, demand and cost of housing, including economic conditions, interest rates, population growth, demographic changes, construction/development costs and wage growth.

This subsection assesses housing affordability in Frankston City, with a specific focus on house/unit price and rental trends, and the cost of housing relative to household incomes.

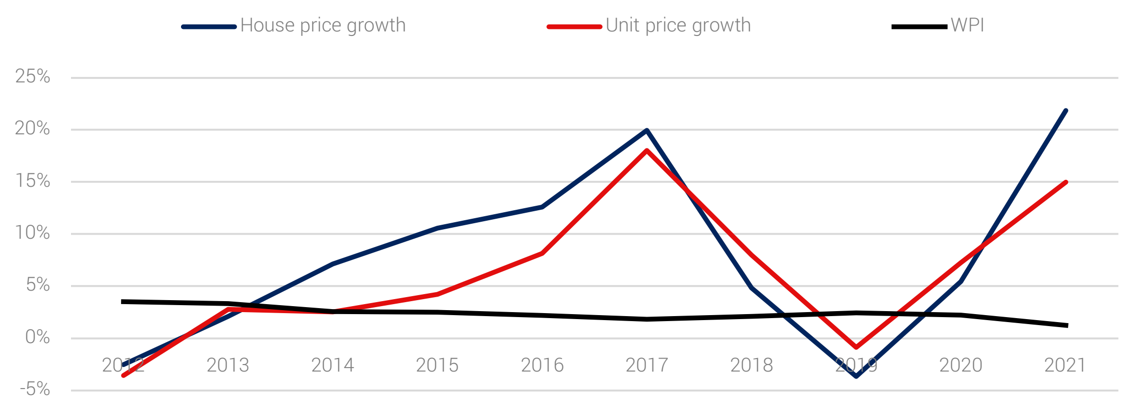
4.6.1. HOUSING COSTS RELATIVE TO INCOME

An experience common across much of Australia in recent years (with occasional and usually short-lived exceptions) is house prices increasing at a substantially higher rate than wages.

Figure 32 shows this relationship for Victoria from 2012 (when the previous Frankston Housing Strategy was prepared) and 2021, indicating that house and units prices have generally increased at between 0% and 15% per annum, while the Wage Price Index has generally remained between 2% and 4% per annum.

Although this does not present a full picture of affordability due to the absence of interest rate information, the general implication of the disparity in the respective growth in house prices compared with wages is a decline in overall housing affordability at the median.

F32. HOUSE AND UNIT PRICE GROWTH RELATIVE TO WAGE GROWTH



Source: A Guide to Property Values, Valuer General, 2010-2019 / Wage Price Index, ABS 2012-2021. *WPI refers to wage price index.

4.6.2. HOUSING AFFORDABLITY AT THE 2021 CENSUS

A commonly applied measure to assess housing affordability is the ‘30% rule’, a benchmark often applied as part of lending criteria for housing loans. This benchmark assumes that if a household is dedicating less than 30% of its income towards housing payments, then the housing is considered affordable. Conversely, a household which spends more than 30% of its income on housing is an indicator of housing that is relatively unaffordable.

The ABS Census includes data on the following measures of housing affordability:

- RAID – Rental Affordability Indicator, which is calculated by dividing rent payments by gross household income based on Census survey results; and
- MAID – Mortgage Affordability Indicator, which is calculated by dividing mortgage repayments by gross household income based on Census survey results.

The results are shown in Table 5 for each suburb and in Table 6 for each gross household income range. Based on survey responses as at the 2021 Census:

- 40% of households who rent spend more than 30% of their gross income on housing costs, indicating a likelihood of housing stress. A higher incidence of housing stress in households renting is likely in Frankston, Frankston North, Langwarrin and Langwarrin South than other suburbs.
- Only 15% of households with a mortgage spend more than 30% of gross income on repayments, however this was during a period of record low interest rates which have since increased considerably. A higher incidence of mortgage stress is likely in Frankston North than in other suburbs.
- Logically, housing stress (both for households renting and with a mortgage) is considerably more prevalent in lower gross income households.

T5. RENTAL AND MORTGAGE AFFORDABLITY IN FRANKSTON CITY BY SUBURB, 2021

Suburb	Carrum Downs	Frankston	Frankston North	Frankston South	Langwarrin	Langwarrin South	Skye (Vic.)	Sandhurst	Seaford (Vic.)	Total
Rent Affordability										
Rent <= 30% income	1262	3141	516	644	814	7	293	166	1349	8197
Rent > 30% income	830	2335	355	330	581	6	137	49	801	5430
Rent Total	2092	5476	871	974	1395	13	430	215	2150	13627
% affordable	60%	57%	59%	66%	58%	54%	68%	77%	63%	60%
Mortgage Affordability										
Mortgage <= 30% income	2912	3723	406	2192	3344	156	1174	771	1943	16619
Mortgage <= 30% income	632	705	124	349	526	24	207	117	336	3016
Mortgage Total	3544	4428	530	2541	3870	180	1381	888	2279	19635
% affordable	82%	84%	77%	86%	86%	87%	85%	87%	85%	85%

Source: ABS Census, 2021. Data is based on number of households by tenure type at the 2021 Census.

T6. RENTAL AND MORTGAGE AFFORDABLIITY IN FRANKSTON CITY BY GROSS HOUSEHOLD INCOME, 2021

Gross Weekly Household Income	Rent <= 30% income	Rent > 30% income	TOTAL	% Affordable	Mortgage <= 30% income	Mortgage <= 30% income	TOTAL	% Affordable
Nil income	0	230	230	0%	25	92	117	21%
$1-$149 ($1-$7,799)	0	88	88	0%	4	39	43	9%
$150-$299 ($7,800-$15,599)	30	399	429	7%	32	129	161	20%
$300-$399 ($15,600-$20,799)	132	707	839	16%	72	198	270	27%
$400-$499 ($20,800-$25,999)	337	979	1316	26%	286	288	574	50%
$500-$649 ($26,000-$33,799)	478	1295	1773	27%	466	344	810	58%
$650-$799 ($33,800-$41,599)	714	739	1453	49%	756	406	1162	65%
$800-$999 ($41,600-$51,999)	1275	567	1842	69%	1489	437	1926	77%
$1,000-$1,249 ($52,000-$64,999)	1631	318	1949	84%	2641	474	3115	85%
$1,250-$1,499 ($65,000-$77,999)	1239	68	1307	95%	2588	258	2846	91%
$1,500-$1,749 ($78,000-$90,999)	918	26	944	97%	2324	176	2500	93%
$1,750-$1,999 ($91,000-$103,999)	632	8	640	99%	2095	82	2177	96%
$2,000-$2,499 ($104,000-$129,999)	549	9	558	98%	2264	69	2333	97%
$2,500-$2,999 ($130,000-$155,999)	98	0	98	100%	759	13	772	98%
$3,000-$3,499 ($156,000-$181,999)	70	3	73	96%	458	11	469	98%
$3,500 or more ($182,000 or more)	91	0	91	100%	364	7	371	98%

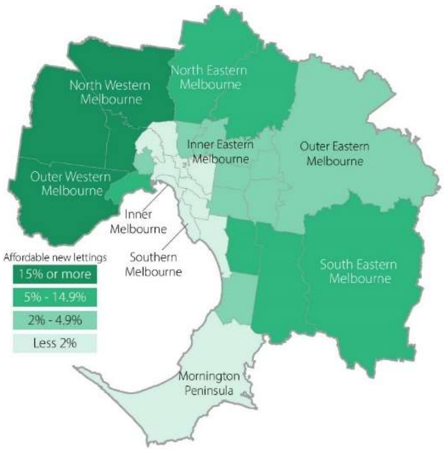
Source: ABS 2021 Census; Urban Enterprise. Data is based on number of households by tenure type at the 2021 Census.

4.6.3. RENTAL AFFORDABILITY FOR LOW INCOME EARNERS

The Victorian Department of Families, Fairness and Housing collects data on the proportion of net lettings across Victoria which are considered 'affordable' for low income households (i.e. those receiving Centrelink incomes) based on the benchmark of 30% of gross income spent on rent.

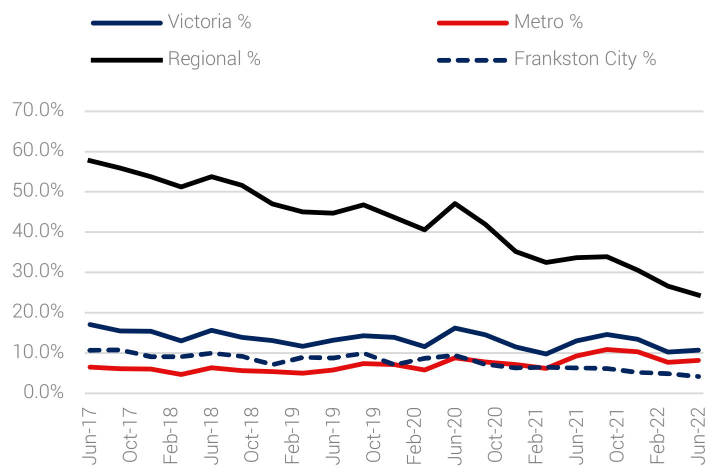
As shown in Figure 34, the proportion of new lettings in metropolitan Melbourne classed as 'affordable' has remained relatively stable over the past 5 years at between 5% and 10%. In Frankston City, however (Figure 34 and Figure 35), this proportion has declined substantially since 2015 to just 4.2% in 2022.

F33. AFFORDABLE NEW LETTINGS, METRO MELBOURNE



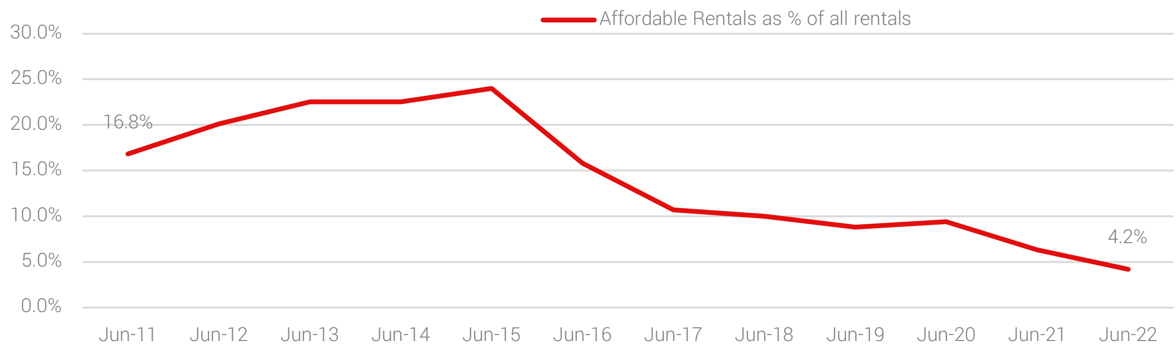
Source: Rental Report, Department of Families, Fairness and Housing, 2022.

F34. AFFORDALE RENTALS AS PERCENT OF ALL RENTALS



Source: Rental Report, Department of Families, Fairness and Housing, 2022 and Urban Enterprise.

F35. AFFORDABLE RENTAL PROPERTIES, FRANKSTON CITY



Source: Rental Report, Department of Families, Fairness and Housing, 2022.

5. DEVELOPMENT ACTIVITY

5.1. INTRODUCTION

This section of the report provides an overview of the scale, location and type of new housing development activity in the municipality over the past 5-10 years.

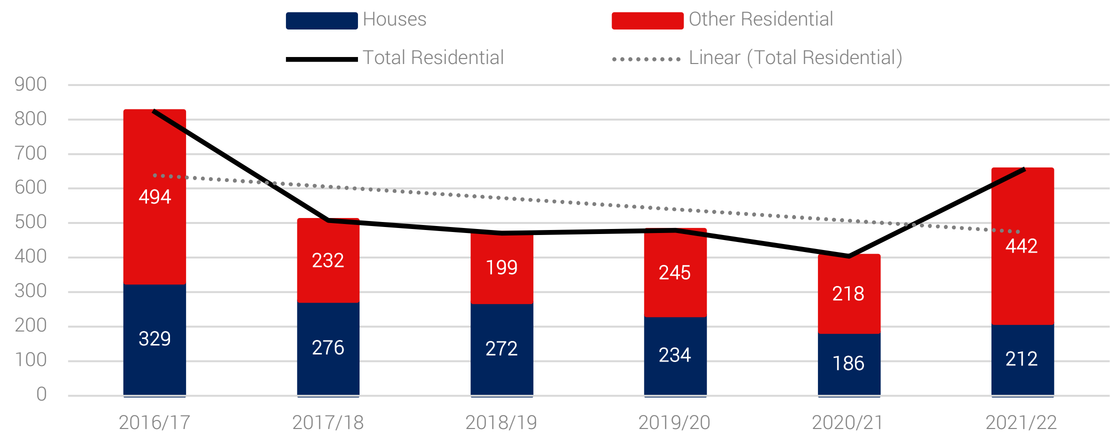
5.2. KEY POINTS

- **An average of 557 new dwellings were approved for construction per annum from 2016 to 2022. The most approvals were recorded in Carrum Downs, Frankston and Langwarrin.**
- **A particularly common development type has been 2-4 lot subdivisions creating townhouses / units on former house lots. By contrast, there has been a relative lack of permits approved for larger residential buildings, however several low-rise apartment buildings have recently been delivered in the FMAC. In addition, several applications are currently before Council for development in FMAC including low rise development and high rise development (30 storeys).**
- **In 2022, there were approximately 1,720 dwellings in the Major Redevelopment Site pipeline within the municipality, over 50% of which were in Frankston. Apartments account for 60% of all 'pipeline' dwellings, representing a significant change to the type of development activity which has occurred in recent years.**
- **Although previous housing strategies identified 17 strategic sites for substantial housing redevelopment, only 3 of the sites have been developed and have accommodated 141 dwellings. When existing constraints are considered, only 7 opportunity sites remain with a total of 9.5ha in land area.**

5.3. BUILDING APPROVALS

Dwelling approvals data published by ABS (Figure 36) shows that an average of 557 new dwellings were approved per annum from 2016 to 2022, 45% of which were separate houses and 55% 'other residential' including apartments, units and townhouses.

F36. DWELLING APPROVALS, FRANKSTON CITY COUNCIL



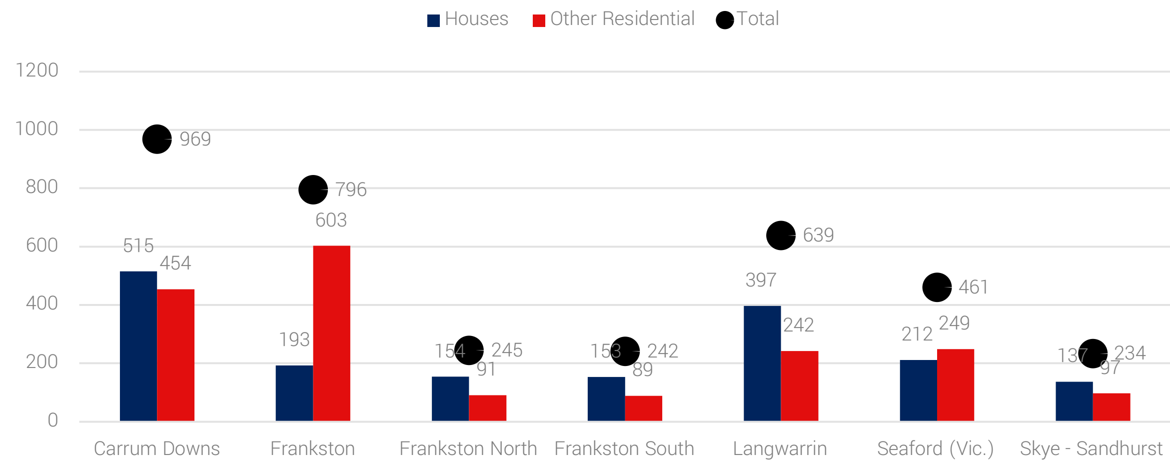
Source: Building Approvals, ABS, 2022.

The spatial distribution of dwelling approvals by Statistical Area 2[3] (SA2) is shown in Figure 37, with local (SA1) approvals shown in the map in Figure 38. Over the 7 year period, the most approvals have been recorded in Carrum Downs (30% of all LGA approvals); Frankston (25%); and Langwarrin / Langwarrin South (almost 20%).

It is also noted that:

- The number of houses and 'other residential' dwellings approved over the 7 year period has been similar, with a slightly greater number of 'other residential' dwellings receiving approval (1,825 approvals compared with 1,761 approvals). In Frankston (suburb) 75% of dwelling approvals have been for 'other residential' development and have been concentrated to the FMAC.
- Other locations which have experienced substantial 'other residential' development include Carrum Downs with over 450 approvals issued for this type of development.

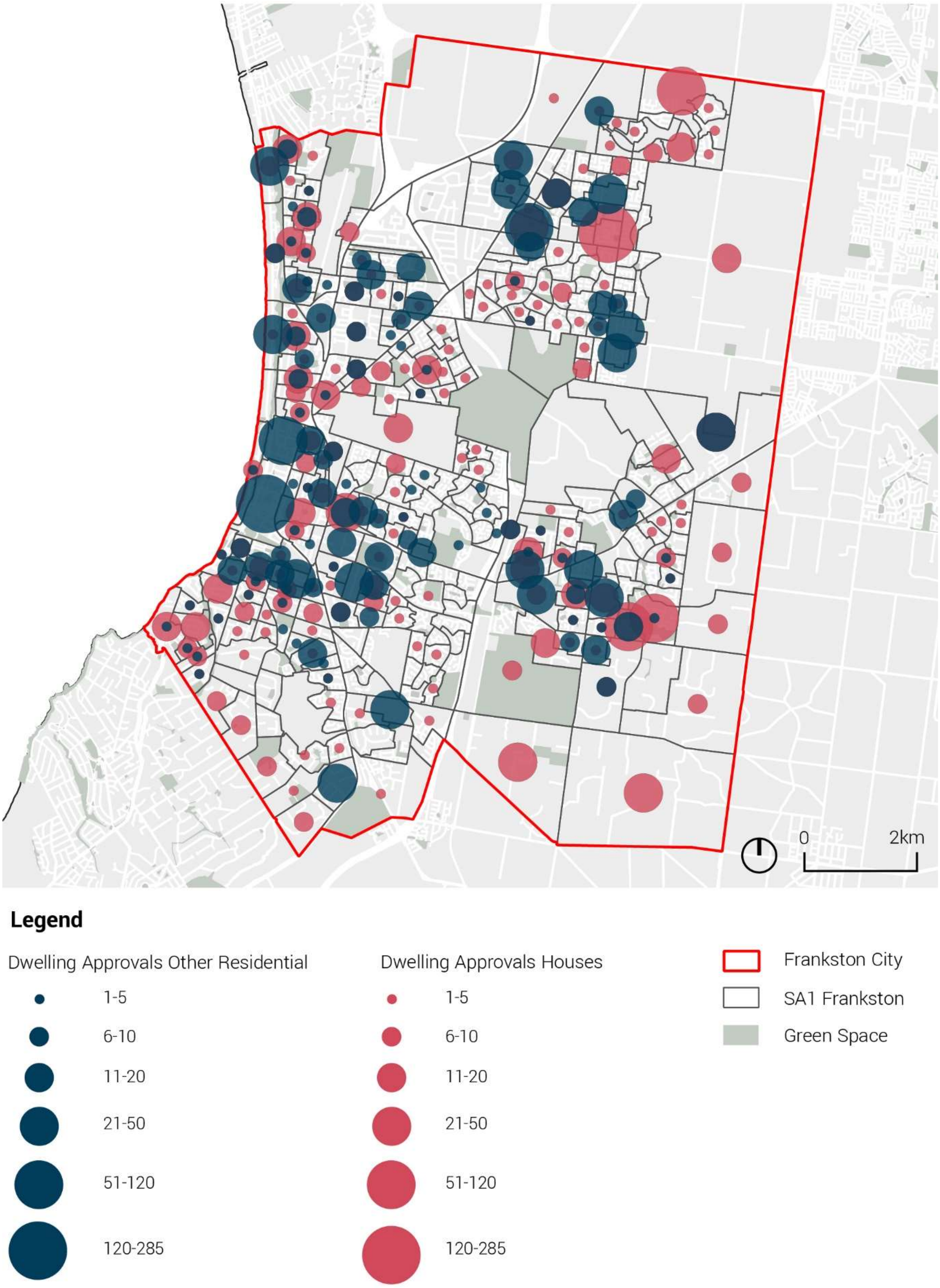
F37. ABS DWELLING APPROVALS BY SA2, 2015 TO 2021



Source: ABS Building Approvals, 2021.

[3] Refer to Appendix A for definition.

F38. DWELLINGS APPROVALS BY SA1



Source: ABS Building Approvals, 2021 and Urban Enterprise, 2022.

5.4. PLANNING PERMITS FOR NEW DWELLINGS

Data on planning permits issued for new dwellings provided by Council from 2011 to September 2022 is summarised in Table 7 with locations depicted in Figure 39.

This data is limited to permits issued for multiple dwellings (i.e. excluding permits issued for a single dwelling) and does not indicate whether any existing dwellings were to be demolished as part of the development.

Table 7, Table 8 and Figure 39 show that:

- The majority of dwellings have received planning approval within the General Residential Zone, with very limited approvals in the Residential Growth Zone, Commercial 1 Zone or Mixed Use Zone.
- Frankston, Seaford and Langwarrin have been the focus for the highest proportion of dwellings approved, together accounting for 70% of all dwellings permitted.
- Approvals have been mostly concentrated near the Port Phillip Bay coastline, as well as areas around the Frankston MAC and parts of Frankston North and Langwarrin.
- The majority of approvals have been for between 2 and 4 new dwellings on a lot, indicating that small-scale infill development is occurring throughout large sections of the municipality. By contrast, there has been a relative lack of permits for larger residential buildings.

T7. DWELLINGS APPROVED VIA PLANNING PERMIT, JAN 2011 TO SEPT 2022 BY SUBURB AND ZONE

Suburb	GRZ	RGZ	LDRZ	C1Z	MUZ	Other	Total	% of total
Frankston	640	21	0	0	10	0	671	27%
Seaford	529	0	0	0	0	0	529	22%
Langwarrin	450	0	33	0	0	40	523	21%
Frankston South	282	0	0	2	0	0	284	12%
Carrum Downs	195	0	0	0	0	8	203	8%
Frankston North	129	0	0	0	0	0	129	5%
Langwarrin South	0	0	48	0	0	9	57	2%
Skye	30	0	0	0	0	17	47	2%
Sandhurst	0	0	0	0	0	8	8	0%
Total	2,255	21	81	2	10	82	2,451	100%

Source: Frankston City Council, analysed by Urban Enterprise. R1Z included in GRZ.

T8. DWELLINGS APPROVED VIA PLANNING PERMIT, JAN 2011 TO SEPT 2022 BY YEAR AND ZONE

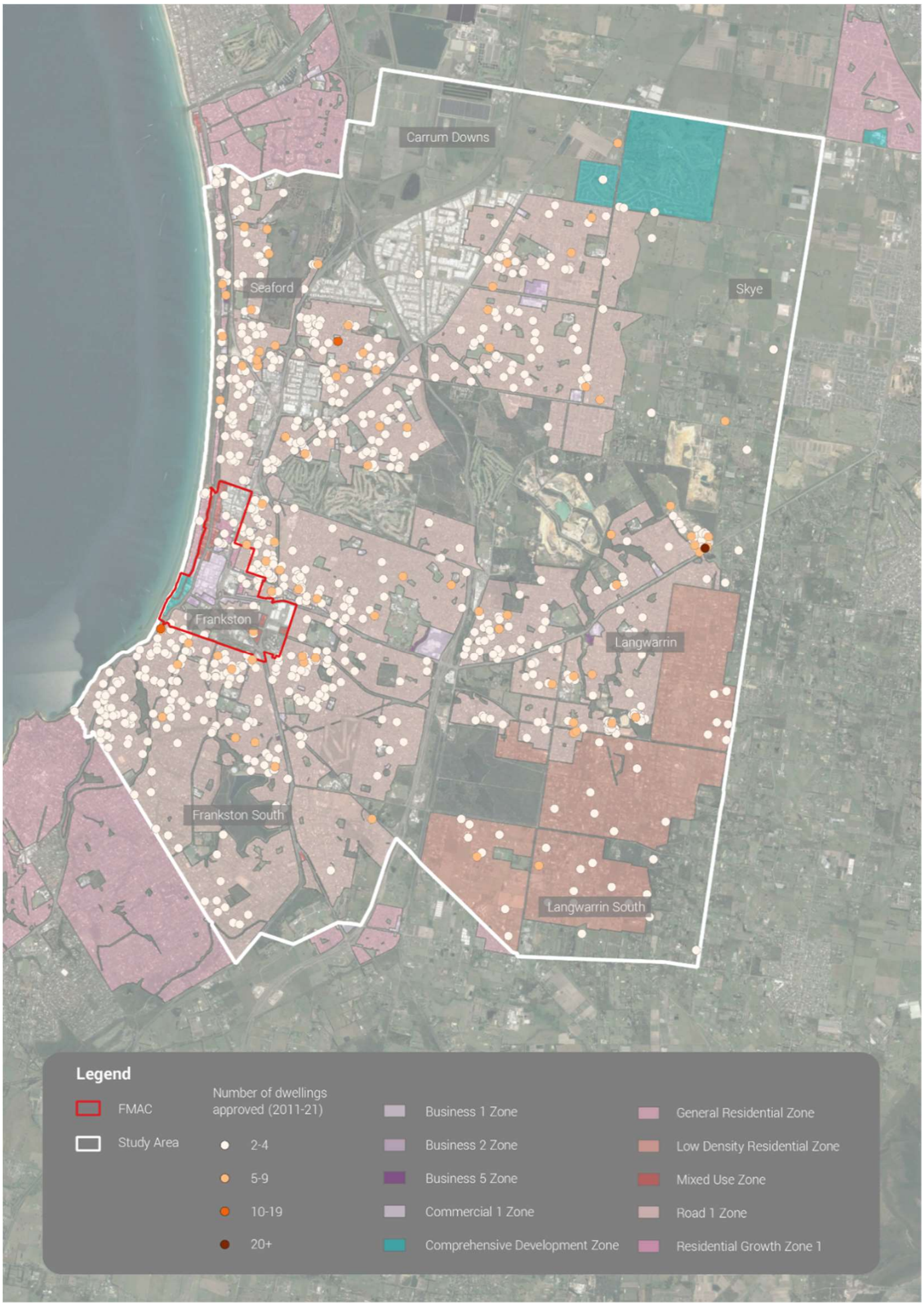
Year	GRZ	RGZ	LDRZ	C1Z	MUZ	Other	Total	% of total
2011	74	0	8	0	0	8	90	4%
2012	77	0	0	0	0	5	82	3%
2013	55	2	4	0	0	14	75	3%
2014	48	0	2	0	0	0	50	2%
2015	193	0	13	0	2	2	210	9%
2016	185	2	4	0	0	6	197	8%
2017	217	2	3	0	0	0	222	9%
2018	281	2	9	0	6	17	315	13%
2019	313	2	6	0	0	7	328	13%
2020	265	2	15	0	0	12	294	12%
2021	310	2	7	0	0	7	326	13%
2022	237	7	10	2	2	4	262	11%
Total	2,255	21	81	2	10	82	2,451	100%

Source: Frankston City Council, analysed by Urban Enterprise. R1Z included in GRZ.

General Residential Zone	Residential Growth Zone	Low Density Residential Zone	Commercial 1 Zone	Mixed Use Zone	Other

Council officers advised there is currently significant interest from developers to develop land in the FMAC, with close to 20 applications currently before Council and a significant volume of other developments in the pre-application stage. The current applications range from low rise to 30 storey high rise towers and indicate a strong pipeline of development in the FMAC.

F39. LOCATION OF DWELLINGS APPROVED VIA PLANNING PERMIT, 2011 TO SEP 2022



Source: Frankston City Council, analysed by Urban Enterprise. Note: the FMAC boundary shown is the existing boundary.

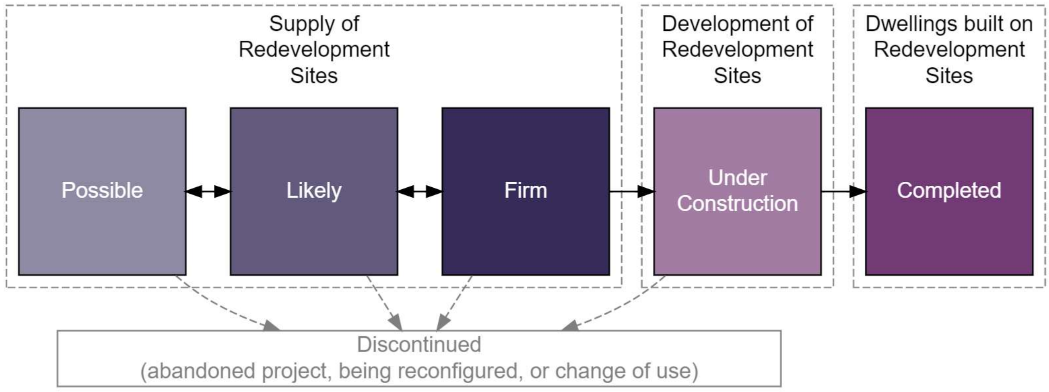
5.5. MAJOR RESIDENTIAL DEVELOPMENTS AND OPPORTUNITY SITES

5.5.1. URBAN DEVELOPMENT PROGRAM

The Urban Development Program (UDP) reports on broadhectare land supply and major residential redevelopment projects across metropolitan Melbourne. Data is collected through analysis of aerial imagery, planning permits, and a combination of government commercial data sources. Sites identified are categorised into the groups shown in Figure 40.

For established parts of metropolitan Melbourne such as Frankston City, the most relevant development type is Major Redevelopment Sites (MRS) which have 10 or more dwellings per project.

F40. URBAN DEVELOPMENT PROGRAM CATEGORIES



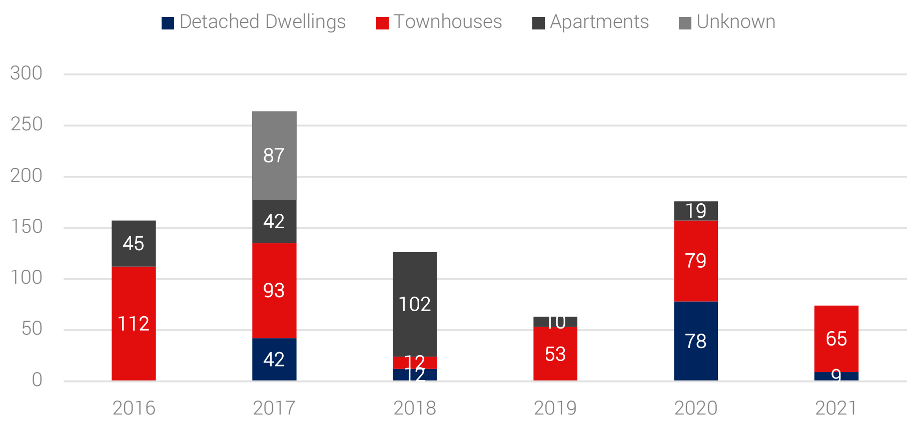
Source: UDP, Department of Environment, Land, Water and Planning.

COMPLETED PROJECTS

Figure 41 provides an overview of the recently completed MRS projects in the City from 2016 to 2022. A total of 860 dwellings were completed over the 5 year period between 2016 and 2021, approximately half of which were townhouses (414), a quarter of which were apartments (218) and the remainder separate dwellings (141) or uncategorised.

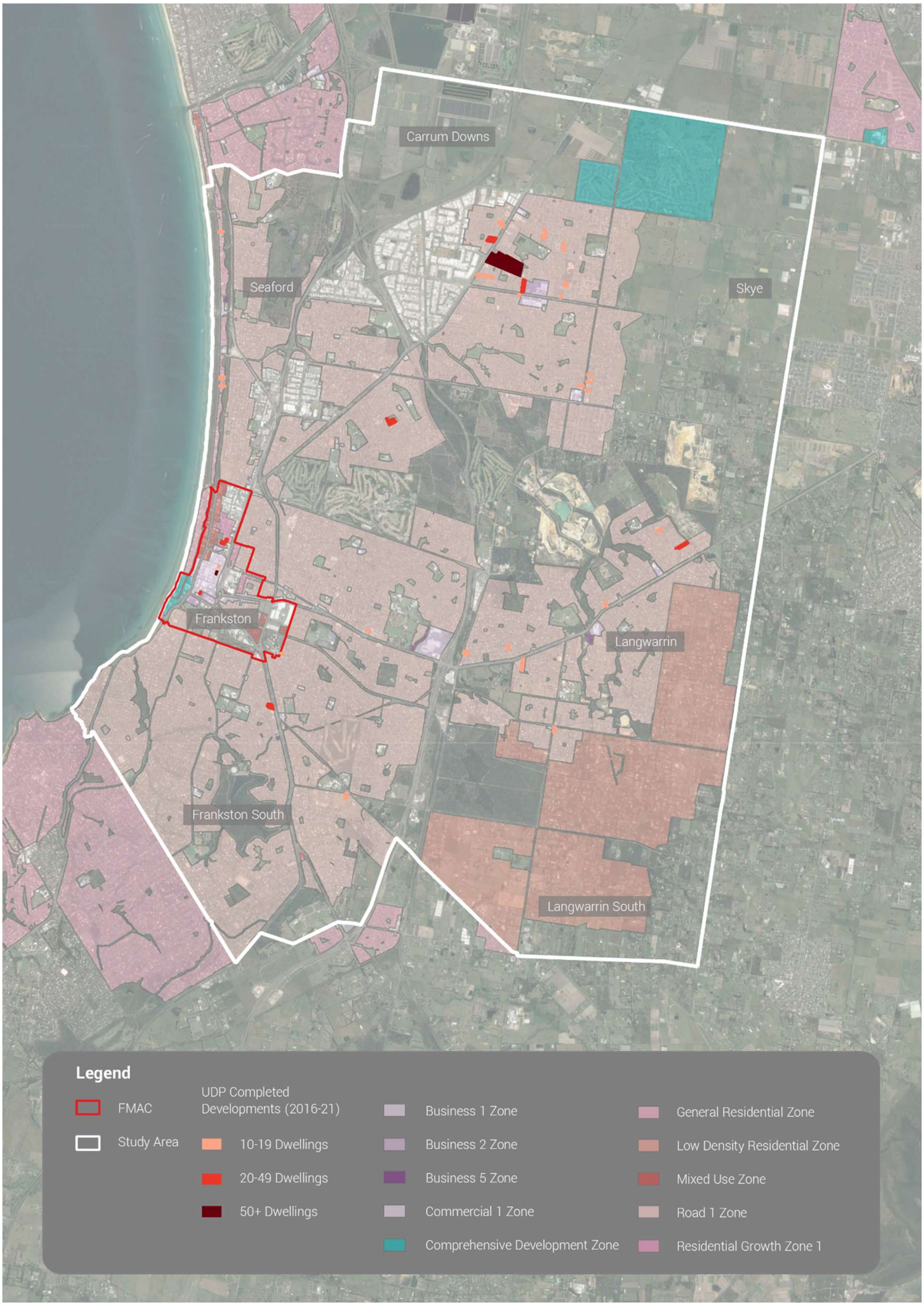
Figure 42 shows the location of the completed projects, with concentrations evident in the area around the Carrum Downs Activity Centre, as well as the FMAC and parts of Langwarrin and Seaford. Completed apartment developments are mostly located within the FMAC.

F41. COMPLETED MAJOR DEVELOPMENT SITES, FRANKSTON CITY



Source: UDP, Department of Environment, Land, Water and Planning 2016 to 2022.

F42. MAP OF COMPLETED MAJOR REDEVELOPMENT SITES



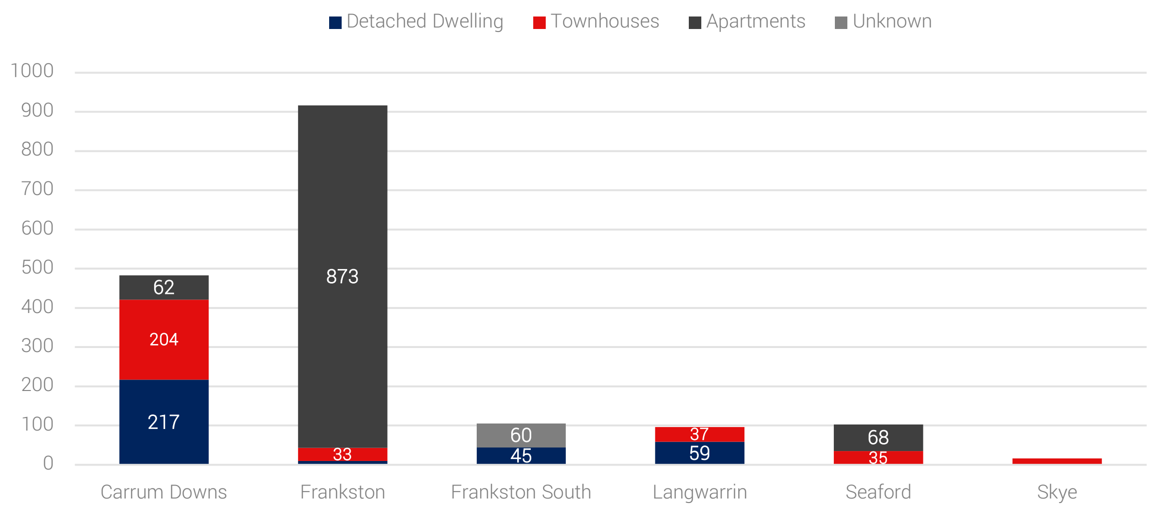
Source: UDP; Urban Enterprise. Note: The FMAC boundary shown is the existing boundary.

PIPELINE

Figure 43 and Figure 44 show the number of dwellings by suburb and type currently in the UDP 'pipeline'. Observations are as follows:

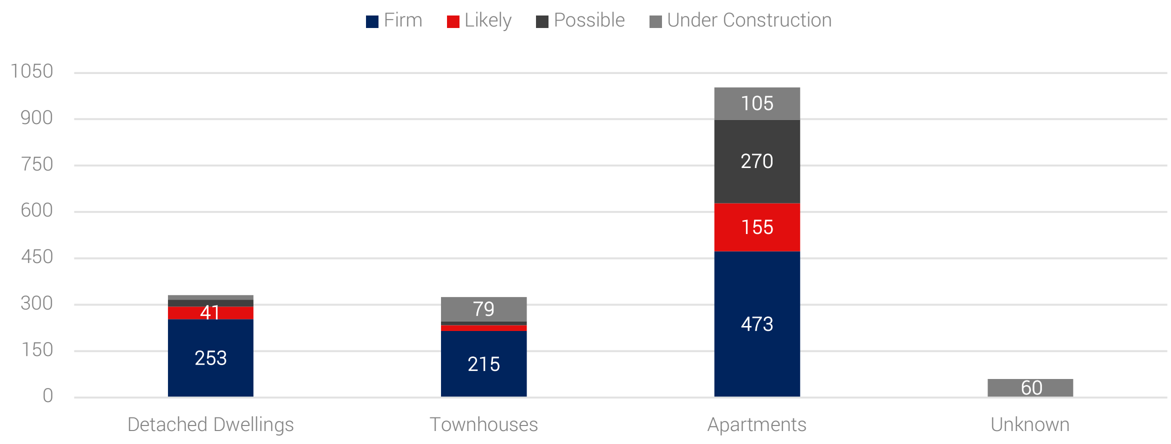
- There are approximately 1,720 dwellings in the UDP pipeline within the municipality. Over 50% of these dwellings are located in the suburb of Frankston.
- Apartments account for approximately 60% of all dwellings in the MRS pipeline. This is a significant increase from the proportion of apartments delivered through the UDP between 2016 and 2021 and indicates a shift in the type of housing being delivered through the UDP in the municipality.
- Over 50% of dwellings in the pipeline are considered 'firm'[4], with a further 15% of dwellings in the pipeline are currently under construction (259 dwellings).

F43. UDP PIPELINE BY SUBURB AND DWELLING TYPE, FRANKSTON CITY



Source: UDP, Department of Environment, Land, Water and Planning, 2022.

F44. UDP PIPELINE BY DWELLING TYPE AND STATUS, FRANKSTON CITY



Source: UDP, Department of Environment, Land, Water and Planning, 2022.

[4] Firm refers to major redevelopment sites that have been approved and / or taking sales enquiries and registrations. Sources include LGA planning registers, PPARS (DELWP), cadastre (DELWP), websites of developments and real estate websites.

5.5.2. HOUSING STRATEGY OPPORTUNITY SITES

The 2013 Frankston Housing Strategy identified 15 housing opportunity sites in the municipality. These sites were shown in Figure 17 of the Strategy and were defined as follows (p.52):

> *"Opportunity Sites - These are usually areas that are located within close walking distance to public transport, services and facilities; are identified in the UDP; and have an area greater than 5,000sqm. Future housing at these sites will generally comprise apartments and some semi-detached dwellings."*

The 2018 Housing Strategy identified a further two key opportunity areas, being the Kananook Station Precinct and the Skye Triangle site.

A list of the 2013 and 2018 Strategy opportunity sites is provided in Appendix D. Each site was reviewed for its current status, including whether the site has been developed or is subject to a current planning permit process. Only 3 of the sites have since been developed and have accommodated a total of 141 dwellings completed:

- 1105 Frankston Dandenong Road, Carrum Downs – The 2.75 hectare site has been developed as a residential aged care facility with 32 dwellings.
- 63 Hall Road, Carrum Downs – The site is approximately 1 hectare in size and has been developed with 43 townhouses constructed.
- 145 Hall Road, Carrum Downs – Approximately 2.3 hectares in size the site has been developed, with 66 townhouses constructed.

Many of the opportunity sites are occupied by existing land uses which could preclude their development, at least in the short term, including several churches, a hotel and an industrial business. Two of the sites are public parks.

When only sites not occupied by non-residential uses are considered, 7 opportunity sites remain with a total of 9.5ha in land area. At a typical strategic site density of 45 dwellings per ha (townhouse) to 120 dwellings per ha (low rise apartments, accounting for internal roads), the housing capacity of these sites would indicatively be in the order of 400-1,200 dwellings.

6. FUTURE HOUSING NEEDS

6.1. INTRODUCTION

This section of the report provides an overview of the future housing needs across the municipality based on population, dwelling, age and household projections.

6.2. KEY POINTS

- **The Strategy should plan to accommodate expected demand for at least 9,000 additional dwellings over the next 15 years.**
- **The FMAC is expected to accommodate over a quarter of population and dwelling growth in the municipality with the population of the Activity Centre expected to more than double over the planning period. Medium and high density development will be required to support this growth.**
- **Other locations expected to accommodate a large amount of future dwelling needs are Frankston, Carrum Downs and Seaford.**
- **Significant growth in lone person households and older residents is projected, highlighting the importance of planning for a substantial increase in housing suitable for older singles (including retirement living and aged care).**
- **The substantial increase in couples without children will result in decreasing household sizes and a need for smaller dwellings in addition to standard density housing.**
- **One parent households are expected to continue to increase in scale and have a high propensity to occupy larger rental housing, a housing product which will be important to enable movement within the local area when family circumstances change.**
- **Ongoing development of housing suitable for families will be required, including a combination of separate dwellings and medium density alternatives.**
- **Approximately 3,000 additional rental properties will be needed by 2038, requiring a fundamental increase in the current rate of growth of rental housing.**
- **If no changes are made to the balance of dwelling sizes over the strategy period, there is likely be an ongoing misalignment in terms of dwelling size compared with household size. In the context of an established municipality with a lack of developable residential land and declining housing affordability, increasing utilisation of the existing housing stock should be a key priority for the Strategy.**
- **The substantial increase in residents aged over 65 years will generate the need for dedicated aged care and retirement living options within the municipality.**
- **The relatively high incidence of social disadvantage, unemployment and low incomes in parts of the municipality will require ongoing delivery of supported housing in addition to market-supplied housing. This will become increasingly critical in the context of very low rental vacancies, strong rent price growth, high inflation and low wage growth.**
- **The availability of affordable and accessible housing for students and key workers (especially in proximity to the Frankston Health and Education Precinct) is a particularly important consideration for the strategy with social and economic implications.**

6.3. PROJECTIONS OVERVIEW

Housing need is driven by a range of factors, including household formation, migration and population growth. Each of these factors can be assessed by reference to population, dwelling and demographic projections.

The following projection scenarios have been considered for Frankston City:

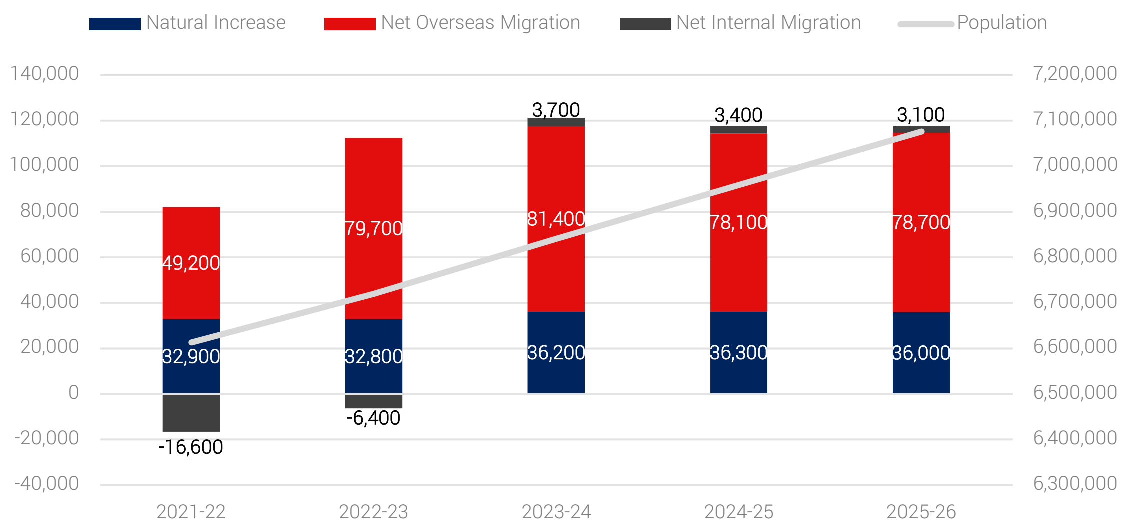
1. Victorian in Future (VIF) – VIF is the official State Government population projection. The VIF model is based on a 'top down' approach that estimates the future size, distribution and composition of the population, which has regard to historical and projected demographic trends. Projections are published to 2036.
2. Forecast Id – The Forecast Id model for small areas is based on a 'bottom-up' approach. The components of the model are derived exclusively from housing and demographic assumptions. The drivers of the forecasts are based on new residential development and demographic assumptions, such as in and out migration rates. Projections have been prepared to 2041.

It is noted that the VIF projections were prepared prior to the COVID-19 pandemic and therefore do not take into account the disruptions and changes in migration patterns which have occurred. In many metropolitan areas including Frankston City, the overall population decreased during the pandemic period, requiring projections to be 're-based', which is yet to occur at the State level (the Forecast ID projections have been updated post-pandemic).

Our analysis and research on current rates of growth and the impacts of the pandemic on metropolitan population levels indicates that, all other factors held equal, population projections may not be achieved until 3-5 years later than originally projected by VIF pre-pandemic.

The Federal Government's most recent short term population projection for Victoria is shown in Figure 45, indicating that Net Overseas Migration is expected to return to 'trend' levels in 2022-23, and Net Internal Migration is expected to revert to a positive outcome by 2023-24.

F45. FUTURE POPULATION GROWTH AND COMPONENTS, VICTORIA 2021 TO 2026



Source: Centre for Population Projections (October 2022/23 Budget).

Notwithstanding these disruptions and changes to the overall population picture, the VIF 2019 projections remain the current and official projections of the State government and must be considered as part of the Housing Strategy.

6.4. FRANKSTON CITY COUNCIL POPULATION AND DWELLING PROJECTIONS

A summary of municipal-wide projections is provided in Tables 9 and 10.

VIF projects Frankston City to experience population growth of 0.9% per annum, resulting in approximately 20,000 additional residents between 2021 and 2036, equating to an additional 1,300 residents per annum and the need for an additional 715 dwellings per year on average.

Forecast Id projects the population to increase by approximately 17,000 residents by 2036, requiring 7,657 dwellings. This translates to a total requirement of 496 dwellings per annum between 2022 and 2038, considerably lower than the VIF projection.

T9. VICTORIA IN FUTURE POPULATION AND DWELLING PROJECTIONS

Details	Location	2021	2026	2031	2036	Change 2021-2036	AAG	AAGR
Population	Frankston City	145,829	151,883	158,471	165,786	19,957	1,330	0.9%
	Metro Melbourne	5,220,800	5,740,915	6,243,718	6,736,146	1,515,346	101,023	1.7%
Dwellings	Frankston City	60,992	64,250	67,748	71,712	10,720	715	1.1%
	Metro Melbourne	2,084,247	2,314,553	2,522,642	2,736,908	652,661	43,511	1.8%

Source: Victoria in Future, 2019.

T10. FORECAST ID POPULATION AND DWELLING PROJECTIONS

Details	2021	2026	2031	2036	2041	Change 2021 - 2036	AAG 2021 - 2036	AAG 2023 - 2038
Population	140,809	148,252	153,590	157,883	161,660	17,074	1,138	1,043
Dwellings	58,772	61,643	64,148	66,429	68,546	7,657	510	491

Source: Forecast id, February 2023. 2023 – 2038 derived by Urban Enterprise based on AAGR within 5 year period.

6.5. AGE AND HOUSEHOLD TYPE CHANGES

AGE PROFILE

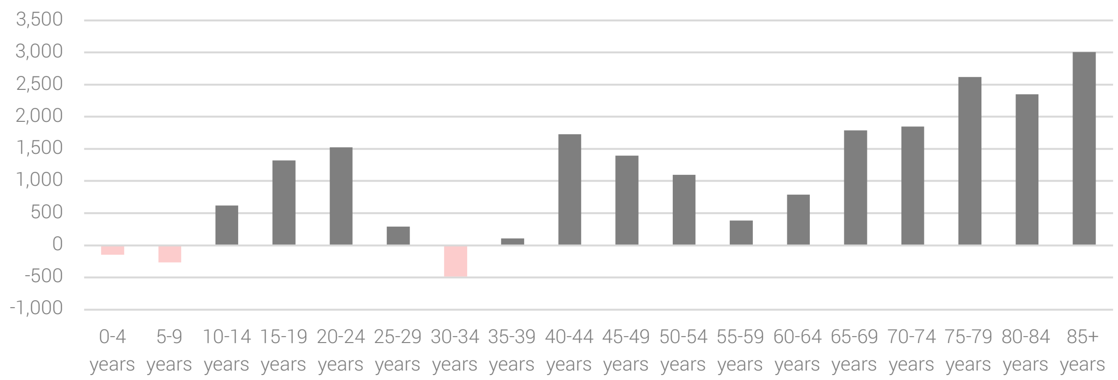
VIF age profile projections (Figure 46) show that:

- The population of Frankston City is forecast to continue to age over the 15 year period to 2036, with the proportion of residents aged over 60 years expected to increase from approximately 23% to 27%. Net additional residents aged over 65 years are expected to comprise 58% of all population growth over the period.
- The number of teenagers, young adults and middle aged residents is also expected to increase, while the number of young children (0 to 9 years old) and adults aged 30 to 34 years is projected to decrease over the period.

Forecast ID projections (Figure 47) are less variable by age cohort and project all age groups across the municipality to experience some growth over the 20 year period to 2041, with a particularly strong increase projected for residents over 70 years.

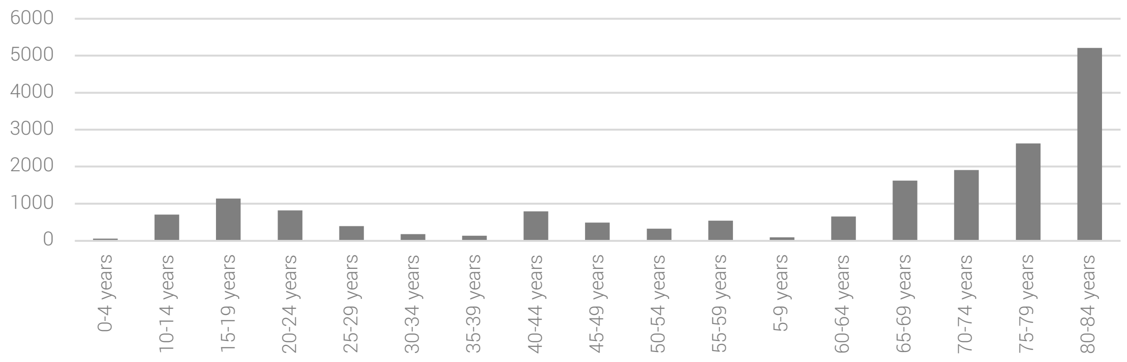
Under both projections, the municipal population is expected to age considerably over the Strategy period, warranting close consideration of the housing types, sizes and locations that are suitable for residents over 65 years in particular.

F46. PROJECTED AGE CHANGE, VIF, 2021 TO 2036



Source: Victoria in Future, 2019.

F47. AGE PROFILE PROJECTIONS AND CHANGE, FORECAST ID 2021 TO 2041

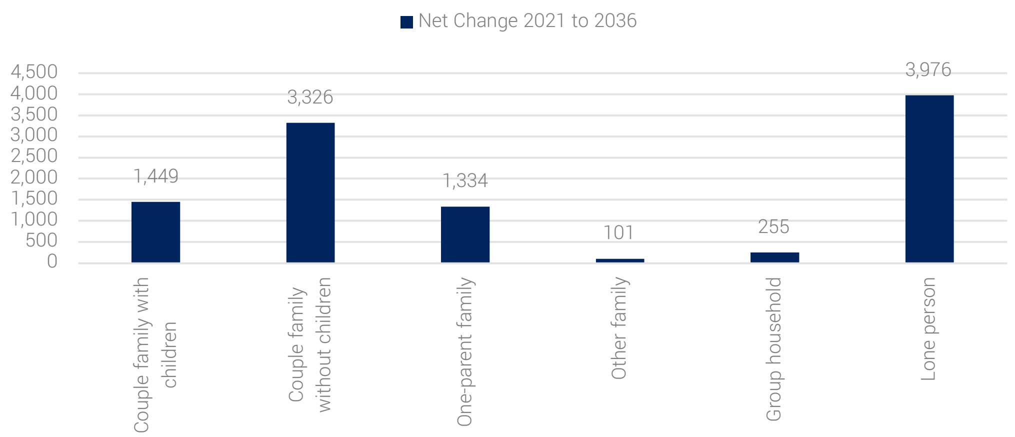


Source: Frankston Forecast id profile.

HOUSEHOLD SIZE AND TYPE CHANGES

Victoria in Future projects the average household size to decrease below 2.4 by 2036. In terms of household type, the projections (Figure 48) are for a significant increase in lone person households (+3,976) and couples without children (+3,326). Families with children (including one- and two-parent families) and the third main household type expected to increase materially, with a combined increase of 2,783 households projected.

F48. HOUSEHOLD COMPOSITION, PROJECTED NET CHANGE 2021 TO 2036, VIF



Source: VIF, 2019.

6.6. LOCAL PROJECTIONS

Both VIF and Forecast Id prepare population projections for small areas within the municipality. VIF provides data for the SA2 level and Forecast Id at the suburb level as well as the Frankston MAC.

Analysis of VIF data indicates the following for each SA2:

- The Frankston SA2 is expected to accommodate close to a quarter of all population growth in the municipality, with an additional 4,560 residents expected to be living in the area by 2036. To support these residents approximately 2,300 additional dwellings will be required over the next 15 years.
- Carrum Downs is also projected to experience strong population growth, with an additional 4,000 residents projected by 2036. This equates to 20% of all population growth expected across the municipality and an additional 2,250 dwellings.
- Close to 3,500 new residents are expected to live in Seaford by 2036, with an additional 1,700 dwellings required. This equates to 16% of all dwellings required in the municipality. Langwarrin (SA2) is also expected to require close to 1,700 dwellings per annum.
- Minimal population growth is anticipated in the Skye – Sandhurst SA2 according to VIF, with less than 1,000 dwellings required over the 15 year period between 2021 and 2036.

F49. FORECAST POPULATION AND DWELLING REQURIEMENTS BY SA2, VIF 2021 TO 2036

SA2	Additional Residents Population	Proportion of Frankston City Growth	Additional Dwelling Requirements	Proportion of Dwelling Growth
Carrum Downs	+4,045	20%	+2,254	21%
Frankston	+4,560	23%	+2,312	22%
Frankston North	+2,065	10%	+1,179	11%
Frankston South	+1,861	9%	+664	6%
Langwarrin	+2,800	14%	+1,694	16%
Seaford (Vic.)	+3,484	17%	+1,707	16%
Skye - Sandhurst	+1,142	6%	+910	8%

Source: VIF, 2019.

FRANKSTON METROPOLITAN ACTIVITY CENTRE (FMAC)

The population of the FMAC is expected to more than double over the 15 year to 20 year period between 2021 and 2041 according to Forecast Id projections. More than to 8,600 residents are expected to be living in the existing FMAC by 2041, and a significant number of dwellings will be needed to support this population growth (+2,700 dwellings).

In total, the population and dwelling growth forecast for the FMAC equates to more than a quarter (28%) of all dwelling growth forecast for Frankston City.

T11. FMAC POPULATION AND DWELLING PROJECTIONS, 2021 TO 2038

Details	2021	2026	2031	2036	2041	Change 2021 to 2041	AAG	AAGR
Population	3,934	5,122	6,312	7,506	8,622	4,688	234	4.0%
Dwellings	2,355	2,993	3,693	4,393	5,093	2,738	137	3.9%

Source: Forecast id, February 2023. Note: Data refers to the existing FMAC boundary.

6.7. FUTURE HOUSING NEEDS AND KEY SEGMENTS

The scale of housing needs over the next 15 years is summarised in Table 12 based on the various measures assessed.

Considering these indicators and the strong development pipeline, it is recommended that the Housing Strategy plans to accommodate at least 9,000 dwellings over the next 15 years. This is based on an average dwelling demand of 600 per annum, slightly higher than the recent average of 557 and higher than the Forecast ID project, but lower than the VIF projection.

If the rate of growth expected over the next 15 years was to continue for another 5 years, an additional 3,000 dwellings would be required. This equates to 12,000 dwellings over a 20 year period however it is noted that this would extend beyond the current projections available and therefore is an indicative measure.

T12. SUMMARY OF HOUSING NEEDS AND DEMAND INDICATORS

Source	15 year planning horizon	Average annual requirement	Notes
Victoria in Future	10,720	715	Based on average 2021-2036, extrapolated for a further 5 years.
Forecast ID	7,364	491	2023 – 2038
Recent development approvals activity	8,355	557	Based on average dwelling approvals rate over the period 2016 – 2022.

Source: Urban Enterprise, based on Victoria in Future 2019, Forecast ID and ABS.

HOUSING IMPLICATIONS OF AGE AND HOUSEHOLD TYPE CHANGES

The implications of the changing age profile and household type mix are summarised as follows:

- The significant growth in lone person households will increase the need for suitable dwellings. Almost half of all single person households occupy 1 or 2 bedroom dwellings in Frankston, and this household type also has a greater propensity to occupy medium density housing types. At present, more than 50% of all lone persons in Frankston are people aged 60 years and over, highlighting the importance of planning for a substantial increase in housing suitable for older singles (including retirement living and aged care).
- The substantial increase in couples without children will result in decreasing household sizes and potentially a need for smaller dwellings, however this household type has less propensity to occupy smaller dwellings and medium density housing than lone person households. This is possibly due to a lack of housing suitable to downsize into, as well as preferences and familiarity with larger separate dwellings.
- One parent households are expected to continue to increase in scale. This household type has a particularly high propensity to occupy larger rental housing, a housing product which will be important to enable movement within the local area when family circumstances change. Lone persons also have a high propensity to occupy rental housing.
- Despite the changes noted above, separate houses are currently the most popular housing type for most age groups and household types and will remain in need, especially for family households which are projected to continue to grow. If due to affordability and/or availability issues larger separate dwellings cannot be supplied to meet local needs, it will be important that larger apartments and townhouses are able to be delivered in parts of the municipality suited to the family households.

HOUSING NEEDS BY TYPE AND TENURE

Table 13 shows a projection of the size (bedrooms) and tenure of housing that will be needed to accommodate the projected net increase in households by household type over the next 15 years.

This projection is based on the VIF projection of household types and the current propensity of different household types to occupy housing. In other words, if the current housing mix was continued into the future, the table shows the dwelling types that would be needed to accommodate the projected needs. A limitation of this approach is the ignorance of the extent to which the existing housing stock meets existing needs – in other words, any existing shortfalls or misalignment of demand and supply is simply extrapolated.

Notwithstanding this limitation, the table provides an indication of the housing task that the Strategy should seek to tackle in more nuanced terms than aggregate dwellings. The key findings are as follows:

- Approximately 3,000 additional rental properties will be needed by 2038 at an average increase of almost 200 per annum. This compares with the 10 year average increase of 144 additional rental bonds per annum and a decline in rental bonds in Frankston over the past 5 years, and does not account for any unmet / latent demand for rental housing in the municipality.
- 1,400 additional dwellings with 2 or less bedrooms will be needed, in addition to the main demand for dwellings with 3 or more bedrooms.
- There would likely be an ongoing misalignment in terms of dwelling size compared with household size, with a large proportion of couples without children occupying houses with 4 or more bedrooms, and a large proportion of lone person households occupying dwellings with 3 or more bedrooms. In the context of an established municipality with a lack of developable residential land and declining housing affordability, increasing utilisation of the existing housing stock should be a key priority for the Strategy.

T13. BUSINESS AS USUAL HOUSING NEEDS BY BEDROOMS AND TENURE, 2023 TO 2038

	Number of bedrooms					
Household type	None (studios)	1-2	3	4	5+	Total
Couple family with children	1	181	700	323	44	1249
Couple family without children	1	97	1266	1211	292	2867
One-parent family	0	151	653	295	51	1150
Other family	1	37	41	7	1	87
Group household	1	48	125	39	6	220
Lone person	54	792	1914	575	92	3427
All Household Types	59	1306	4698	2451	485	9000
Total per year	4	87	313	163	32	600
% of total	1%	15%	52%	27%	5%	100%
	Dwelling tenure					
Household type	Owner occupier	Rented	Other	Total		
Couple family with children	989	236	24	1249		
Couple family without children	2330	525	11	2867		
One-parent family	592	547	12	1150		
Other family	53	30	4	87		
Group household	91	125	3	220		
Lone person	1899	1453	75	3427		
All Household Types	5954	2916	129	9000		
Total per year	397	194	9	600		
% of total	66%	32%	1%	100%		

Source: Urban Enterprise, based on VIF Household projections and 2021 Census housing occupancy by household type, Frankston City Council.

OTHER REQUIREMENTS AND OBSERVATIONS

Key housing types that will be required to meet the needs of particular market segments include the following:

- Aged care and retirement living: the substantial increase in residents aged over 65 years will generate the need for dedicated aged care and retirement living options within the municipality.
- Social and affordable housing: the relatively high incidence of social disadvantage, unemployment and low incomes in parts of the municipality will require ongoing delivery of supported housing and crisis accommodation in addition to market-supplied housing. This will become increasingly critical in the context of very low rental vacancies, strong rent price growth, high inflation and low wage growth.
- Student housing: students attending educational institutions in Frankston (especially Monash University and Chisolm TAFE) generate the need for housing close to campus; and
- Key worker housing: workers based in Frankston across a range of industries, especially those undertaking shifts and needing to live close to workplaces, will require housing to support the economic function of businesses and institutions in the municipality.

For most of the segments described above, proximity to similar assets and attributes will be important, such as public transport, employment and education opportunities and retail, health and community services. In the Frankston City Council, this will generally mean that residential intensification in proximity to train stations (currently in the western section of the municipality), the FMAC and other employment and education destinations should be planned.

Consideration of the scale and nature of demand for student housing and key workers is considered in more detail in the following sub-sections.

6.8. STUDENT POPULATION AND HOUSING

Tertiary education providers in the municipality include Monash University (Peninsula Campus) and Chisolm TAFE (Frankston Campus).

In 2021, the Monash University Peninsula Campus had a total of 4,240 students[5], while it is estimated that the Chisolm TAFE Frankston campus has the ability to serve up to 13,500 students.

The capacity of Chisolm TAFE is expected to increase to over 60,000 students following a two part redevelopment including:

- Part 1 –Completed in 2019, the $85 million Frankston Learning and Innovation Precinct project funded the construction and opening of two new buildings providing facilities for a range of courses including nursing, allied health, building and construction and early childhood education.
- Part 2 – Commenced in April 2022, the $67.6 million project will replace existing buildings with a multi level facility. The new state of the art facility will provide 9,600sqm of learning space and is expected to be completed in 2023.

[5] Monash University Annual Report, 2021.

SUPPLY

The Frankston Student Accommodation Planning Policy Background Paper, prepared by Hansen for Council in 2020, noted that there was limited student housing available in the municipality and that a large proportion of students are living at home, renting in the 'open market' or using private purpose-built student accommodation outside the municipality.

A review of public information prepared for this study indicates that there are 271 student beds in housing managed by Monash University in Frankston, with the majority located on campus. The largest student housing facility at Monash University is Gillies Hall which opened in 2019 has 150 studio apartments currently listed at a rental price of $333 per week.

Consultation with Chisolm TAFE confirmed that no student accommodation is currently provided or proposed for the Frankston campus.

T14. NUMBER OF BEDS, PURPOSE BUILT STUDENT ACCOMMODATION

Source	Number of Beds
Monash University	271
Chisolm TAFE	0
Total	271

Source: Monash University website (includes Gillies, Student Village, Bloom, Samada, Lardner and Holmes); Chisolm TAFE consultation.

DEMAND

Approximately 6% of Frankston City residents are tertiary students, with the number of tertiary students increasing at an average rate of 2.2% over the 10 years to 2021. This is faster than the rate of general population growth across the municipality (0.8% per annum) as shown in Table 15.

Of these students, there is relatively even split between those attending university (55%) and TAFE or other vocational education (45%).

T15. TERTIARY STUDENT POPULATION, FRANKSTON CITY

Details	2011	2021	Change	AAGR%
Tertiary Students	6,555	8,110	1,555	2.2%
Total Population	130,350	140,809	10,459	0.8%

Source: Census of Population and Housing, 2011 and 2021. These students attend institutions both within and outside the municipality.

Demand for student housing is generally driven by students of education institutions who do not live within a reasonable commuting distance to a campus, a circumstance often relevant to regional and international students, as well as residents of other parts of Melbourne. Demand is influenced by the age and family circumstances of students, and the nature and contact hours of courses.

To understand the nature of student housing demand associated with campuses in Frankston, consultation with Monash and Chisolm TAFE was initiated.[6]

Consultation with Chisholm TAFE identified that most students currently attending the Frankston Campus already live locally and as a result there is a minimal need for the institution to provide student housing. Many students attending the Frankston Campus are mature aged students who already have a family home within suitable travel distance and time. TAFE management indicated that it is unlikely that any need for dedicated student housing will emerge in the foreseeable future unless the course offering is expanded to include higher education (e.g. Bachelor Degrees).

Monash University Peninsula Campus had 3,524 full time students and 716 part time students in 2021 (4,240 total) and offers higher education courses focusing on nursing, allied health, education and business. 2021 numbers are comparable and slightly lower than 2018 enrolment levels (4,360 students).

[6] At the time of writing, only consultation with Chisolm was completed.

The primary cohort of demand for student housing is therefore considered to be full-time tertiary students attending Monash University Peninsula Campus and not already living within a reasonable commuting distance. Table 16 shows an indicative estimate of the proportion of full-time Monash University students who are likely to require on- or off-campus housing in proximity to the Peninsula Campus – it is estimated that in the order of 1,300 students are likely to need housing in the area.

When this is compared with the availability of purpose-built student accommodation of 271 rooms, it is evident that there are likely to be in the order of 1,000 full time tertiary students based in Frankston that require housing on the open market (primarily rental).

T16. APPROXIMATE NEED FOR STUDENT HOUSING FOR TERTIARY STUDENTS

Student type	% of students	Students (approx.)	Mobile %	Mobile students requiring accommodation
Domestic	67%	2,400	16%	400
International	33%	1,200	80%	900
Total Full time students	100%	3,500		1,300

Source: Urban Enterprise, all numbers rounded and indicative only. Data based on Monash University statistics (full time students 2021 and domestic / international breakdown in 2019); mobility based on Urbis Regional Student Accommodation Analysis Report 2018 (p.8) and Monash University location of residence of international students at Peninsula Campus.

AFFORDABILITY

Full time tertiary education students across metropolitan Melbourne have an average gross income of $456 per week in 2021 (ABS Census). This level of income influences the ability of students to afford rental housing and purpose built student housing. For students already living within a reasonable distance to the relevant campus, the option of staying in a family home often exists, however for 'mobile' students coming from other areas, affordable rental and purpose built student housing is critical.

Table 17 shows a comparison of the average full time student income, the proportion expected to be available for housing, and the rent of a median 3 bedroom house in the municipality (suitable for a group / share household) and a studio apartment or bedroom in student accommodation at Monash University. The analysis shows that:

- Sharing a three-bedroom house with a median rent would require a full time student on an average income to spend 34% of gross income on rent, which exceeds the standard measure of housing affordability and therefore would be likely to cause some form of financial stress to the student.
- Dedicated student housing available at Monash University is more expensive than a 3 bedroom rental shared between 3 occupants, with prices exceeding 50% of the average gross weekly income of full time students.

T17. COMPARISION OF FULL TIME STUDENT INCOMES AND CURRENT RENTS

Accommodation Type	Average weekly personal income	Weekly Rent	% of income spent on rent
3 bedroom house (shared)	$456	$153	34%
Standard room Monash Peninsula		$266	58%
Studio apartment Monash Peninsula		$333	73%

Source: Urban Enterprise, based on Rental Report 2021, ABS Census and Monash University.

Accommodating any increase in student numbers in the area will be constrained by the very low rental vacancy rates and relatively limited purpose built student accommodation available in the municipality.

Further consultation with Monash University is recommended to understand the experiences of students in obtaining suitable housing in the Frankston area, especially any issues associated with increasing rents and very low rental vacancy.

6.9. KEY WORKERS

The availability of suitable and proximate housing is critical to attracting and retaining a workforce for businesses and institutions in Frankston City.

Affordable and accessible housing is particularly important for 'key workers' who, despite generally earning low or moderate incomes, usually need to complete their work on-site and often complete shifts and/or need to be available at short notice (i.e. 'on call').

Table 18 shows a breakdown of key workers in Frankston City based on the definition of key workers adopted by the Australian Housing and Urban Research Institute (AHURI). In 2021, there were approximately 11,000 key workers based in the City, comprising 21% of the total workforce, materially higher than the Greater Melbourne proportion of 15%.

The most common occupations related to health care and social assistance roles, especially registered and other nurses and aged and disability carers, along with a high proportion of teachers.

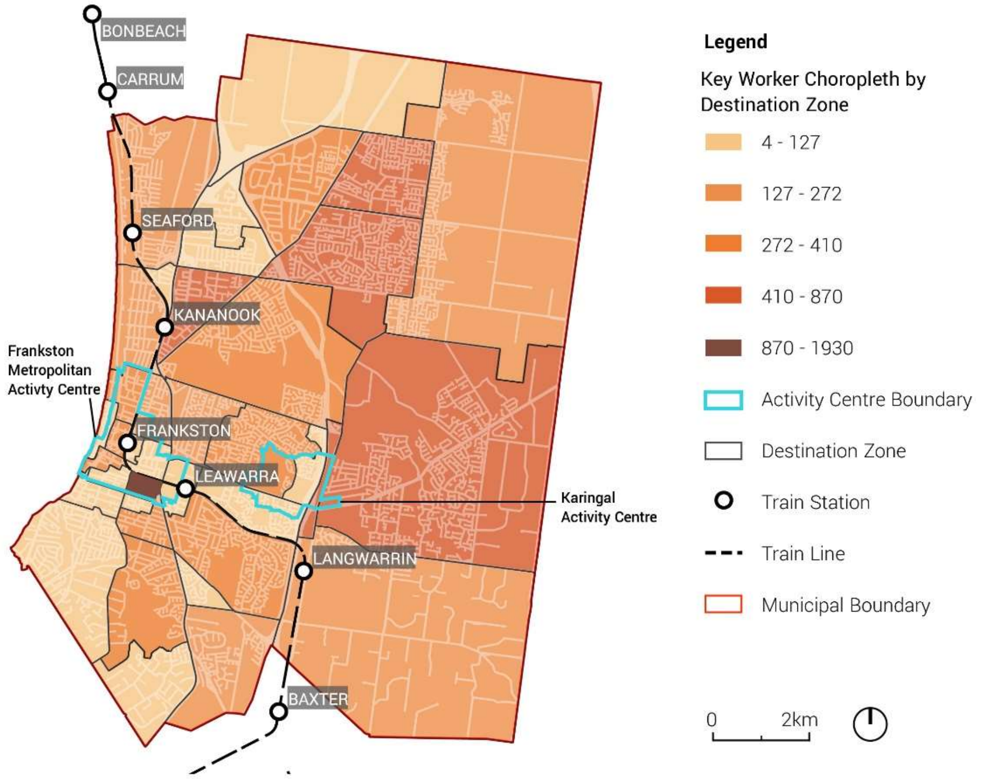
T18. KEY WORKER PROFILE, FRANKSTON CITY COUNCIL

Key Worker Occupation	Frankston City			Greater Melbourne	
	Number of Key Workers	Proportion of Key Workers	Proportion of all Workers	Proportion of Key Workers	Proportion of all Workers
Registered Nurses	2,283	21%	4%	14%	2%
Teachers	2,112	19%	4%	22%	3%
Aged and Disability Carers	1,195	11%	2%	9%	1%
Child carers	935	9%	2%	10%	1%
Nursing Support and Personal Care Workers	770	7%	1%	5%	1%
Educational Aides	533	5%	1%	5%	1%
Commercial Cleaners	478	4%	1%	6%	1%
Welfare Support Workers	440	4%	1%	3%	0%
Enrolled and Mothercraft Nurses	382	4%	1%	2%	0%
Police	299	3%	1%	3%	1%
Social Workers	280	3%	1%	2%	0%
Delivery Drives	267	2%	1%	4%	1%
Ambulance Officers and Paramedics	177	2%	0%	1%	0%
Midwives	177	2%	0%	1%	0%
ICT Support and Telecommunications Technicians and Trades	145	1%	0%	4%	1%
Bus and Coach Drivers	135	1%	0%	2%	0%
ICT Support Professionals	83	1%	0%	4%	1%
Laundry Workers	58	1%	0%	1%	0%
Fire and Emergency Service Workers	49	0%	0%	1%	0%
Prison Officers	32	0%	0%	1%	0%
Train and Tram Drivers	30	0%	0%	1%	0%
Total	10,860		21%		15%
Total Frankston City Employment	52,045				

Source: Census of Population and Housing, ABS, 2021 and Urban Enterprise, 2022.

The location of key worker jobs is shown in Figure 50, demonstrating the concentrations of employment at Frankston Hospital, Peninsula Private Hospital in Langwarrin, Frankston Day Hospital, Nepean Special School in Seaford, and a range of key worker locations in Carrum Downs including police, aged care, smaller medical services and schools.

F50. PLACE OF WORK, FRANKSTON CITY KEY WORKERS 2021

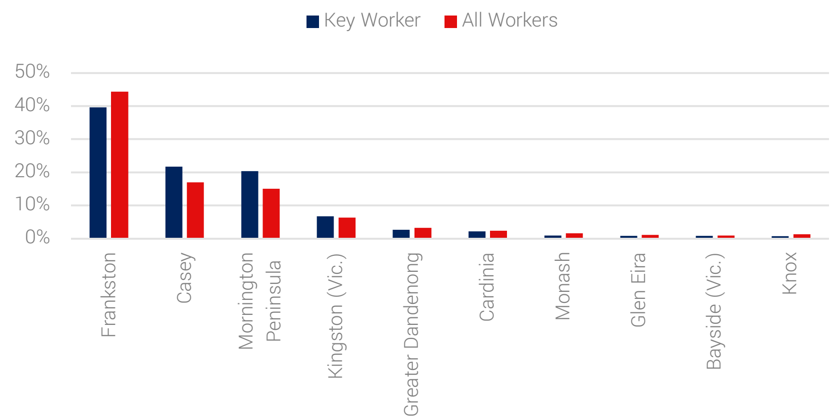


Source: Census of Population and Housing, ABS, 2021 and Urban Enterprise, 2022. The FMAC boundary shown is the existing boundary.

Analysis of 2021 Census data for key workers shows that:

- Key workers based in Frankston City are less likely to live in the municipality than overall workers. 40% live in the municipality, with a further 22% living in Casey and 20% in Mornington Peninsula Shire (Figure 51).
- Key workers in the municipality have similar income and housing characteristics to other workers based in Frankston.

F51. LOCATION OF RESIDENCE OF WORKERS BASED IN FRANKSTON CITY COUNCIL, 2021

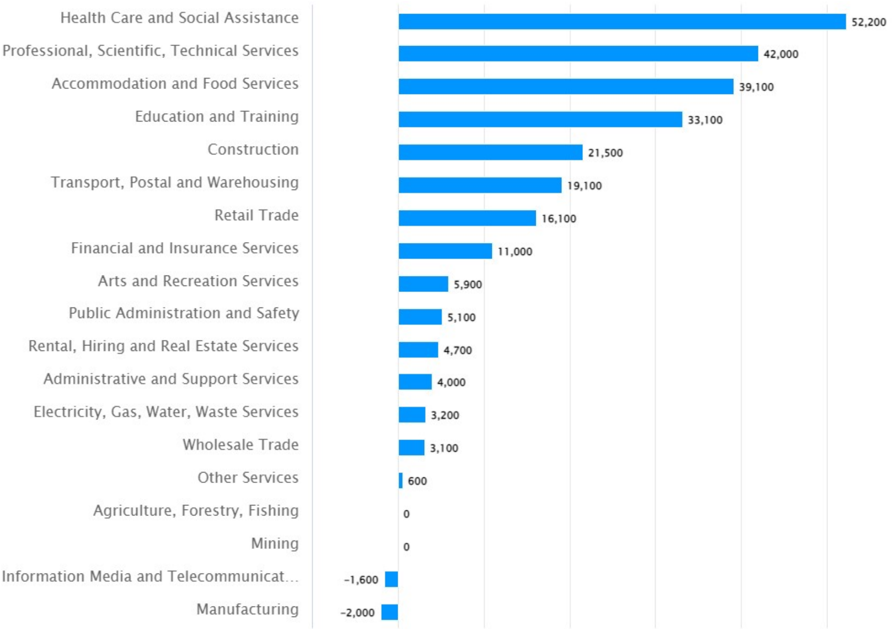


Source: Census of Population and Housing, ABS, 2021.

The Draft Southern Metro Land Use Framework Plan references projections of employment in the Frankston City Council at a rate of 1.5% per annum over the period 2016 to 2031 (p.19).

Labour force projections prepared by the National Skills Commission for Greater Melbourne show that Health Care and Social Assistance is projected to experience the greatest increase in employment of any industry in the short term (2020 – 2025) which would equate to a 15% increase in the 5 year period, with Education and Training the fourth highest projected increase (Figure 52).

F52. PROJECTED CHANGE IN EMPLOYMENT BY INDUSTRY, GREATER MELBOURNE, 2020 - 2025



Source: National Skills Commission, 2022.

Based on these inputs, the number of key workers in Frankston City is likely to increase over the Strategy period by at least 1.5% per annum and possibly up to 3% per annum. This rate of growth would result in between 2,700 and 6,100 additional key workers being based in the municipality in the next 15 years and seeking proximate and suitable housing.

Australian Housing and Urban Research Institute (AHURI) identifies the importance of key workers living close to their place of work due to a number of factors including:

- The majority of key workers are unable to work from home and are required to be physically present;
- Many key workers, including nurses and emergency professionals work shifts and can be on call. In some cases, key workers need to be able to respond to increases in demand and attend emergency situations.
- The shift nature of work means key workers require safe access and transport to their place of work at all times of the day.[7]

The projected growth in employment in key worker roles and industries indicates the ongoing need for high quality, affordable and accessible housing to be provided in Frankston close to key employers and institutions, especially hospitals. Facilitating this housing growth should be a priority for Council and consultation undertaken as part of the preparation of the Housing Strategy should include business consultation to identify the extent to which this issue is influencing businesses in the municipality.

[7] Housing Key Workers: scoping challenges, aspirations, and policy responses for Australian Cities, Australian Housing and Urban Research Institute, May 2021

7. HOUSING CAPACITY

7.1. INTRODUCTION

This section assesses the capacity of residential land in the municipality to accommodate additional housing.

7.2. KEY POINTS

- **The vast majority of residential land in Frankston City is in the General Residential Zone – most of this land is characterised by separate houses on lots typically between 600 and 1,000sqm. By contrast, there is a relatively limited supply of land in residential zones where higher density housing development is encouraged other than the FMAC and immediate surrounds.**
- **Minor subdivisions creating 2-4 lots are occurring through the municipality. Apartment developments are relatively rare outside the FMAC, although some proposals are beginning to emerge on larger former house lots.**
- **Housing capacity has been assessed based on unit and townhouse housing typologies throughout the General Residential Zone and apartment development occurs on larger sites in zones where policy encourages higher densities including the Residential Growth Zone, Mixed Use Zone and Commercial 1 Zone.**
- **There was a total theoretical capacity of approximately 37,000 dwellings in 2022, including approximately 10,000 dwellings in the FMAC and 27,000 in the balance of the municipality.**
- **Outside the FMAC, 95% of the additional capacity is within the General Residential Zone. Opportunities for subdivision in the LDRZ are mostly exhausted, while there is low to moderate capacity within the Commercial 1 Zone, Mixed Use Zone and Residential Growth Zone.**
- **76% of theoretical capacity is within infill sites with the potential to accommodate one or two net additional lots. Realisation of this type of capacity is typically slow and highly uncertain given the reliance on a very large number of individual landowners to sell or develop.**
- **There are approximately 900 dwellings within current development proposals outside the FMAC (based on UDP and Council permit information for strategic sites).**

7.3. PLANNING ZONES

The Frankston Planning Scheme includes the following residential zones:

- Residential Growth Zone (RGZ);
- General Residential Zone (including land in the former Residential 1 Zone);
- Low Density Residential Zone (LDRZ); and
- Mixed Use Zone (MUZ).

The Commercial 1 Zone (and former Business 1 Zone, Business 2 Zone and Business 5 Zone which still apply in some areas) also permits housing, along with the Comprehensive Development Zone which applies to the suburb of Sandhurst.

A map of the relevant zones included in this study is provided in Figure 53. References in this section to the FMAC refer to the proposed FMAC area also shown in Figure 53.

F53. PLANNING ZONES RELEVANT TO HOUSING, FRANKSTON CITY

Source: Urban Enterprise, 2022.

7.4. METHOD AND ASSUMPTIONS

OVERVIEW

A summary of the method used to estimate housing capacity is shown in Table 19.

T19. METHOD OVERVIEW

Step	Description
Baseline	Compile area, planning and land use data for all properties in the municipality in the study zones.
Exclusions and constraints	Exclude or limit the potential yield of properties that are unlikely to be developed in the study timeframe or are subject to controls which will limit yield.
Apply building height and minimum lot size controls	Based on planning zones and overlays applied in Frankston, summarise building height and subdivision minimums for each zone and schedule.
Residential densities	Apply expected residential densities (dwellings per hectare) to residential sites to estimate maximum likely dwelling yield.
Major projects and precincts	For major residential developments yet to commence, the approved or proposed dwelling yield shown in the UDP or advised by Council is adopted. For major precincts such as activity centres, estimates of development capacity prepared for Structure Plans have been adopted.
Net additional capacity	Calculate the difference between the maximum permissible development and any existing housing to determine the net additional capacity of current planning controls.

Source: Urban Enterprise.

The assessment is primarily informed by the following sources of information:

- Council's property rates database, which provides 'baseline' information for every property in the municipality, including land area, zone, construction year, value and current land use categorisation as at 1 January 2022.
- The Frankston Planning Scheme zones and overlay controls as at October 2022.
- A database of approved dwellings in the Frankston City Council between January 2017 and October 2022.
- Comparison of the 2015 property cadastre with the 2022 cadastre to identify the types and densities of infill developments which have occurred by zone.
- Input received from Council officers regarding the status and potential or proposed yield of strategic sites.

EXCLUSIONS AND CONSTRAINTS

Not all land in the City is a logical candidate for redevelopment within the timeframe of this assessment. Exclusions have therefore been applied to remove from consideration those sites that, for several reasons, are unlikely to be developed, including existing of site-specific heritage controls, recently constructed buildings and public land uses.

In addition, some land is affected by planning overlays such as the Erosion Management Overlay and Land Subject to Inundation Overlay or property restrictions such as single dwelling covenants that limit the extent to which sites can be developed.

The assumptions adopted regarding exclusions and constraints are shown in Appendix E.

7.5. HOUSING TYPOLOGIES AND DENSITIES

The possible typologies and densities of housing development within Frankston City will be influenced primarily by the zones and overlays which apply as well as the other factors relating to housing demand, property economics, lot sizes and so on.

Table 20 summarises the assumptions that have been adopted in order to estimate the capacity of zoned land to accommodate housing in Frankston City. These assumptions are based on an analysis of current zone and overlay controls (including minimum lot sizes, height controls and so on) and analysis of recent housing developments, the details of which are shown in Appendix E.

Analysis of development patterns across the City showed that minor subdivisions (i.e. 2-4 lots) are occurring through the municipality. Therefore, the potential of all General Residential Zone land for re-subdivision at townhouse / unit densities has been estimated without differentiating based on proximity to activity centres.

Apartment developments are relatively rare outside the FMAC, although some proposals are beginning to emerge on former house lots in the order of 900 – 1,000sqm outside defined activity centres. Given policy encouragement for higher residential densities, the capacity of land in the Residential Growth Zone, Mixed Use Zone and Commercial 1 Zone is assessed on the basis of low rise apartment densities where site sizes exceed 1,000sqm.

T20. DEVELOPMENT TYPOLOGY AND DENSITY ASSUMPTIONS

Setting	Infill			Strategic sites		
Zone	Lot size (sqm)	Typology	Density (dw/ha)	Lot size (sqm)	Typology	Density (dw/ha)
GRZ	500 – 5,000	Townhouse / unit	35	>5,000	Townhouse / unit	Substantial Change: 45
					Townhouse / unit	Incremental Change: 35
					Townhouse / unit	Minimal Change: 35
RGZ	500 – 1,000	Townhouse	70	>1,000	4 storey apartment	170
MUZ	500 – 1,000	Townhouse	70	>1,000	4 storey apartment	170 (DDO13)
					3 storey apartment	120 (other)
C1Z	None estimated			>1,000	4 storey mixed use (3 levels of apartments)	120
					3 storey mixed use (2 levels of apartments)	70

Source: Urban Enterprise.

Infill sites: based on recent Frankston City densities in the relevant zones and applicable planning controls. Strategic sites: Average densities are based on UDP data across Melbourne for equivalent site sizes, typologies and building heights. Higher GRZ density assumed for substantial change areas based on densities of larger townhouse sites across Melbourne (UDP). Incremental and minimal change density based on recent City of Frankston densities in this zone.

As shown in Table 20, a distinction is made between smaller 'infill' sites and larger 'strategic' sites which generally have greater flexibility to be developed at higher densities subject to the planning controls and height limits.

For strategic sites, Council officers provided input regarding the suitability of the sites for development and their potential yield based on known site information and planning applications (both approved and proposed). In several cases, this resulted in an approved or proposed yield replacing the 'modelled' yield. In other instances, this exercise resulted in an indication that medium density housing development is not likely to be suited / approved due to site circumstances, in which case a default density of 15 dwellings per hectare was assumed to approximate 'standard' residential densities.

In all cases (including both infill and strategic sites, unless Council provided an approved yield for the site), any yield specified in the Urban Development Program was adopted in place of the modelled yield.

It is noted that the Table 20 assumptions have not been applied to land in the FMAC – a separate estimate of housing capacity was undertaken for the FMAC Structure Plan which has been adopted for this analysis.

7.6. RESULTS

Tables 21 and 22 show the approximate dwelling capacity of municipality (excluding FMAC) by suburb, zone and yield range. Table 23 shows the estimated capacity of the FMAC, and the location of properties with the potential to accommodate 3 or more additional lots / dwellings is shown in Figure 54.

Key findings are as follows:

- There is a total theoretical capacity of approximately 27,000 net additional dwellings (as at 2022), excluding the FMAC, which has a potential capacity for a further circa 10,000 dwellings (see Table 23). This represents the theoretical maximum number of additional dwellings that could be accommodated if all candidate sites were redeveloped based on the density assumptions adopted.
- The greatest capacity is in the suburb of Frankston, followed by Carrum Downs, Seaford and Langwarrin.
- 95% of the additional capacity is within sites in the General Residential Zone. Opportunities for subdivision in the LDRZ are mostly exhausted, while there is low to moderate capacity within the Commercial 1 Zone, Mixed Use Zone and Residential Growth Zone outside the FMAC.
- 76% of theoretical capacity is within infill sites with the potential to accommodate 2-3 lot subdivisions (i.e. 1-2 net additional lot). Realisation of this capacity is typically slow and highly uncertain given the reliance on a very large number of individual landowners to sell or develop. If 25% of this capacity was realised, total yield would be in the order of 5,000 dwellings in these areas.
- There are approximately 900 dwellings within current development proposals outside the FMAC (based on UDP and Council permit information for strategic sites).

T21. DWELLING YIELD BY SUBURBS AND ZONE

Suburb	C1Z	MUZ	RGZ	GRZ	LDRZ	Total
Frankston	137	450	594	7,742	0	8,923
Carrum Downs	87	0	0	5,006	0	5,093
Frankston South	0	0	0	1,730	0	1,730
Seaford	11	0	0	3,306	0	3,317
Langwarrin	46	4	0	4,977	8	5,035
Langwarrin South	0	0	0	0	27	27
Frankston North	0	0	0	1,770	0	1,770
Sandhurst	0	0	0	0	0	0
Skye	0	0	0	1,098	0	1,098
Total	281	454	594	25,629	35	26,993

Source: Urban Enterprise.

T22. DWELLING YIELD BY SUBURB AND YIELD RANGE

Suburb	Net additional lots / dwellings per site							
	1	2	3-5	6-10	11-50	50+	Total	*'Known' Yield*
Frankston	5,945	1,386	634	115	647	196	8,923	*180*
Carrum Downs	2,752	450	146	141	519	1,085	5,093	*434*
Frankston South	1,118	278	165	34	75	60	1,730	*114*
Seaford	2,270	686	198	56	107	0	3,317	*103*
Langwarrin	2,138	902	976	528	341	150	5,035	*82*
Langwarrin South	14	2	5	6	0	0	27	*0*
Frankston North	1,631	76	26	26	11	0	1,770	*0*
Sandhurst	0	0	0	0	0	0	0	*0*
Skye	718	96	33	80	113	58	1,098	*16*
Total	16,586	3,876	2,183	986	1,813	1,549	26,993	*929*

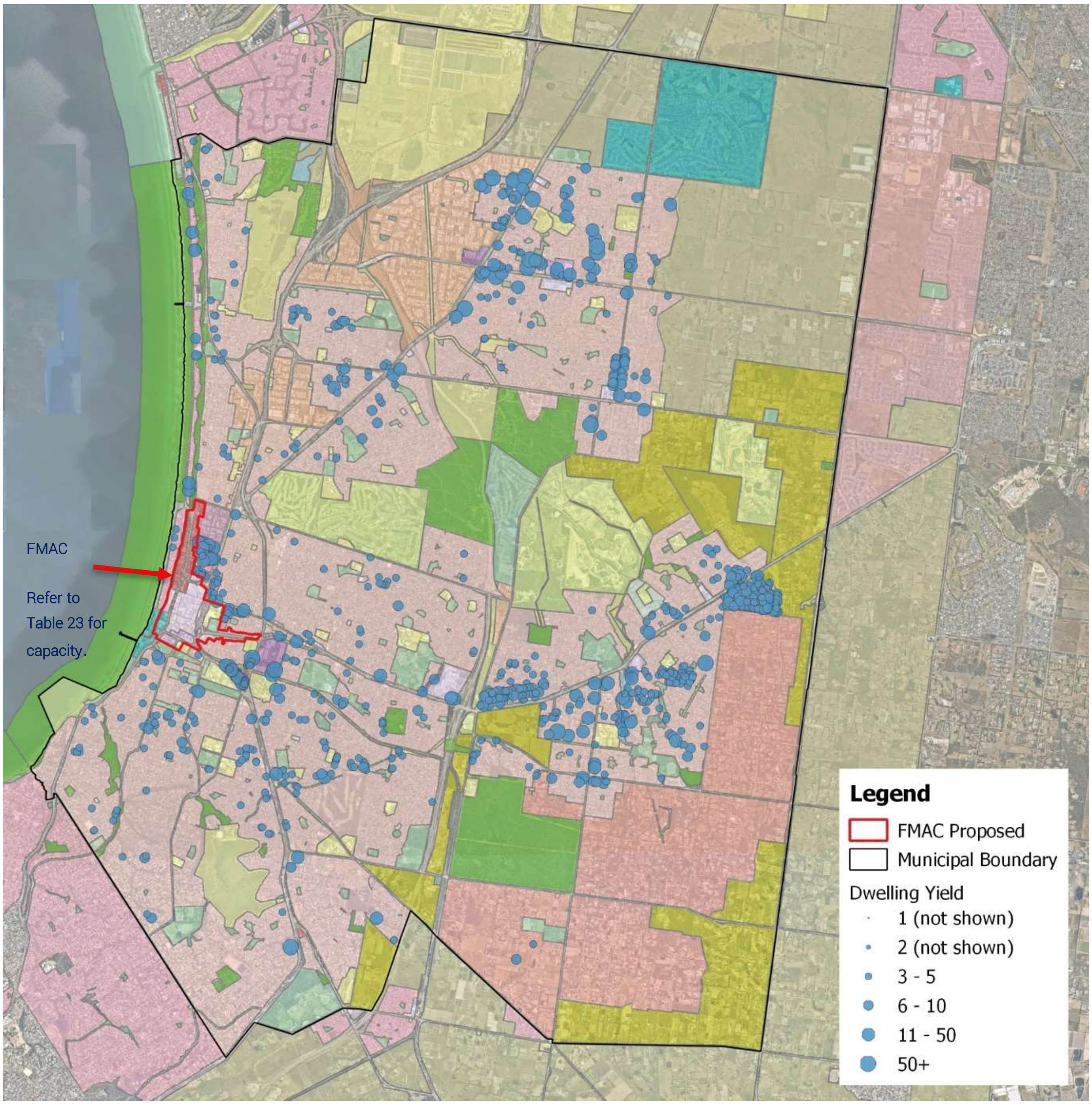
Source: Urban Enterprise. 'Known' yield refers to sites in the UDP or where Council provided a lot yield for a specific site based on an approved or proposed development.

T23. FMAC HOUSING CAPACITY

Sub Precinct	Number of existing dwellings	Net additional dwellings	Total capacity
Arts, Entertainment and Government Services	84	3,252	3,336
City Centre	432	1,377	1,809
Cranbourne Road Gateway	131	938	1,069
Frankston Station	-	361	361
Nepean Highway Gateway	597	3,365	3,962
Waterfront	15	654	669
FMAC	1,259	9,948	11,207

Source: Frankston MAC Structure Plan: Economic Assessment and Land Use Capacity, SGS Economics and Planning, 2022. Data is for the proposed FMAC Boundary.

F54. DWELLING CAPACITY



Source: Urban Enterprise.

7.7. POTENTIAL FUTURE HOUSING DEVELOPMENT AREAS

Other strategic areas identified in existing and proposed policies are not assessed in this report if suitable zoning is not yet in place, however these could provide additional capacity for housing in strategic locations:

- Intensification surrounding Seaford Station, as identified in the Southern Metro Land Use Framework Plan;
- Urban renewal to the immediate west of Kananook Station (subject to rezoning) as identified in the 2018 Housing Strategy; and
- Corridors along the Principal Public Transport Network.

8. STRATEGY CONSIDERATIONS

The following key considerations should be addressed through the Housing Strategy process.

1. Accommodate at least 9,000 additional dwellings over the next 15 years.
2. Increase the stock of housing suitable for older singles (including retirement living and aged care).
3. Ensure a range of dwellings sizes are available to suit overall decreases in average household sizes.
4. Address the lack of rental housing relative to demand (especially for lower income earners and single parent families), as well as accommodating a net increase of 3,000 rental dwellings. This should include consideration of emerging development types such as Build to Rent.
5. Respond to ongoing housing affordability pressures.
6. Plan for ongoing increases in housing suitable for families, including a combination of separate dwellings and medium density alternatives. This could include both larger apartments and townhouses.
7. Address the likely misalignment of dwelling size and household size by aiming to increase the utilisation of existing housing stock.
8. Ensure that social and affordable housing is prioritised to respond to the relatively high incidence of social disadvantage, unemployment and low income households.
9. Further investigate and address issues associated with the availability of affordable and accessible housing for students and key workers, especially in proximity to the Frankston Health and Education Precinct.
10. Encourage increases in housing stock in areas that will support ready access to employment, health, education and services, especially those proximate to public transport, train stations and the FMAC.
11. Capitalise on the substantial housing capacity of established residential areas to complement strategic sites, higher density zones and activity centres where (with the exception of the FMAC) the availability of logical larger scale development opportunities is diminishing.

APPENDICES

APPENDIX A DEFINITIONS

T24. HOUSING DEFINITIONS

Term	Definition	Source
Population		
Estimated Residential Population	The official measure of the population of Australia. It refers to all people, regardless of nationality, citizenship or legal status, who usually live in Australia, with the exception of foreign military or diplomatic personnel and their families. It includes usual residents who are overseas for less than 12 months over a 16-month period. It excludes overseas visitors who are in Australia for less than 12 months over a 16-month period.	ABS (National, state and territory Population Methodology)
Natural Increase	Net change in population due to the number the number of births minus the number of deaths.	ABS (National, state and territory Population Methodology)
Interstate Migration and/ Net Internal Migration (NIM)	The movement of people over a state or territory boundary for the purpose of changing their place of usual residence. Net Interstate Migration is the number of arrivals minus the number of departures.	ABS (National, state and territory Population Methodology)
Net Overseas Migration (NOM)	The net gain or loss of population through immigration to Australia and emigration from Australia.	ABS (National, state and territory Population Methodology)
Place of Usual Residence	The geographic area in which a person usually lives. It may or may not be the place where the person was counted on Census Night.	ABS (Census Dictionary)
Dwellings		
Private Dwelling	A self-contained dwelling intended for long-term residential use. Private dwellings can include houses, flats (including flats with communal laundries), semi-detached terrace houses, townhouses, apartments and self-contained retirement village units. To allow for full coverage of all households, private dwellings also include 'Other dwellings'. Other dwellings can include dwellings attached to non-residential buildings and occupied caravans, cabins, houseboats, improvised dwellings and tents.	ABS (Housing Variables)
Non Private Dwelling	Dwellings or establishments that provide a communal or transitory type of accommodation or care, such as hotels, hostels and nursing homes, prisons, religious and charitable institutions, boarding schools, defence establishments, hospitals and other communal dwellings.	ABS (Housing Variables)
Occupied Dwelling	A dwelling which was occupied by one or more people on Census night.	ABS (Census Dictionary)
Unoccupied Dwelling	A dwelling which was identified to be unoccupied on Census night.	ABS (Census Dictionary)
Medium Density Dwelling	'Medium density' includes all semi-detached, row, terrace, townhouses and villa units, plus flats and apartments in blocks of 1 or 2 storeys, and flats attached to houses.	Id
High Density Dwelling	'High density' includes flats and apartments in 3 storey and larger blocks	Id
Household	A household is defined as one or more people, at least one of whom is at least 15 years of age, usually resident in the same private dwelling.	ABS (Census Dictionary)
Households and Families		
Household Composition	The type of household within a dwelling. It indicates if a family is present on Census Night and if other unrelated household members are present.	ABS (Census Dictionary)
Family	A family is defined by the ABS as two or more people, one of whom is at least 15 years of age, who are related by blood, marriage (registered or de facto), adoption, step or fostering, and who are usually resident in the same household	ABS (Census Dictionary)
Couple Family / Couple Family with No Children	A couple family is identified by the existence of a couple relationship. A couple relationship is defined as two people usually residing in the same household who share a social, economic and emotional bond usually associated with marriage and who consider their relationship to be a marriage or marriage-like union.	ABS (Census Dictionary)

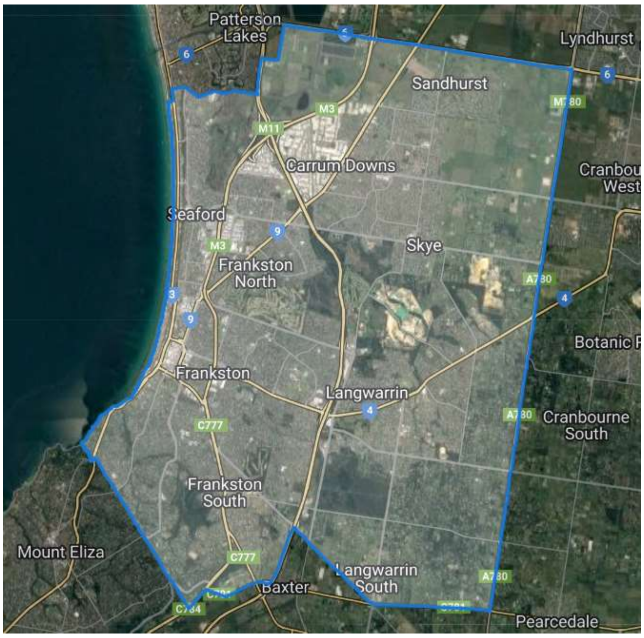
Term	Definition	Source
One Parent Family	A one-parent family consists of a lone parent with at least one child (regardless of age) who is also usually resident in the household and who has no identified partner or child of their own.	ABS (Census Dictionary)
Other Family	Other family is defined as a group of related individuals residing in the same household, who cannot be categorised as belonging to a couple or one parent family.	ABS (Census Dictionary)
Group Household	The ABS defines a group household as a household consisting of two or more unrelated people where all people are aged 15 years and over. There are no reported couple relationships, parent-child relationships or other blood relationships in these households.	ABS (Census Dictionary)
Lone person household	A private dwelling, with only one person aged 15 years or over, is classified as a lone person household	ABS (Census Dictionary)
Dwelling Structure		
Separate House	A separate house is structurally independent from other dwellings.	ABS (Housing Variables)
Semi-detached, row or terrace house, townhouse etc.	Dwellings with their own private grounds and no dwellings above or below. A key feature of these dwellings is that they are attached and structurally dependent on one or more other dwellings. Examples include semi-detached, row or terrace houses, townhouses, and villa units.	ABS (Housing Variables)
Flat or Apartment	All dwellings in blocks of flats or apartments. These dwellings do not have their own private grounds and usually share a common entrance foyer or stairwell.	ABS (Housing Variables)
Other Dwellings	Includes cabins, caravans, houseboat, houses or flat attached to a shop, office, etc., improvised home, tent, sleepers out	Summarised by UE utilising ABS (Housing Variables)
Tenure		
Tenure Type	The nature of a person's, income unit's or household's legal right to occupy the dwelling in which they usually reside.	ABS (Housing Variables)
Owned outright	People, income units or households who own the property in which they usually reside and have no outstanding mortgage or loan secured against the dwelling.	ABS (Housing Variables)
Owned with a mortgage	People, income units or households who own the property in which they usually reside and have any outstanding mortgages or loans secured against the dwelling.	ABS (Housing Variables)
Purchased under a shared equity scheme	Refers to households who are purchasing less than 100% equity in the dwelling and may or may not be paying rent for the remainder.	ABS (Housing Variables)
Occupied Rent Free	Tenure type is rent-free if no money is exchanged for lodgement but the person or income unit or household is not an owner of the dwelling.	ABS (Housing Variables)
Occupied under a life tenure scheme	Refers to households or individuals who have a 'life tenure' contract to live in the dwelling but usually have little or no equity in the dwelling. This is a common arrangement in retirement villages.	ABS (Census Dictionary)
Building Approvals		
Data utilised	Data collected are available as part of the normal administrative building approval process and are generally readily available from the relevant local government or other approving authority.	ABS (Building Approvals, Australia Methodology)
House	A detached building primarily used for long term residential purposes consisting of one dwelling unit. Includes detached residences associated with a non-residential building, and kit and transportable homes.	ABS (Building Approvals, Australia Methodology)
Other Residential	Buildings other than houses which are primarily used for long-term residential purposes. Other residential buildings includes: semidetached, row or terrace houses or townhouses; and flats, units or apartments	ABS (Building Approvals, Australia Methodology)
ABS Structures		
Statistical Areas Level 1 (SA1s)	Statistical Areas Level 1 (SA1s) are designed to maximise the geographic detail available for Census of Population and Housing data while maintaining confidentiality. SA1s are built from whole Mesh Blocks and have a population between 200 to 800 people.	ABS (Census Geography Glossary)

Term	Definition	Source
Statistical Areas Level 2 (SA2s)	Statistical Areas Level 2 (SA2s) are medium-sized general purpose areas built up from whole Statistical Areas Level 1 (SA1s). They generally have a population between 3,000 and 25,000. Their purpose is to represent a community that interacts together socially and economically. SA2s represent suburbs within cities and catchments of rural areas.	ABS (Census Geography Glossary)
UDP		
Urban Development Program	Provides an annual update on the supply of greenfield residential land in Melbourne's Growth Areas, the pipeline of major residential redevelopment projects in established areas, industrial land supply and the supply of greenfield residential land in several key regional centres	DELWP
Major Residential Redevelopment Site	Major redevelopment sites are those which were previously used for commercial, industrial, educational or residential purposes. These sites have been identified through the planning process of being able to accommodate 10 or more dwellings. Major redevelopment sites play a significant role in how Melbourne's growth is managed.	DELWP
Possible	Early indicator of the location of future major redevelopment sites. Sources include DELWP	DELWP
Likely	Major redevelopment sites that are within the planning process. Sources include LGA planning registers, PPARS (DELWP), Real estate websites	DELWP
Firm	Major redevelopment sites that have been approved and / or taking sales enquiries and registrations. Sources include LGA planning registers, PPARS (DELWP), cadastre (DELWP), websites of developments, real estate websites	DELWP
Under construction	Building works being carried out on major redevelopment sites. Sources include address points (DELWP), cadastre (DELWP) and aerial photography (DELWP)	DELWP
Completed	Completed building on major redevelopment sites. Sources include address points (DELWP), cadastre (DELWP) and aerial photography (DELWP)	DELWP
Population and Dwelling Projections		
Victoria in Future	Victoria in Future is the official state government projection of population and households. Projections are based on trends and assumptions for births, life expectancy, migration, and living arrangements across all of Victoria.	DELWP
Forecast ID Population forecasts	The population forecasts are based on a combination of three statistical models. They include a cohort component model, a housing unit model and a household propensity model. Each of the models has a series of inputs, which when linked to the other models gives the forecast outputs.	Id
A Guide to Property Values		
Median Sale Price	The median sale price is the value of the middle item when all sale prices are arranged in ascending order of magnitude.	Valuer General (DELWP)
Property types	Houses based on a combination of Detached Home, Semi-Detached/Terrace Home/Row House, House and Flat/Studio. Units based on a combination of Single Strata Unit/Villa Unit/Townhouse, Conjoined Strata Unit/Townhouse, Residential Company Share Unit (ground level), Residential Company Share Unit (within multi-storey development), Strata Unit or Flat, Residential Investment Flats, Individual Flat, Retirement Village Unit.	Valuer General (DELWP)
Other		
Build to Rent	Build To Rent is a form of rental offering in which a developer maintains ownership of all properties, usually within a largescale building. This is differentiated from the common rental offering, in which each individual unit or property is privately investor-owned and leased.	

Source: Urban Enterprise based on sources stated in table.

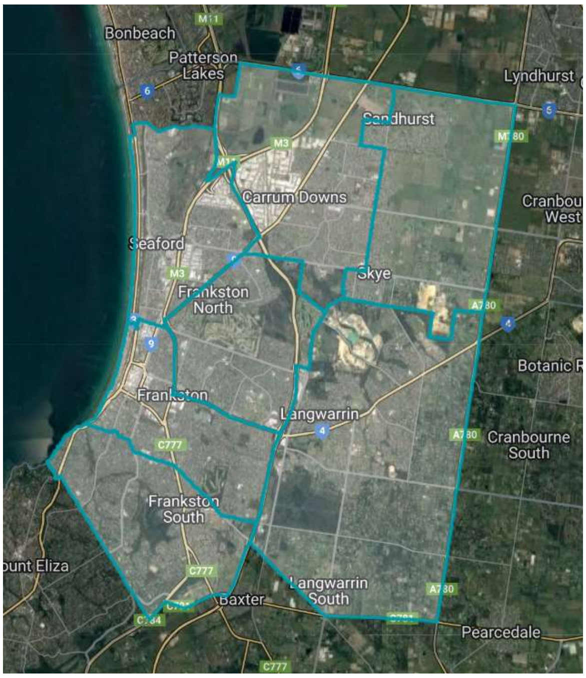
APPENDIX B DATA AREAS

F55. FRANKSTON CITY BOUNDARY



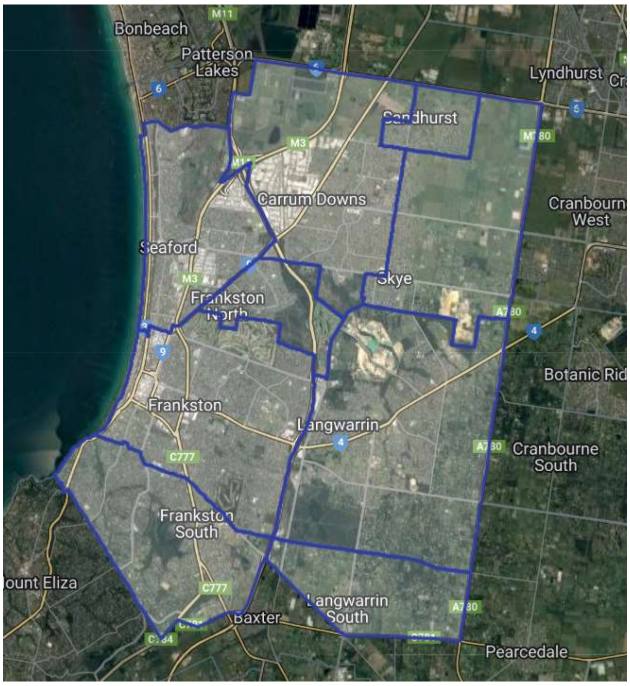
Source: Remplan Mapbuilder, 2022.

F56. FRANKSTON CITY STATISTICAL AREA 2 BOUNDARIES



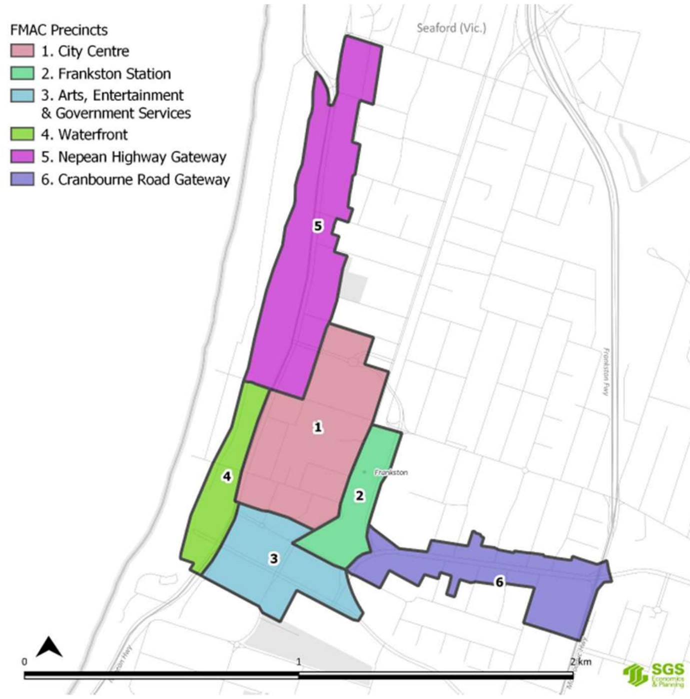
Source: Remplan Mapbuilder, 2022.

F57. FRANKSTON CITY SUBURB BOUNDARIES



Source: Remplan Mapbuilder, 2022.

F58. PROPOSED FMAC BOUNDARY



Source: FMAC Structure Plan Economic Assessment and Land Use Capacity, SGS Economics and Planning, 2022.

APPENDIX C SUBURB PROFILES

CARRUM DOWNS

Carrum Downs is located in the north of the Frankston City and has a population of approximately 22,000 residents.

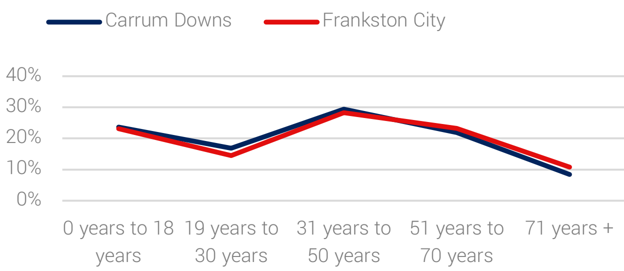
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- The median age in Carrum Downs is increasing however remains younger than the municipal average.
- There is a very small proportion of higher density dwellings such as units or apartments across the suburb (less than 5%).
- A high proportion of families live in Carrum Downs. Into the future larger, separate dwellings are likely to be continued to be required to meet the needs of these households.
- There is also a high proportion of lone person households in Carrum Downs and over 30% of these households live in semi-detached dwellings.
- The median house value in Carrum Downs is the second lowest in the municipality ($675,000) and is approximately $105,000 lower than the municipal median ($780,000), indicating relative affordability.
- While the median weekly household income in Carrum Downs exceeds the Frankston City median, it remains well below the median across Greater Melbourne.

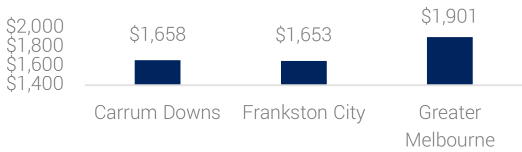
Population and Dwelling Profile

Population	21,976 residents (+286 per annum)
Proportion of Municipal Population	16%
Median Age	36 years (+2 years since 2016)
Avg. Household Size	Carrum Downs - 2.5 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	9,091

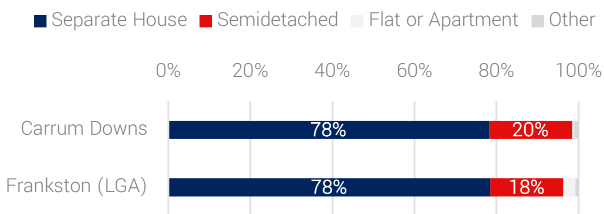
Age Profile



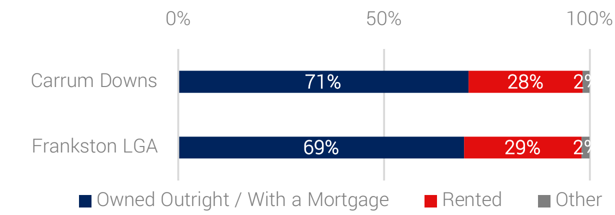
Median Weekly Household Income



Dwelling Structure

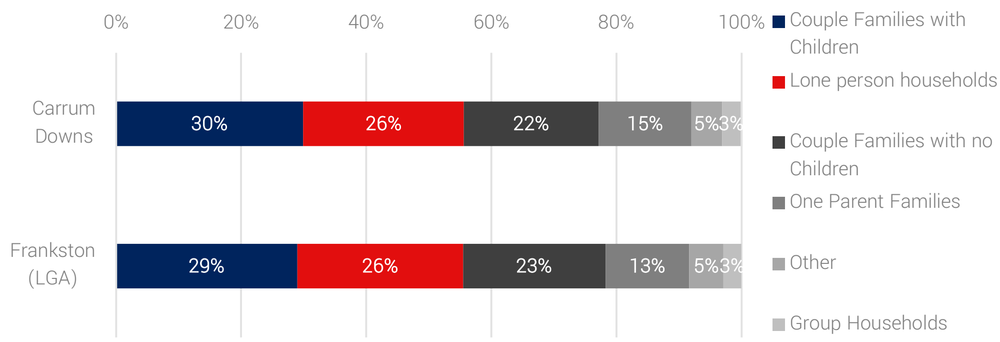


Tenure

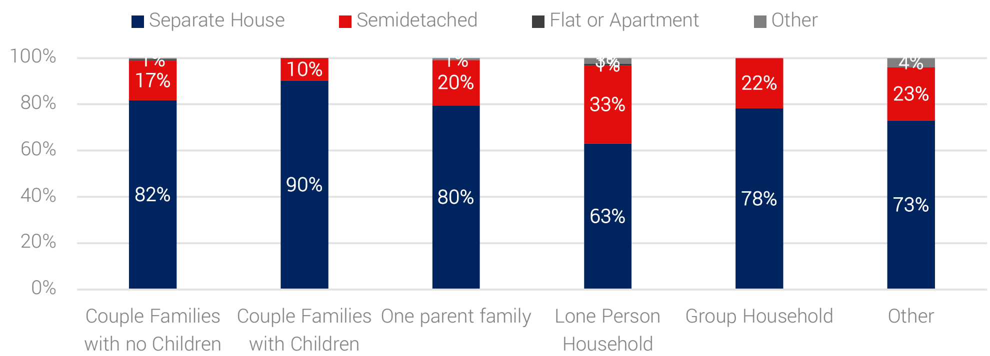


Source: ABS Census, 2021.

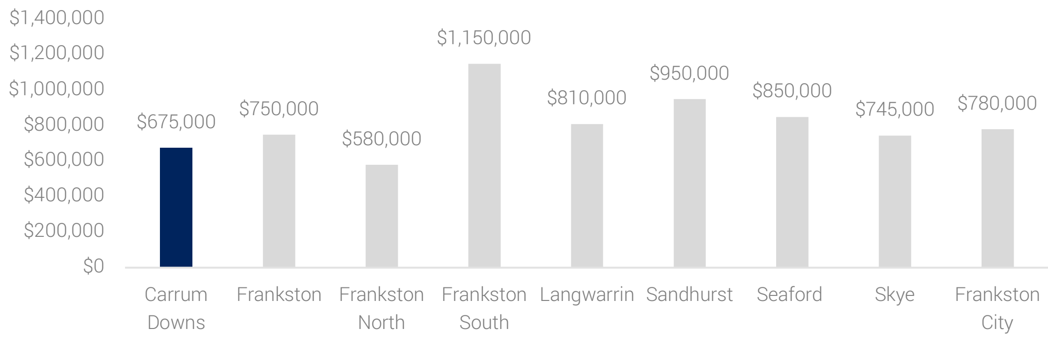
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

FRANKSTON

Frankston is located in the south-west area of Frankston City and has a population of close to 40,000 residents.

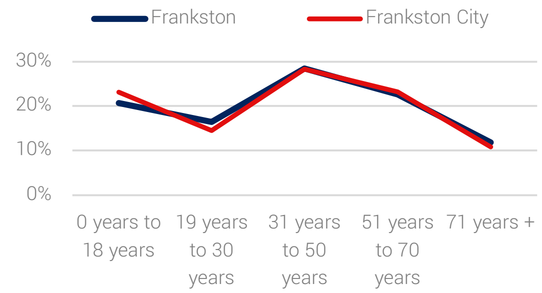
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- There are a significant number of group households when compared to Frankston City. This may reflect a high number of students living in the suburb in comparison to other areas in the municipality.
- A large proportion of dwellings are being rented (almost 10% higher than municipal average).
- There is a relative high number of lone person households compared to the Frankston City average. Over 40% of these households live in medium to high density housing.
- The median weekly household income is lower than the municipal average, and the median house value is slightly lower than the municipal average.

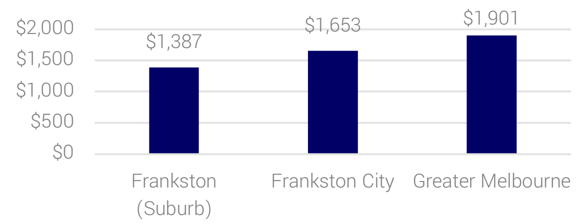
Population and Dwelling Profile

Population	37,331 residents (+232 per annum)
Proportion of Municipal Population	27%
Median Age	39 (+1 year since 2011)
Avg. Household Size	Frankston (Suburb) – 2.2 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	17,512

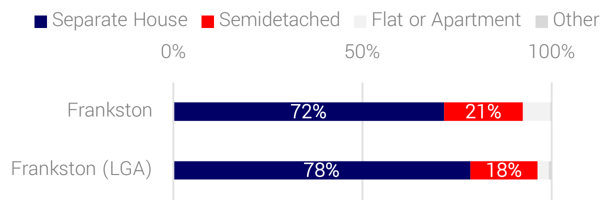
Age Profile



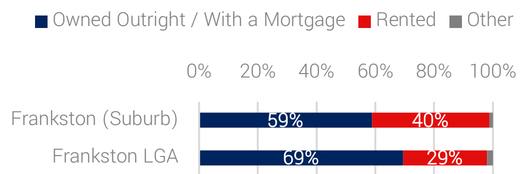
Median Weekly Household Income



Dwelling Structure

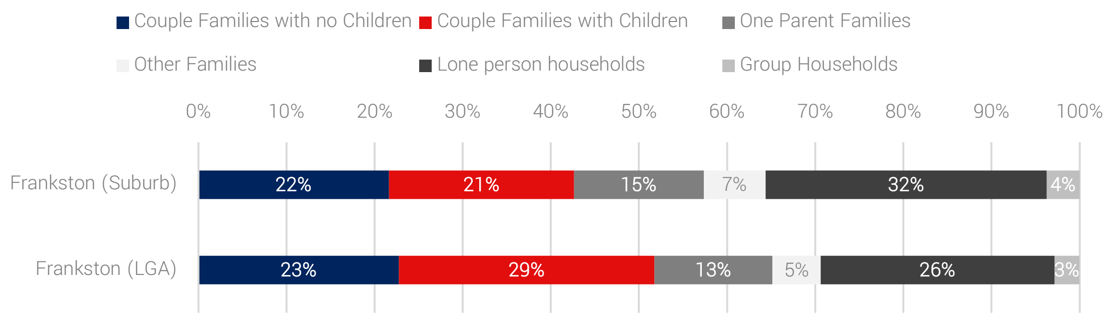


Tenure

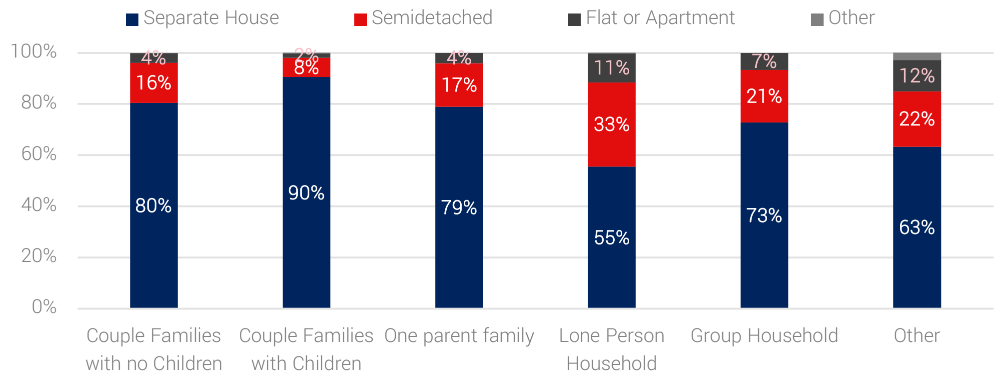


Source: ABS Census, 2021

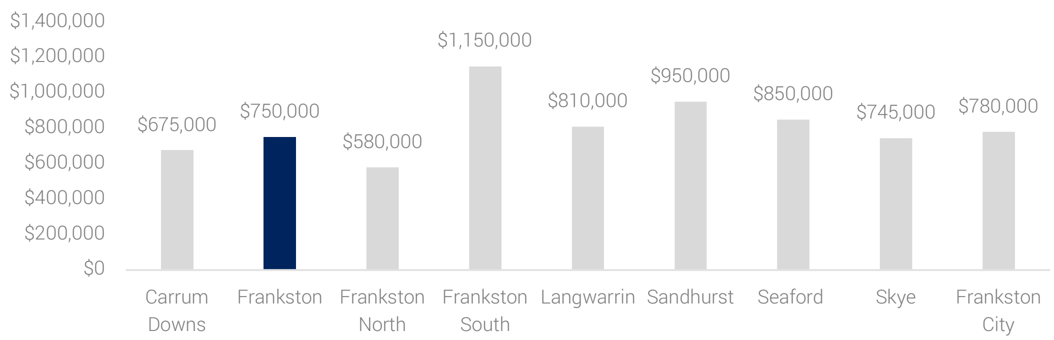
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

FRANKSTON NORTH

Frankston North is located in the central area of Frankston City and has a population of close to 6,000 residents.

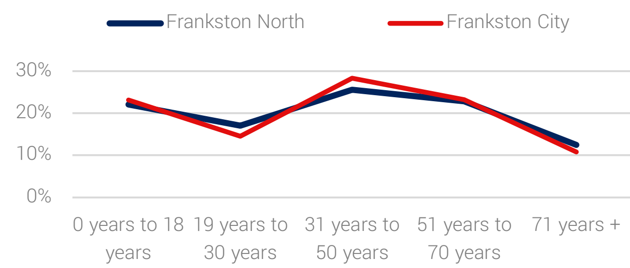
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- The community is becoming younger, with the median age decreasing by 2 years since 2011.
- A significant proportion of dwellings are rented, particularly in comparison to the Frankston City average.
- Frankston North is the 20th most disadvantaged suburb in Victoria (SEIFA).
- Close to 50% of dwellings are rented in the suburb.
- Frankston North has the lowest median weekly household income of any suburb in Frankston City and $525 below the municipal median.
- Frankston North also has the lowest median house value of any suburb in Frankston City and $200,000 lower than the municipal median.
- A significant proportion of households are lone person households (over 30%). There is also a higher proportion of one parent and 'other' families when compared with the average proportion across Frankston City.

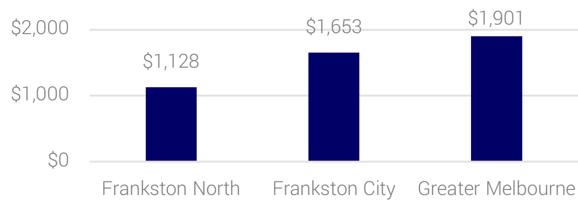
Population and Dwelling Profile

Population	5,711 (+8 per annum)
Proportion of Municipal Population	4%
Median Age	37 (-2 Years since 2011)
Avg. Household Size	Frankston North – 2.3 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	2,597

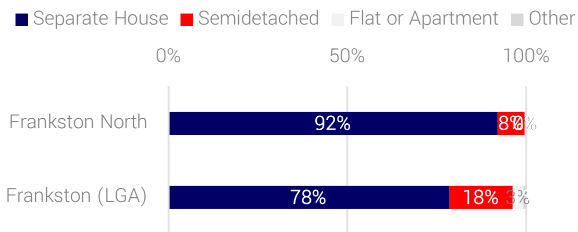
Age Profile



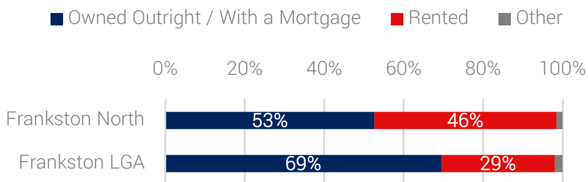
Median Weekly Household Income



Dwelling Structure

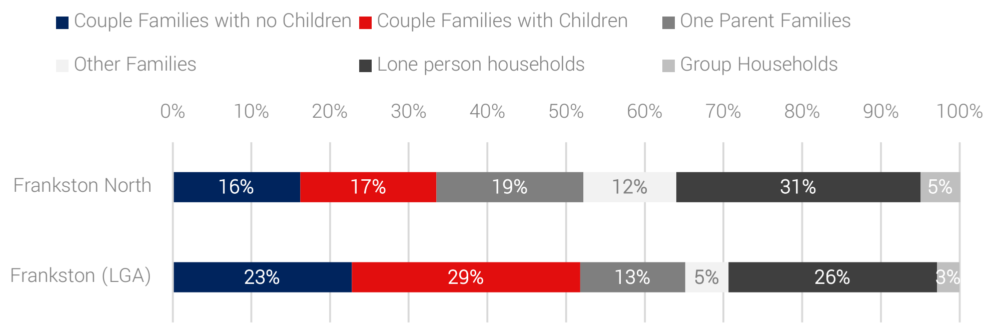


Tenure

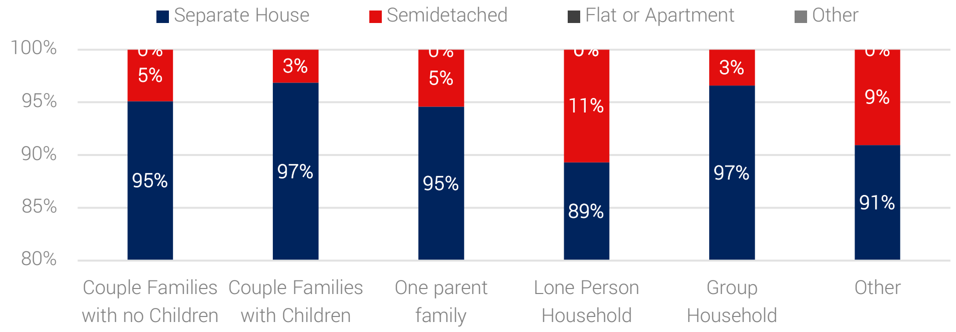


Source: ABS Census, 2021

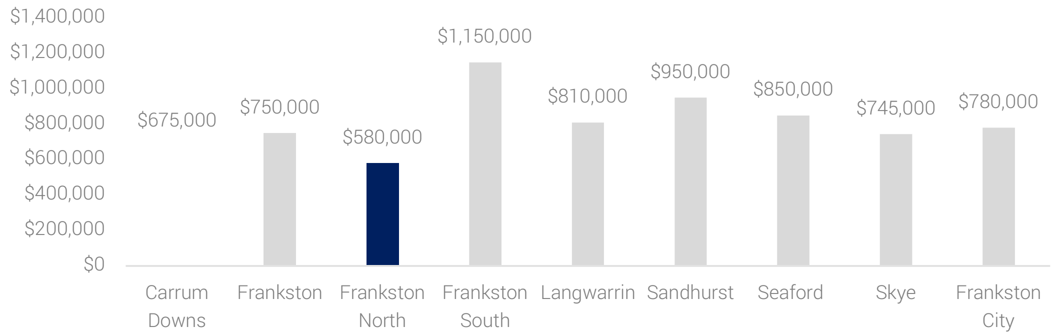
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

FRANKSTON SOUTH

Frankston South is located in the south-west area of Frankston City and has a population of 18,800 residents.

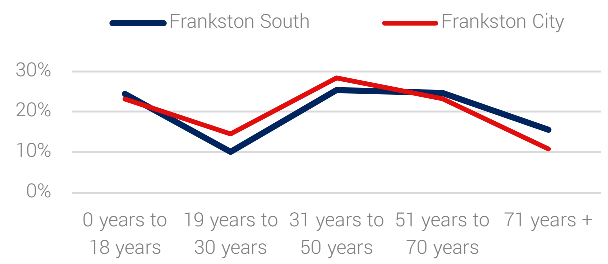
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- Residents are typically older than the Frankston City median and the overall community is ageing.
- Couple families with children account for over a third of all households in Frankston South, and almost all live in separate houses.
- In comparison a high proportion of lone person households live in semidetached dwellings.
- Frankston South is a socioeconomically advantaged area with a median income significantly higher than Frankston City median and Greater Melbourne median. The median house price is also the highest of any suburb in Frankston City and exceeds the municipal average by $370,000.
- There is a higher proportion of owner occupiers than average across Frankston City.

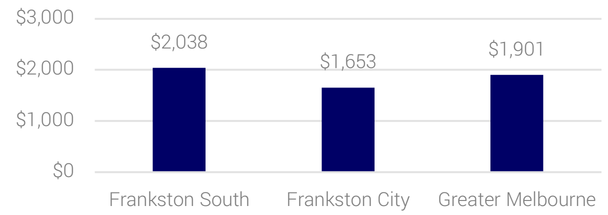
Population and Dwelling Profile

Population	18,801 (+119 per annum)
Proportion of Municipal Population	13%
Median Age	44 (+1 year since 2011)
Avg. Household Size	Frankston South – 2.6 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	7,397

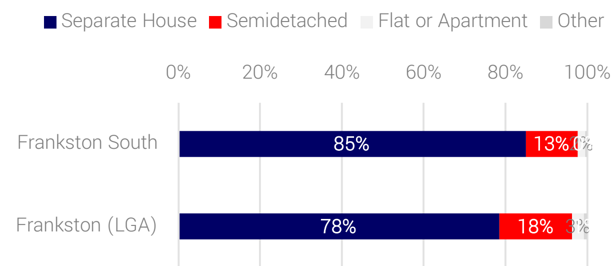
Age Profile



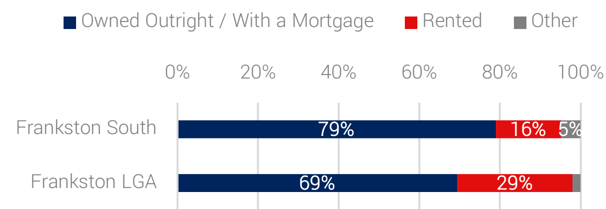
Median Weekly Household Income



Dwelling Structure

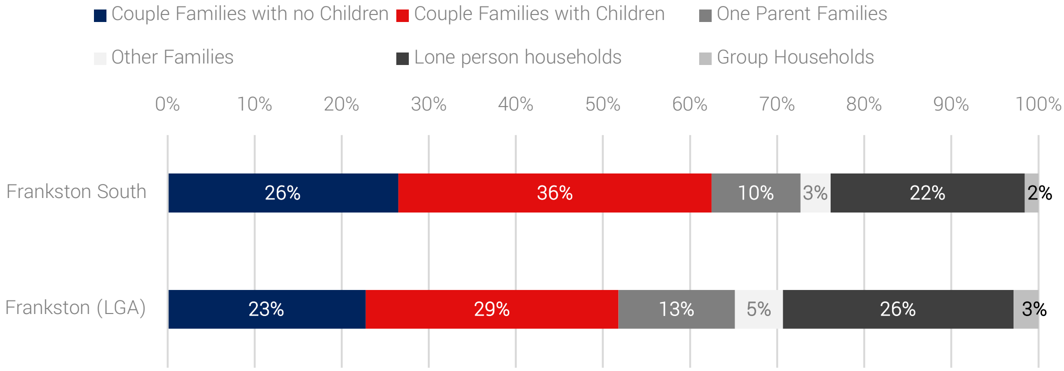


Tenure

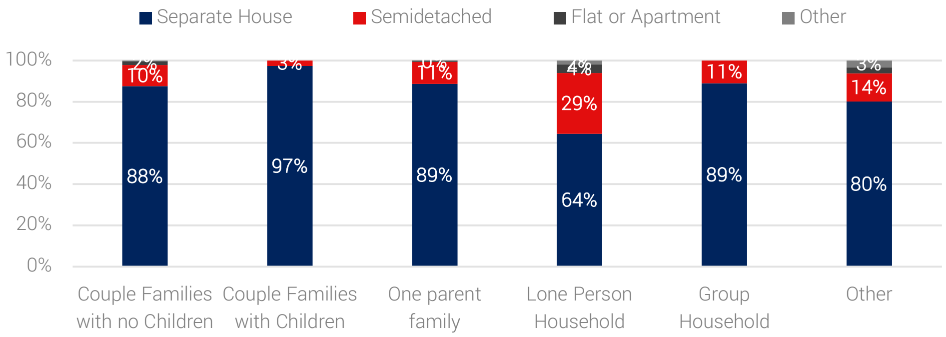


Source: ABS Census, 2021.

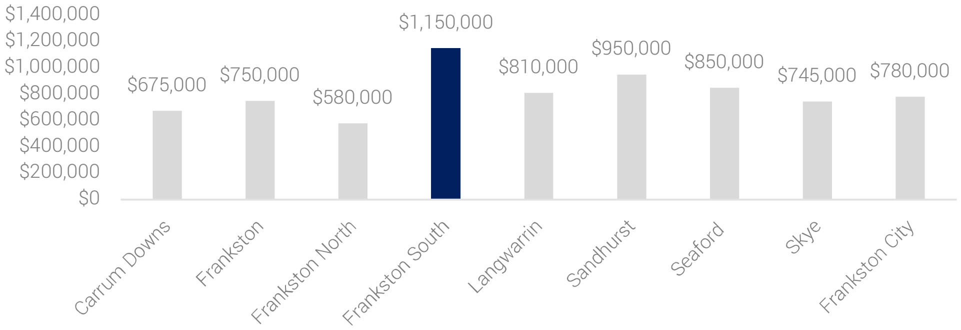
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

LANGWARRIN

Langwarrin is located in the eastern area of Frankston City and has a population of 23,600 residents.

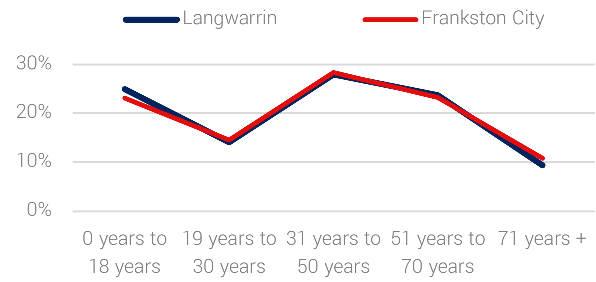
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- Residents are slightly younger than the Frankston City with a median age of 38, however this is increasing.
- A high proportion of dwellings are owned outright or with a mortgage.
- Families account for over a third of all households in Langwarrin and typically live in separate houses.
- Medium density housing is typically occupied by lone person and group households.
- The median weekly household income in Langwarrin exceeds both the median across Frankston City and Greater Melbourne, indicating that the suburb is likely an area of socio economic advantage.
- The suburb may be in demand amongst residents and potential buyers with the median house price exceeding the median across Frankston City.

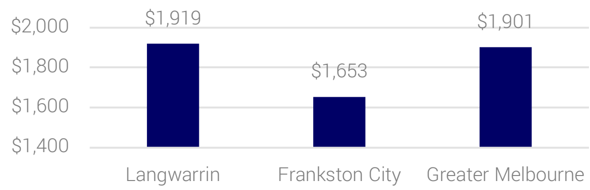
Population and Dwelling Profile

Population	23,588 (+222 per annum)
Proportion of Municipal Population	17%
Median Age	38 (+3 Years since 2011)
Avg. Household Size	Langwarrin – 2.7 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	9,084

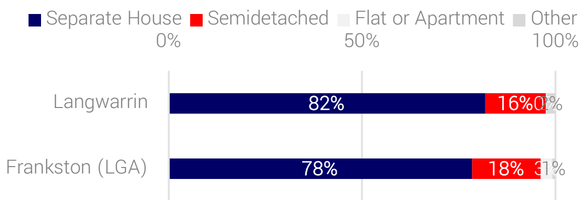
Age Profile



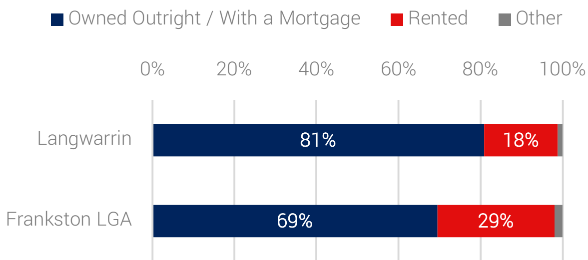
Median Weekly Household Income



Dwelling Structure

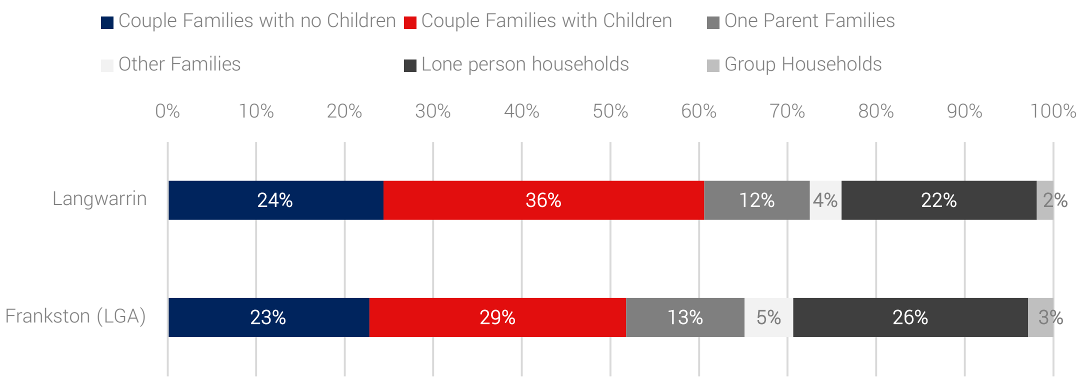


Tenure

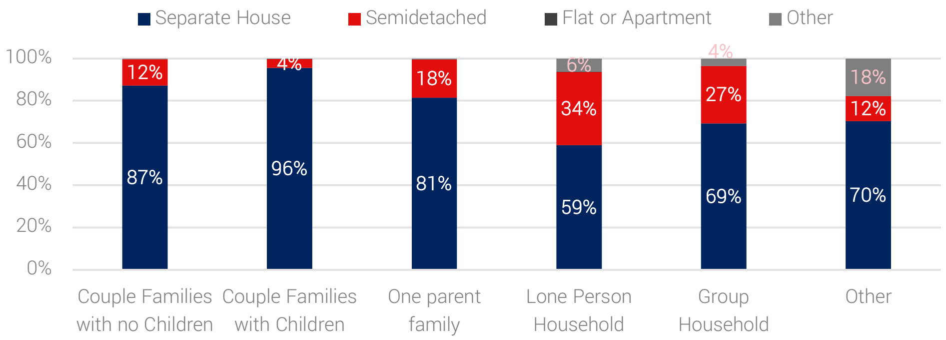


Source: ABS Census, 2021.

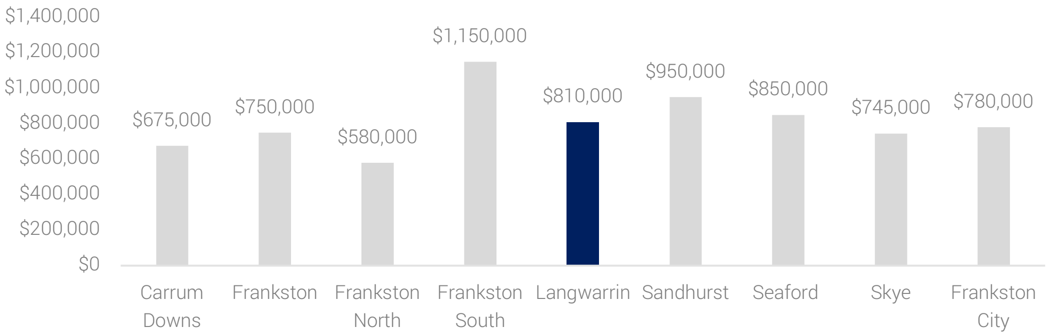
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

LANGWARRIN SOUTH

Langwarrin South is located in the south-eastern area of Frankston City and has a population of close to 1,350 residents.

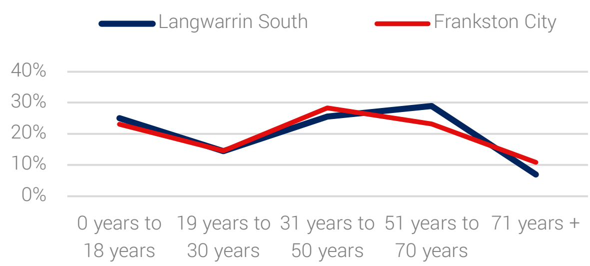
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- The population of Langwarrin South are the second oldest of any suburb across Frankston City, with the median age increasing by 4 years since 2011.
- 98% of dwellings are low density separate houses.
- Almost all dwellings are owned outright, with extremely limited number of rental properties available as rentals account for less than 5% of the housing stock.
- Families with children are the dominant household type in Langwarrin South, accounting for over half of all households.
- Median house values for Langwarrin South have not been published by the Victorian Valeur General likely due to low sales volumes.

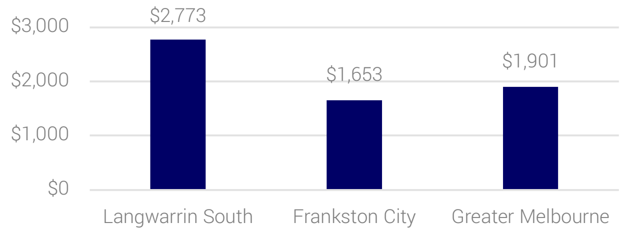
Population and Dwelling Profile

Population	1,346 (+22 per annum)
Proportion of Municipal Population	1%
Median Age	42 (+4 years since 2011)
Avg. Household Size	Langwarrin South – 3.3 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	426

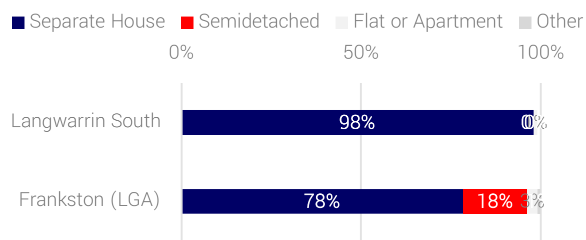
Age Profile



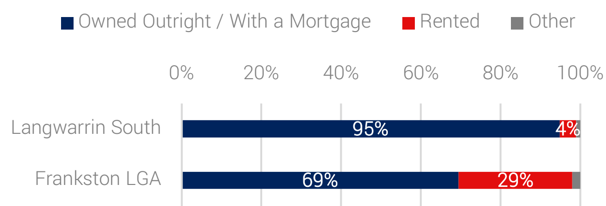
Median Weekly Household Income



Dwelling Structure

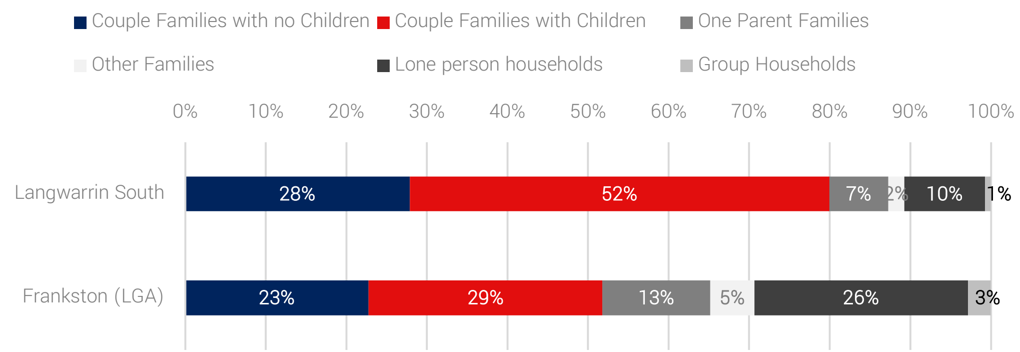


Tenure

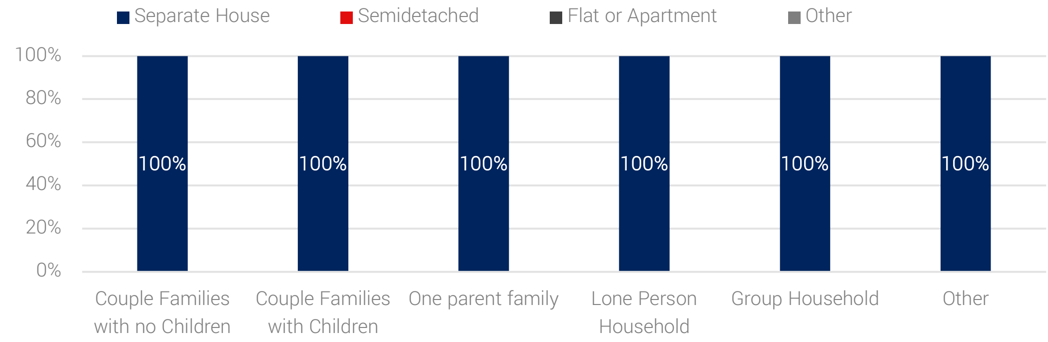


Source: ABS Census, 2021.

Household Composition



Household Composition by Dwelling Structure



Source: ABS Census, 2021.

SANDHURST

Sandhurst is located in the northern area of Frankston City and has a population of approximately 5,200 residents.

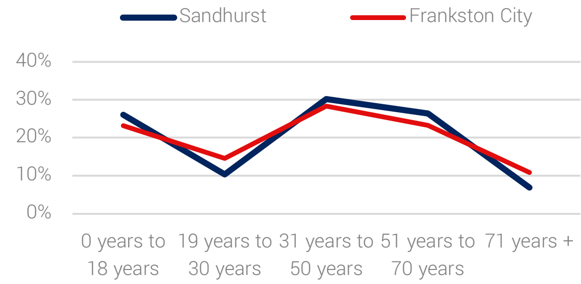
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- Residents are typically older than the Frankston City average and the community is aging (+6 years since 2011).
- Sandhurst is an area of socio-economic advantage, with a median weekly household income exceeding the median across Frankston City by more than $1000. The median house price in Sandhurst also exceeds the Frankston City median.
- A high proportion of families live in Sandhurst and typically occupy separate dwellings.
- There is limited medium density development in Sandhurst (less than 15% of total dwelling stock).

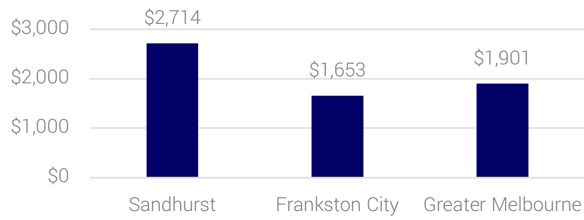
Population and Dwelling Profile

Population	5,211 (+215 per annum)
Proportion of Municipal Population	4%
Median Age	41 (+6 years since 2011)
Avg. Household Size	Sandhurst – 3 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	1,819

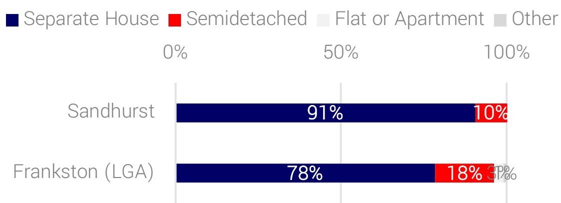
Age Profile



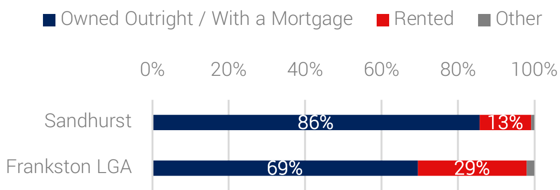
Median Weekly Household Income



Dwelling Structure

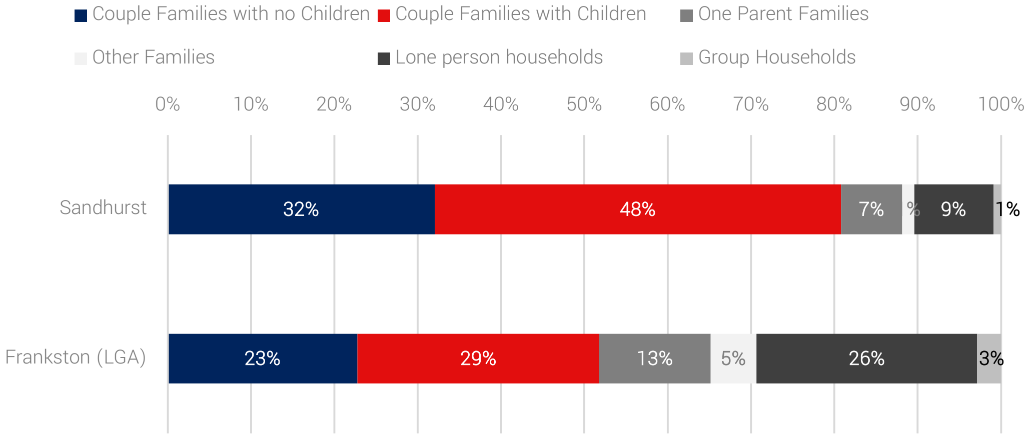


Tenure

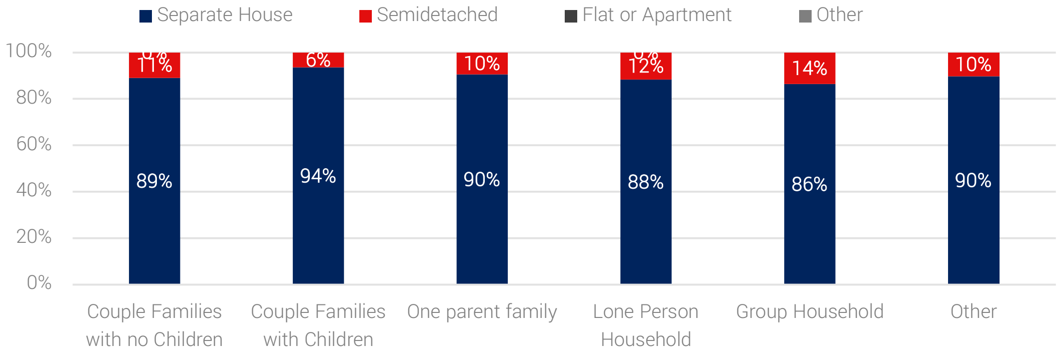


Source: ABS Census, 2021

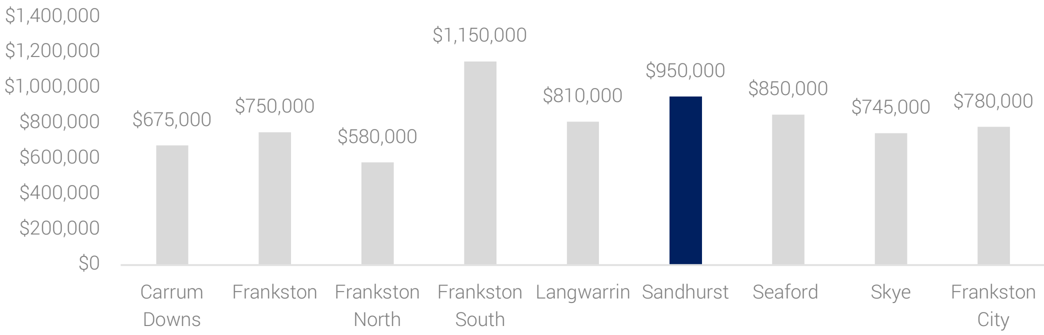
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

SEAFORD

Seaford is located in the north-west of Frankston City and has a population of 17,200 residents.

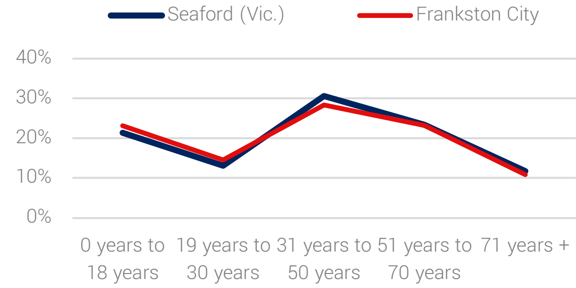
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- Residents are slightly older than Frankston City median and the community is ageing.
- Seaford has a high median house price, exceeding the Frankston City median by over $50,000.
- The Seaford community is relatively disadvantaged when compared to other locations across Frankston City and Greater Melbourne, with a lower median weekly household income.
- There is a higher proportion of lone person households living in Seaford when compared to the municipal average and over a third live in medium to high density housing.
- Over a third of all dwellings in Seaford are rented.

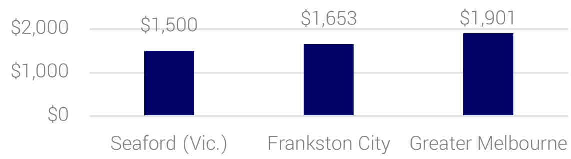
Population and Dwelling Profile

Population	17,215 (+118 per annum)
Proportion of Municipal Population	4%
Median Age	40 (+1 year)
Avg. Household Size	Seaford – 2.3 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	8,187

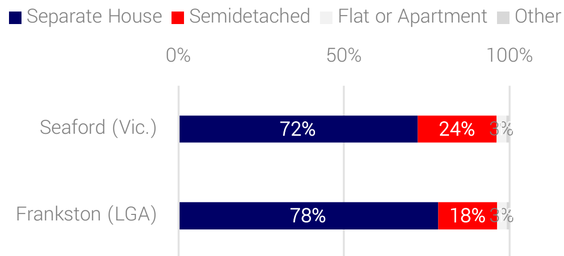
Age Profile



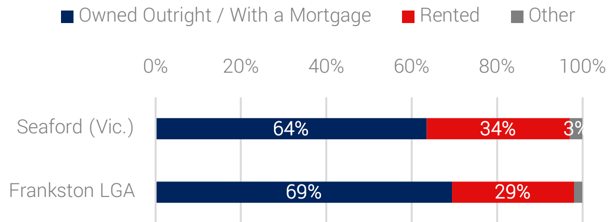
Median Weekly Household Income



Dwelling Structure

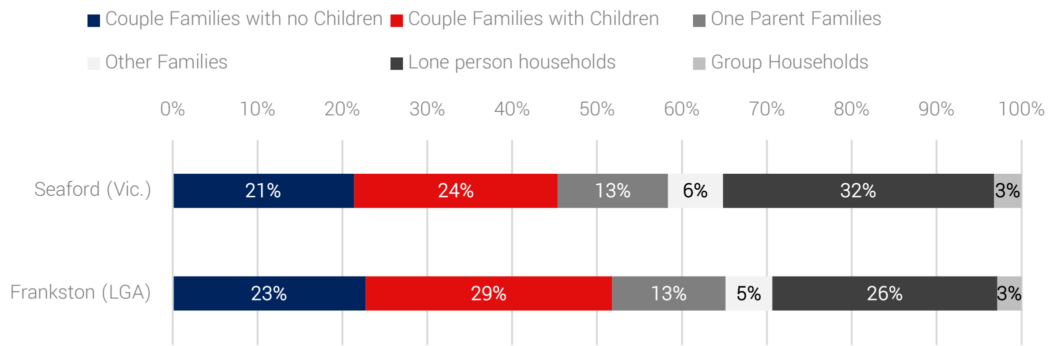


Tenure

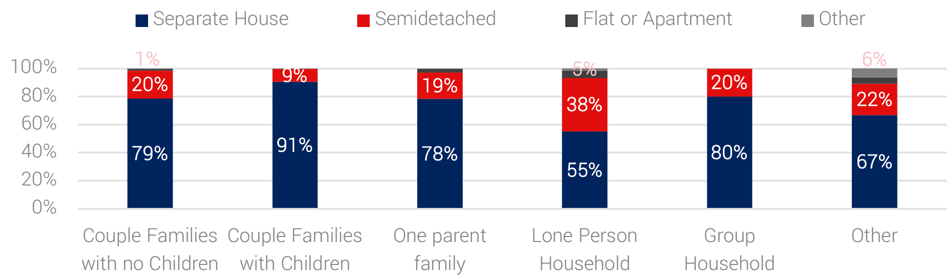


Source: ABS Census, 2021.

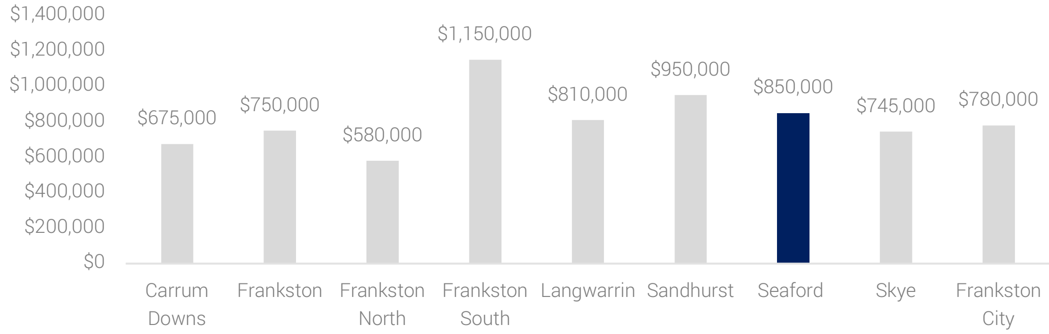
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

SKYE

Skye is located in the north-east of Frankston City and has a population of 8,100 residents.

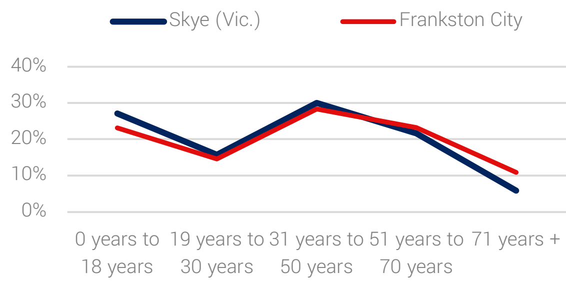
Key features of the suburb identified through analysis of the ABS Census (2021) and property price data include:

- The Skye community is relatively young compared with other suburbs, with a high proportion of families with children.
- The median age has increased substantially (+5 years) since 2011.
- There is a higher proportion of separate houses when compared to Frankston City.
- Over a quarter of lone person households live in semidetached dwellings.
- Less than a quarter of dwellings are rented, with the majority of dwellings owner occupied.
- Average incomes are higher than the municipal average and higher than the Greater Melbourne average.
- Median house prices are below the municipal average.

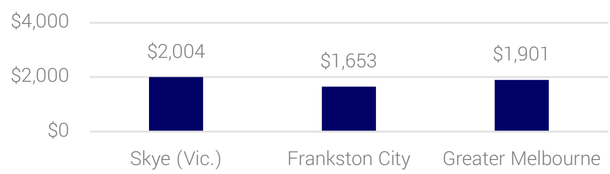
Population and Dwelling Profile

Population	8,088 (+61 per annum)
Proportion of Municipal Population	6%
Median Age	36 (+5 years since 2011)
Avg. Household Size	Skye – 2.9 people Frankston City – 2.5 people Greater Melbourne – 2.6 people
Dwellings	2,851

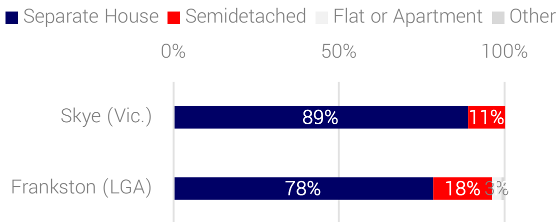
Age Profile



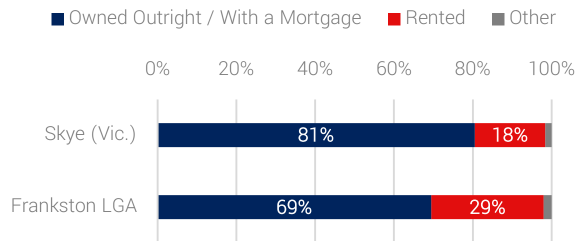
Median Weekly Household Income



Dwelling Structure

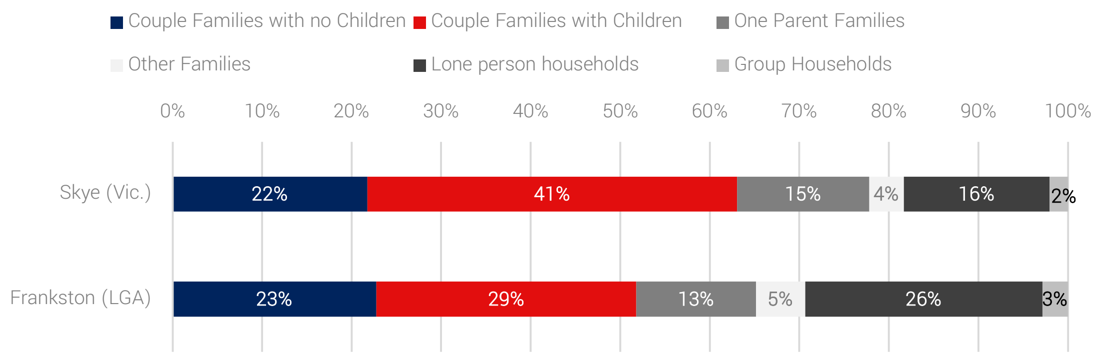


Tenure

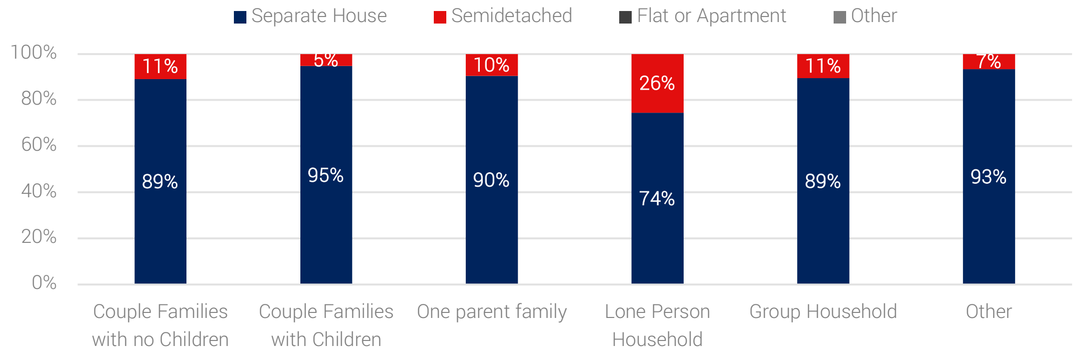


Source: ABS Census, 2021.

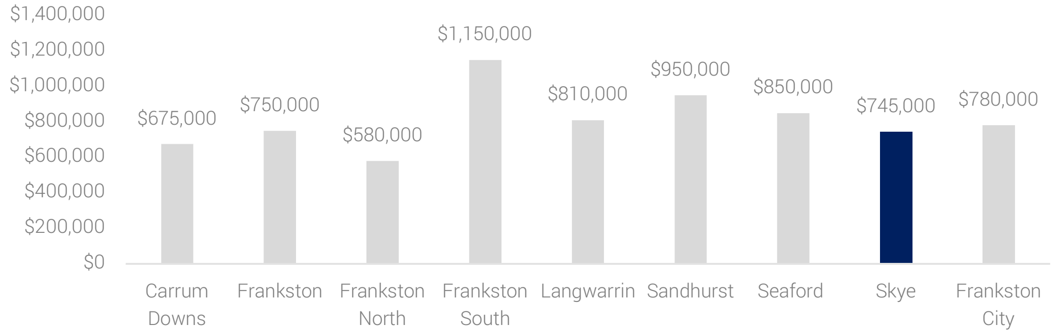
Household Composition



Household Composition by Dwelling Structure



Median House Price



Source: ABS Census, 2021 and A Guide to Property Values, Valuer General, 2022.

APPENDIX D HOUSING STRATEGY OPPORTUNITY SITES

T25. PREVIOUS HOUSING STRATEGY OPPORTUNITY SITES

ID	Address	Area (sqm)	Current Zone	Development Status	Council comment
2013 Opportunity Sites					
1	66 Clifton Grove Carrum Downs	20,363	R1Z	Not developed, vacant	No current permit
2	646 Frankston-Dandenong Road Carrum Downs	5,056	R1Z	Not developed, vacant	-
3	672-682 Frankston-Dandenong Road Carrum Downs	20,633	R1Z	Not developed (existing place of assembly)	-
4	1125 Frankston-Dandenong Road Carrum Downs	22,417	R1Z	Not developed (existing industrial use)	-
5	1105 Frankston-Dandenong Road Carrum Downs	9,730	R1Z	Aged care facility redeveloped and expanded in 2020	-
6	20r Sherbourne Drive Carrum Downs	7,954	R1Z	Public park	-
7	66 William Road Carrum Downs	7,223	R1Z	Not developed, vacant	-
8	56 William Road Carrum Downs	14,729	R1Z	Not developed, vacant	No current permit
9	43 Hall Road Carrum Downs	19,703	R1Z	Not developed, vacant	No current permit
10	63 Hall Road Carrum Downs	10,252	R1Z	Developed (43 Townhouses)	-
11	145 Hall Road Carrum Downs	22,711	R1Z	Developed (66 Townhouses)	-
12	15r Paras Drive Carrum Downs	7,761	PPRZ	Public park	-
13	35 Mcclelland Drive Skye	13,283	R1Z	Not developed (existing place of assembly)	-
14	259 Seaford Road Seaford	24,254	R1Z	Not developed (existing Seaford Hotel)	-
15	59 Union Road Langwarrin	7,086	R1Z	Not developed, existing dwelling	-
2018 Opportunity Sites					
16	Kananook Station Transit Oriented Development opportunities	Precinct	IN1Z, PUZ	Established industrial area, not rezoned.	To be investigated in conjunction with industrial strategy.
17	Overton Road / Skye Road Triangle	9,000 (approx.)	TRZ3	Not rezoned	Not suitable for housing

Source: Frankston Housing Strategy, 2013 and 2018, Frankston City Council officers and Urban Enterprise, 2022.

APPENDIX E HOUSING CAPACITY METHOD DETAIL

T26. EXCLUSION CRITERIA FOR PROPERTIES LESS LIKELY TO BE REDEVELOPED

No	Issue	Exclusion Metric	Basis
1	Recent and high value improvements	Construction year after 2010	Recently constructed buildings are unlikely to be redeveloped in the study timeframe given the economic life of the improvements.
2		CIV : SV ratio > 1.5 (Residential zones) CIV: SV ratio > 5 (Other zones)	Properties with higher value improvements are less likely to be redeveloped than sites with lower value improvements. A higher CIV ratio threshold is adopted for areas zoned for more intensive redevelopment.
3	Lot Size	500 sqm (residential zones 1,000 sqm (commercial zones)	Small lots are less likely to be redeveloped or subdivided due to the physical constraints associated with the lot size.
4	Heritage Values	Heritage Overlay	Properties affected by a site specific Heritage Overlay will have some restrictions on development. Although some development could occur depending on the site, affected properties have been excluded to apply a conservative approach to capacity.
5	Environmental values and constraints	Bushfire Management Overlay Erosion Management Overlay	Although some development may be possible, properties affected by these overlays are potentially constrained and have been excluded from the assessment to avoid overstating capacity.
6	Existing land use	Current land use code = School, childcare, aged care, public use, public housing, infrastructure.	Assumed that these land uses will remain over the assessment timeframe and not be available for redevelopment.

Source: Urban Enterprise, in consultation with Frankston City officers.

T27. LIMITIATIONS TO ACCOUNT FOR PLANNING AND PROPERTY CONSTRAINTS

No	Issue	Areas affected	Description
1	Single dwelling covenants	Single Restrictive Covenant Areas	Affected sites limited to a maximum of 1 dwelling per existing lot.
2	Environmental values and constraints	Land Subject to Inundation Overlay Special Building Overlay	Discussion with Council planning officers indicated that although sites subject to these overlays can often be developed, the resulting yield is usually somewhat less than equivalent sites that are not subject to the overlays. As a broad discount, the potential yield of sites in the LSIO is limited to 50% and sites in the SBO is limited to 75%.

Source: Urban Enterprise, in consultation with Frankston City officers.

T28. ZONE REQUIREMENTS AND ASSUMPTIONS

Zone	Schedule	Location	Zone building height (storeys)	Minimum lot size	Overlays	Default dwelling Typology assumption	Default Density Assumption (dw/ha)
General Residential Zone	1	Applies to: - Land in the Residential 1 Zone (which applies to the majority of residential land in the municipality) - A coastal strip of land adjacent Kananook Creek in Frankston; and - A small number of individual sites in the GRZ1 and GRZ2.	11m (3 storeys)	N/A	Several DDOs influence minimum lot size.	Townhouse (unless DDO applies)	35dw/ha
	3	Frankston-Seaford Coastal Strip	3	N/A	DDO6	Townhouse	See DDO table.
	4	Applies to one site in Carrum Downs	3	N/A	N/A	N/A (occupied)	N/A
Low Density Residential Zone	-	Langwarrin	N/A	2,000-4,000sqm	DDO4 (all land)	See DDO table.	See DDO table.
Residential Growth Zone	1	Primarily adjacent to FMAC in Frankston	13.5m (4 storeys)	N/A	DDO11, DDO12	Townhouse (<1,000sqm)	70 dw/ha
Mixed Use Zone	-	Primarily adjacent to FMAC in Frankston	9m (3 storeys)	N/A	DDO10, DDO13	Townhouse (<1,000sqm)	70 dw/ha
Commercial 1 Zone	-	Most land is currently occupied by retail and commercial premises. Larger sites (i.e. greater than 1,000sqm) are assessed for housing capacity.	9m (3 storeys)	N/A	Several DDOs influence density	No development unless strategic site	N/A

Source: Urban Enterprise, based on Frankston Planning Scheme and development typologies and densities permitted from 2015 to 2022.

T29. OVERLAY REQUIREMENTS AND IMPLICATIONS

Overlay & Schedule	Location	Maximum building height	Minimum lot size (sqm)	Development assumption
DDO1	Frankston South	-	2,500	Subdivision possible if existing lot greater than 5,000sqm.
DDO2	Olivers Hill (Frankston Sth, west of Nepean)	-	2,500	As above
DDO3	Frankston South (East) - 1	-	1,000	Subdivision possible if existing lot greater than 2,000sqm.
DDO4	Langwarrin Rural Residential Area	-	10,000	Subdivision possible if existing lot greater than 2ha.
DDO5	Frankston MAC	Not applicable to capacity model.		
DDO6	Frankston – Seaford Coastal Strip	7-12 metres (varies)	-	Townhouse density based on completed developments within DDO sub-sections (GRZ1 = 30dw/ha, GRZ3 = 50dw/ha, R1Z=35dw/ha).
DDO7	Frankston South (East) - 2	-	1,000	Subdivision possible if existing lot greater than 2,000sqm.
DDO8	Sweetwater Creek Frankston South - immediate	8m	-	No subdivision given DDO restrictions and existing lot sizes.
DDO9	Sweetwater Creek Frankston South – wider environs	8m	-	Separate dwellings / units, minimum 400sqm lot size.
DDO10	Frankston Hospital Flight Path	41.1m AHD	-	No restriction.
DDO11	Frankston Hospital Flight Path	51.1m AHD	-	No restriction.
DDO12	Frankston MAC	13.5m	-	Townhouse density if less than 1,000sqm based on densities of smaller townhouse sites across Melbourne (UDP) (RGZ1 = 70dw/ha)
DDO13	Frankston MAC	14m	-	Townhouse density if less than 1,000sqm based on densities of smaller townhouse sites across Melbourne (UDP) (MUZ = 70dw/ha).

Source: Frankston Planning Scheme.