

ACCELERATING AFFORDABLE HOUSING

- The Residential Land Lease Solution

POLICY RECOMMENDATIONS



**CARAVAN &
RESIDENTIAL
PARKS VICTORIA**



Helping our members succeed since 1964

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Foreword

It is with great pleasure that we present this comprehensive policy statement on Residential Land Lease Communities (RLLCs) and their significant potential to contribute to addressing the affordable housing needs of Victorians.

While RLLCs are not the complete solution, they offer a unique and sustainable housing option that delivers vibrant, secure, inclusive, and affordable communities.

This policy statement highlights the benefits of RLLCs, including affordable home ownership, community amenities such as swimming pools and clubhouses, and sustainable living practices. It also outlines the economic and social advantages that these communities bring to regional and urban fringe areas, contributing to local economies and enhancing the quality of life for home owners.

RLLC developers are currently investing significantly less in Victoria than they are in New South Wales and Queensland, with a market penetration rate that is half that of New South Wales and a third of that of Queensland. This disparity is primarily due to an inability to access desirable land and the difficult regulatory requirements to start development. There is now an urgent need to streamline processes and draft clearer guidelines to facilitate investment and development in Victoria.

Our 16 policy recommendations are designed to support the Victorian Government's objectives to cut red tape, streamline regulatory processes, and foster regional development. By adopting these recommendations, we can create a more favourable investment environment for RLLCs, ensuring that more Victorians have access to affordable, secure, and community-oriented homes.

I extend my gratitude to all the industry stakeholders who have provided valuable insights and support in the preparation of this policy statement. Together, we can make a meaningful impact on the number of affordable homes being built in Victoria and pave the way for a brighter, more sustainable future.

Sincerely,

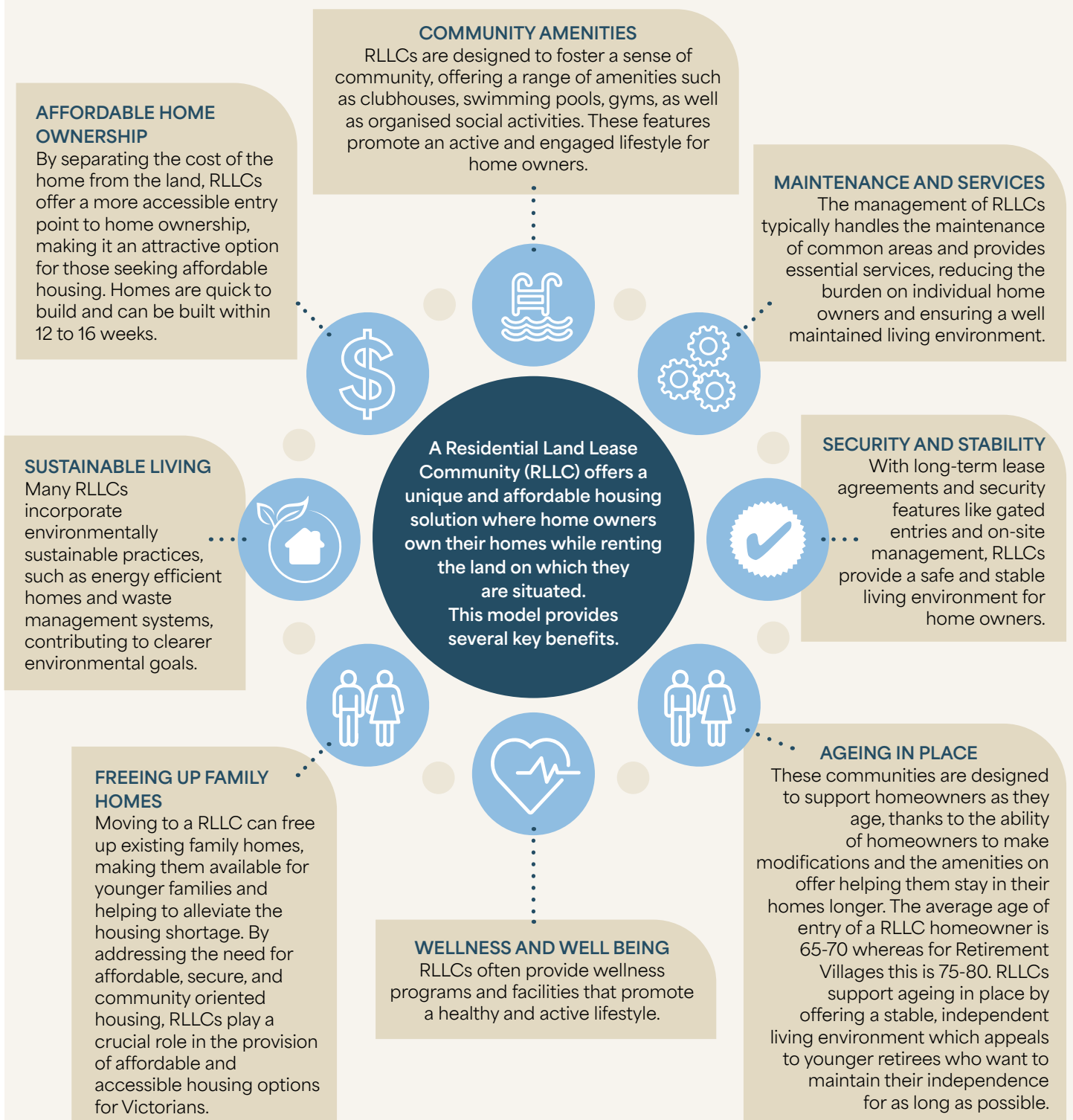


Scott Parker
Chief Executive Officer
Caravan and Residential Parks Victoria

“**Our 16 policy recommendations** are designed to support the Victorian Government's objectives to **cut red tape, streamline regulatory processes, and foster regional development**”

Introduction

The affordable housing crisis in Victoria requires a comprehensive policy-driven approach to facilitate the development of RLLCs formerly known as Manufactured Home Estates (MHEs). The Victorian Government must support this sector as a means to increase the supply of affordable housing.



“Unlocking Land: Difficulty in accessing suitable land for RLLC development”

The Caravan and Residential Parks Victoria policy recommendations seek to overcome the hurdles identified by RLLC developers and operators. These hurdles are founded upon:

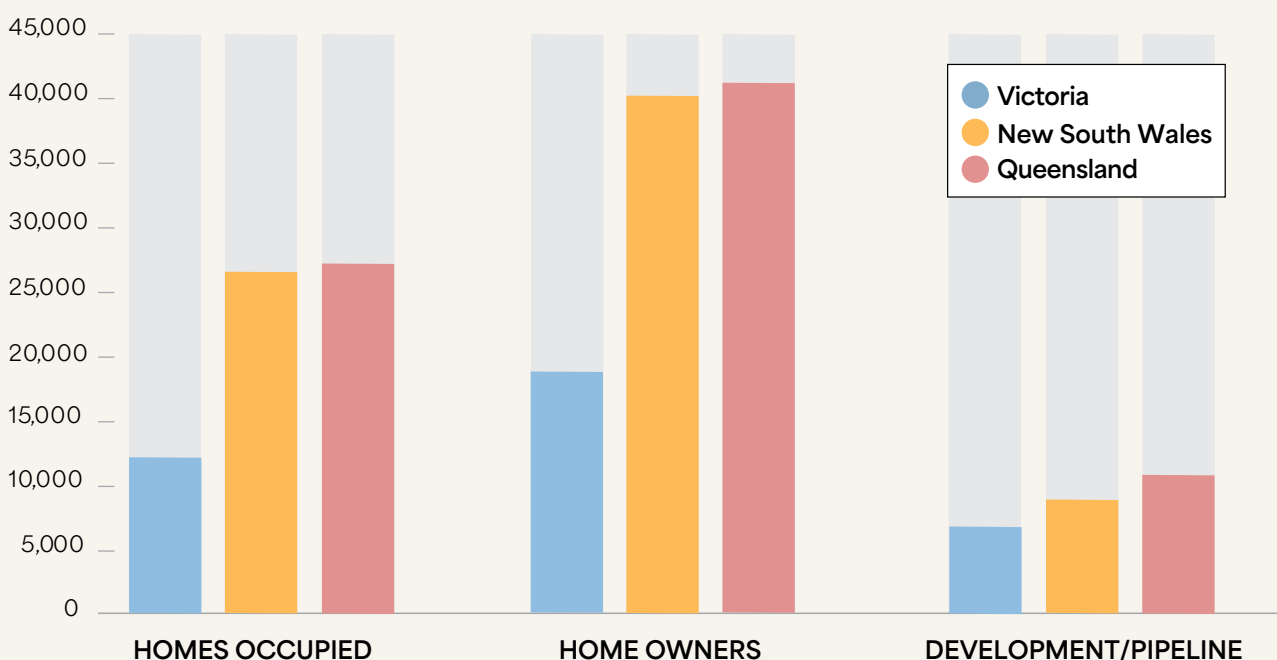
RLLC SECTOR CHALLENGES

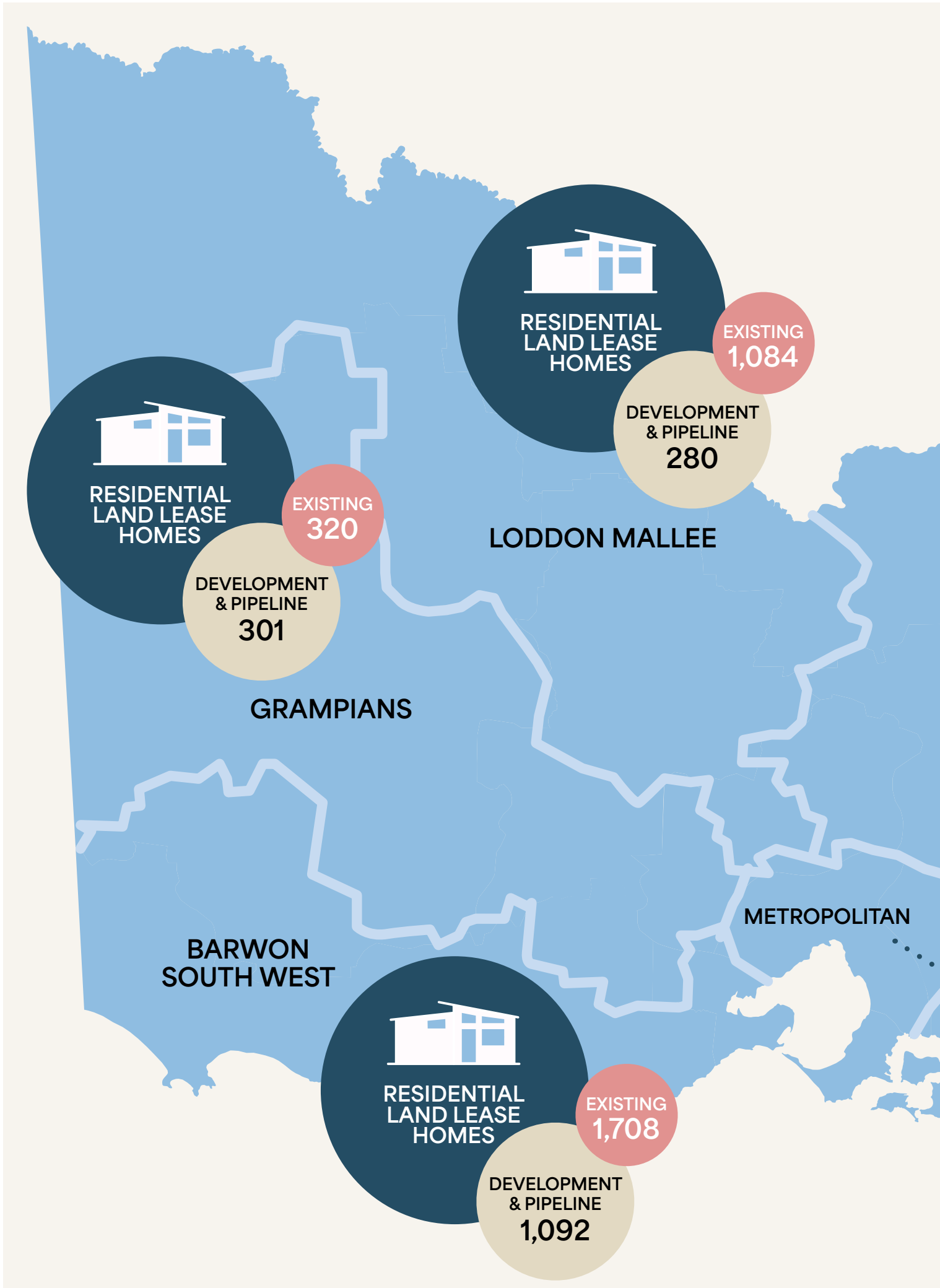
- **Unlocking Land:** Difficulty in accessing suitable land for RLLC development.
- **Lack of Knowledge:** General lack of awareness and recognition of RLLCs, regularly confused with Retirement Villages.
- **Uncertainty and Delays:** Uncertainty and extended time frames in the approval process.
- **Inconsistent Policies:** Differing local council policies and planning schemes.
- **Regulatory Challenges:** Circular dealings and indecision among regulatory bodies.
- **Departmental Deflection:** Due to a lack of understanding about RLLCs, government departments frequently hand off matters to other departments, causing delays.

The table below illustrates the gap between Victoria and New South Wales and Queensland in the number of RLLC homes occupied, home owners, and homes in the development pipeline.

- Land lease community developers are currently investing less in Victoria than they are in New South Wales and Queensland with a market penetration rate that is half that of New South Wales and a third that of Queensland. This is due predominantly to an inability to access desirable land and the difficult regulatory requirements to start development.

VICTORIA, NSW & QUEENSLAND RLLC COMPARISONS (DEC 2024)

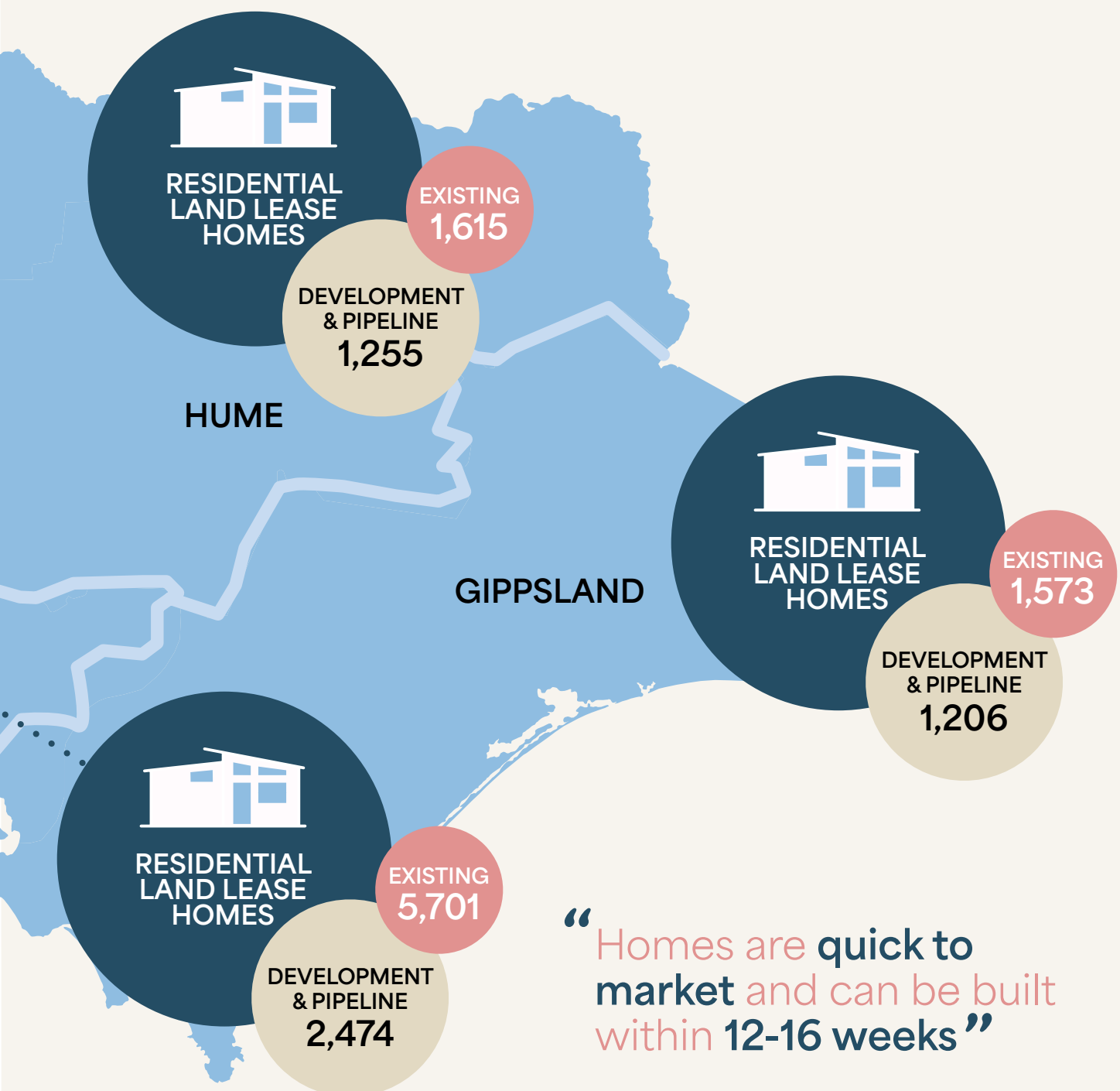




Victoria's Regions

Aligned with the Victorian Government's emphasis on **regional Victoria as a driver of future economic growth**, it is important to recognise that RLLCs are well suited for peri-urban and regional areas with 50 already fully operational, in these areas with an additional 22 communities under development or partly developed and 11 more in the pipeline.

The map of Victoria illustrates the current and planned quantity of residential land lease homes by region, indicating 52% of existing homes and 63% of homes planned for development are located in regional areas of Victoria.



Economic and Community Benefits of RLLCs

CONSTRUCTION AND DEVELOPMENT JOBS:

The establishment of RLLCs involves extensive construction activity, creating jobs for local builders, engineers, electricians, plumbers, and other tradespeople. This boosts the local economy by providing employment opportunities and supporting local businesses that supply construction materials.

These communities benefit from diverse construction methodologies, including modular built, factory built, and onsite/stick-built homes, catering to different preferences and needs. Of the sixteen modular and mobile home manufacturers in Victoria, eight are in the regions encompassing Bendigo, Swan Hill, Wonthaggi, Shepparton and Cobram.

The combined annual construction/manufacturing capacity of these businesses is estimated at more than 16,500 homes per annum.

ONGOING EMPLOYMENT:

Once operational, RLLCs require ongoing management and maintenance, creating jobs in property management, landscaping, and facility maintenance. These roles provide steady employment for local tradespeople.

INCREASED LOCAL SPENDING:

RLLCs homeowners contribute to the local economy by spending on goods and services. This increased consumer spending supports local businesses such as shops, restaurants, and healthcare providers, fostering economic growth in the community. BDO EconSearch identified that RLLCs contributed \$544m to Victoria's' GSP in 2021/22, **Digital Finance Analytics found average equity released on a downsizing transaction was \$310,000 in 2021.**

TOURISM AND HOSPITALITY:

RLLCs often attract visitors, including family and friends of home owners, which can boost the local tourism and hospitality sectors. This influx of visitors can lead to increased demand for accommodation, dining, and recreational activities, further stimulating the local economy.

INFRASTRUCTURE DEVELOPMENT:

The development of RLLCs can lead to improvements in local infrastructure such as roads, utilities, and community facilities. These enhancements benefit the broader community and can attract additional investment and development in the area.

COMMUNITY REVITALISATION:

Communities are revitalised when affordable and attractive housing options are occupied, boosting local economies and enhancing community amenities. **By offering a viable housing solution for empty nesters and retirees, RLLCs free up existing housing stock, allowing these homes to be renewed and refreshed for new families.** This process not only addresses the housing needs of different demographics but also stimulates local businesses and services, fostering a vibrant and sustainable community.

“Communities benefit from diverse construction methodologies, including modular built, factory built, and onsite/stick-built homes”

Population Growth and Affordable Housing Needs

Population growth in regional areas of Victoria is expected to continue, driven by factors such as housing affordability and lifestyle preferences. RLLCs can complement this growth by providing affordable and flexible housing options which attract retirees, right-sizers, and families.

Barwon South West has experienced steady population growth over the past decade and is expected to continue growing. This increase correlates with a significant demand for affordable housing, especially for essential workers and low-income families.

The Grampians has shown moderate population growth and is projected to continue this trend. The affordable housing demand is driven by rising rental costs and population increases.

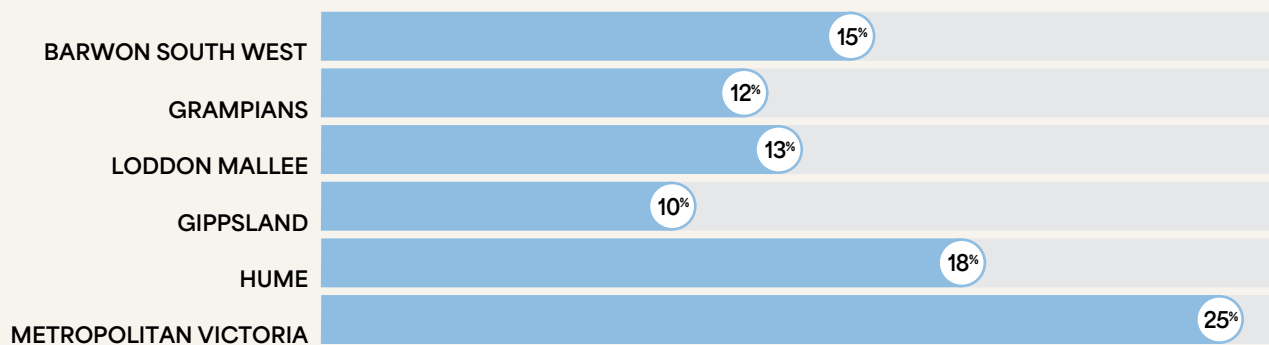
Loddon Mallee's steady growth correlates with a higher demand for affordable housing, particularly for Indigenous communities and low-income families.

Gippsland has the lowest population growth and affordable housing demand among the regions analysed. However, economic transitions and natural disasters have exacerbated the need for affordable housing.

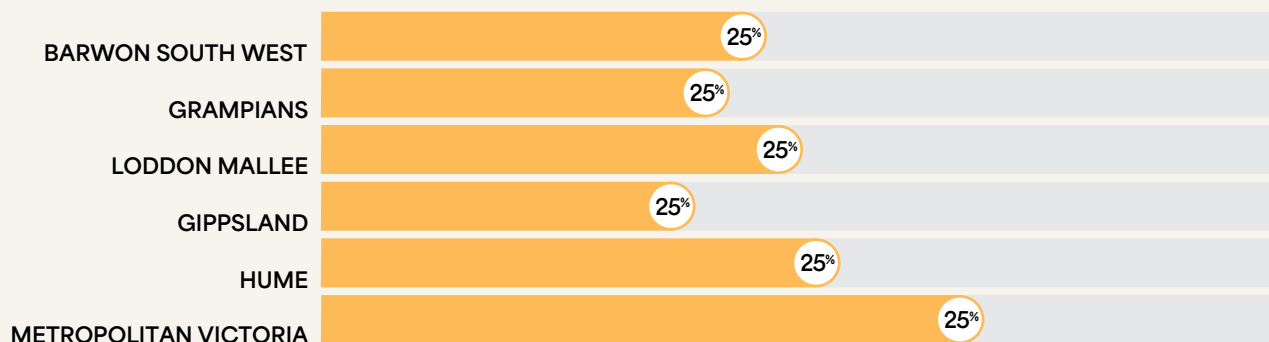
Hume has experienced significant population growth and is expected to continue grow rapidly. This correlates with a high demand for affordable housing, driven by the need for diverse housing options to accommodate the increasing population.

Metropolitan Victoria has the highest population growth and affordable housing demand among these regions. Urbanisation and high living costs have led to a critical shortage of affordable housing.

PROJECTED POPULATION GROWTH (2033)



PROJECTED AFFORDABLE HOUSING DEMAND (2033)



Sources: ABS - Social and affordable housing needs costs and subsidy gaps by region, Population Projections, Australia, Snapshot of Victoria, Victoria State Government - Dept Transport & Planning Victorian population data, Homes Victoria Housing Data and Insights, Engage Victoria Ten-Year Social and Affordable Housing Strategy for Victoria, Homes Vic Victorian affordable housing programs.

Helping meet Victoria's 2051 Housing Targets

RLLCs should play a crucial role in helping Victoria meet its housing targets for 2051.

With the state's population projected to reach approximately 10.3 million by 2051, **there is a pressing need for diverse and affordable housing options. RLLCs offer a viable solution by providing affordable, community-oriented housing** specifically designed for the 60 to 74-year-old demographic. This not only helps address the housing shortfall but also ensures that this growing age group has access to suitable living arrangements.

The Victorian Government's "*Ageing Well in Victoria*" action plan emphasises the importance of supporting Victorians aged 60 to 74 to live healthy, active, and purposeful lives. RLLCs align seamlessly with this vision by offering a range of amenities and social opportunities that cater to the needs of this demographic. These communities provide a safe and secure environment, fostering social connections and reducing the risk of isolation which is a major concern for this age group. By integrating RLLCs into the broader housing strategy, Victoria can ensure that residents aged 60 to 74 have access to housing that supports their well-being and quality of life.

Moreover, RLLCs offer location and housing type flexibility, making them suitable for various regions across Victoria. This adaptability is essential for meeting the diverse needs of the population and ensuring that housing targets are met in both metropolitan and regional areas. Notably, when individuals from the 60 to 74 age group move into RLLCs, their previous homes become available for families or other residents, thereby optimising the use of existing housing stock and alleviating pressure on the housing market.

Additionally, **ageing in place is crucial for the well-being of this demographic as 60% of homeowners in RLLCs prefer to stay within nine kilometres of their current location.** This preference underscores the importance of developing RLLCs close to existing communities to support continuity and stability for residents. Given the higher proportion of this demographic in metropolitan areas, significant changes to planning policy will be necessary to accommodate the demand for RLLCs and ensure that these communities are integrated effectively into urban planning strategies.

The following table provides a detailed analysis of the role of RLLCs in contributing to Victoria's 2051 Housing targets.

“Supporting Victorians to live healthy, active, and purposeful lives...offering a range of amenities and social opportunities...provide a safe and secure environment, fostering social connections and reducing the risk of isolation”



FUTURE RLLC DEVELOPMENT CONTRIBUTION TO VICTORIA'S 2051 HOUSING TARGETS

METROPOLITAN REGIONS	TARGET NEW HOMES 2051	EXISTING RLLC HOMES	RLLC HOMES UNDER DEVELOPMENT & PIPELINE	REGULATORY STATUS QUO AT CURRENT CAPTURE RATE ¹	AFTER CRPVIC RECOMMENDATIONS ARE IMPLEMENTED AT FUTURE CAPTURE RATE ²
Inner Metro Region	218,500	0	0	6,271	13,202
Inner South East Region	209,000	0	0	6,293	13,248
Western Region	385,500	1,613	524	12,492	28,682
Northern Region	397,000	720	806	14,236	31,658
Eastern Region	282,000	174	0	11,688	24,798
Southern Region	278,000	3,176	1,318	11,245	28,641
Total	1,770,000	5,701	2,648	62,225	140,228

REGIONAL PARTNERSHIPS

Barwon	140,700	1,573	1,092	2,958	9,174
Central Highlands	84,850	320	301	2,996	6,994
Gippsland	84,950	1,573	1,032	2,459	8,056
Goulburn	35,500	1,433	864	15	2,327
Great South Coast	14,150	135	0	1,292	2,870
Loddon Campaspe	61,450	925	280	2,603	6,811
Mallee	11,600	159	0	1,025	2,334
Ovens-Murray	31,700	182	391	1,427	3,637
Wimmera Southern Mallee	4,800	0	0	548	1,154
Total	469,700	6,300	3,960	15,324	43,357

Total All Regions	2,239,700	12,001	6,608	77,549	183,585
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Reduction in supply under current planning and regulatory environment	(45,149)	0
Revised Estimated Market Capture - All Regions	32,400	183,585

Sources: Victoria in Future (VIF) population and household projections 'Second Release (December 2023) Total Households by household type, Victoria in Future (VIF) population and household projections 'Second Release (December 2023) Estimated Resident Population (ERP) of all persons by five-year age group, Victoria in Future (VIF) population and household projections 'Second Release (December 2023) Definition of Regions by Local Government Authority (LGA), www.planning.vic.gov.au, CRPvic database

Reference Note: [ESTIMATED HOUSING SHORTFALL FOR 60-74 AGE GROUP IN VICTORIA BY 2051](#)

POPULATION PROJECTIONS

Current population (2023): ~1.2 million people aged 60-74 in Victoria.

Projected population (2051): ~2.6 million – more than doubling.

SUPPORTING SOURCES

Victoria's Housing Statement: The Decade Ahead 2024-2034
Sets a target of 800,000 new homes by 2034 and 2.24 million by 2051.

Statewide Housing Targets (Engage Victoria):
Confirms housing targets based on population projections to 2051.

Planning Victoria - Housing Targets:
Provides LGA-level housing demand and capacity data.

The **revised housing targets released by the Victorian Government in 2025** are included in the basis for the housing shortfall and RLLC feasibility analysis.

Confirmed Details from the 2025 Housing Targets:
These targets are **distributed across every LGA** in Victoria, ensuring that each region contributes to the overall housing supply.

The plan emphasises:

70% of new homes to be built in **established areas** (e.g. infill, medium-density). **30% in greenfield areas**, with sub-targets for growth corridors and regional cities like Ballarat and Geelong. The targets are designed to align with infrastructure, transport, and community services, which are critical for the 60-74 age group.

RELEVANCE TO RLLC STRATEGY

- ¹ 10% capture rate June 2023 homes occupied to target market.
- ² Projected 2051 20% capture rate.

DEMAND ASSUMPTIONS

If housing land supply and regulatory constraints were amended in accordance with the CRPvic recommendations, RLLCs could conservatively capture 20%-25% of the housing demand among Victorians aged 60 to 74 by 2051 compared with the present estimation of 10%.

SUPPLY ASSUMPTIONS

With an estimated annual capacity exceeding 16,500 homes, the RLLC sector could deliver up to **412,500** homes by 2051.



Stockland Halcyon Berwick

Presently, there are 12,001 existing RLLC homes, with 6,608 homes under development or in the pipeline. To meet the statewide projected growth, an estimated 183,585 additional RLLC homes are needed. This highlights the urgent need for increased development of RLLC homes to contribute to the housing targets and address the growing demand for affordable and low-maintenance housing options.

It is estimated that across the state, some 13,769 hectares of land will be required to be available/unlocked to enable the development of new RLLCs and the expansion of existing communities. Additional homes added to existing caravan parks and mixed use parks will reduce the amount of land required to be unlocked.

Due to zoning regulations, several LGAs within the metropolitan region do not support RLLCs. As a result, the demand for these homes will most likely spread to nearby metropolitan “urban fringe” regions or desirable regional areas that do accommodate RLLCs.

If the status quo is retained the likely result would be that demographic demand growth would extend to 77,549 RLLC homes, however this demand would not be met. Due to the existing constraints on development only 32,400 RLLC homes could be built - a shortfall of 45,149 by 2051 and less than 20% of that required to meet Victoria's unconstrained demographic growth demand.

367,000 HOMES IN TOTAL BUILT AND FREED UP

Very importantly, the RLLC sector's contribution to housing targets optimises the use of existing housing stock by alleviating pressure on the housing market. When individuals move into an RLLC home, they free up their existing family homes, making them available for younger families and first home buyers or for multi-dwelling redevelopment.

Even without multi-dwelling redevelopment on the home site the new RLLC resident sells, developing 183,585 RLLC homes has the capability to free up the equivalent number of existing residential homes, increasing housing supply in total by over 367,170 homes.

“Essentially, the RLLC benefit to housing supply may be doubled!”

Policy Recommendations

The aim of these policy recommendations is to support the Victorian Government's Affordable Housing Strategy by incentivising those able to build these communities to invest in Victoria rather than elsewhere in the country at no cost to the government.

Our recommendations are aligned with the intent of Premier Allan's suite of strategic economic announcements in December 2024 specifically "cutting red tape," "slashing the number of regulators" and "streamlining systems for industry".

The association recommends six broad areas for policy change.

1

Regulatory and Planning Approvals

Recommendation 1

Mandate a streamlined rezoning process for RLLCs.

Recommendation 2

Amend the "Caravan and Camping Park" definition within the Victorian Planning Provisions (VPP), specifically including the words "Part 4 and Part 4A Parks".

Recommendation 3

Establish special use permits with site-specific criteria for application within planning zones under the Development Facilitation Program (DFP) for Part 4 and Part 4A Caravan Parks.

Recommendation 4

Standardise zoning codes across Local Government Areas to minimize inconsistencies arising from specific variations and additional regulations.

Recommendation 5

Caravan Parks (the *Residential Tenancies Act 1997* Part 4 and Part 4A) to be included and recognised in the Development Facilitation Program as a priority sector for affordable housing.

Recommendation 6

Centralised online portal for affordable housing planning permit applications.

2

Environmental and Heritage Considerations

Recommendation 7

Establish a team of experts to assist developers with environmental and heritage assessments.

Recommendation 8

Simplify the environmental impact assessment process for RLLCs, especially for developments with minimal environmental impact.

3

Legal Challenges

Recommendation 9

Initiate mediation services for resolving disputes over land use, zoning changes, or compliance issues.

Recommendation 10

Establish clear and consistent legal frameworks for RLLCs.

4

Land Acquisition

Recommendation 11

Implement government assistance programs that support land acquisition for RLLCs.

Recommendation 12

Encourage public-private partnerships for land acquisition.

5

Utility and Infrastructure connection

Recommendation 13

Create a dedicated task force to coordinate utility and infrastructure providers.

Recommendation 14

Develop incentives or subsidies for infrastructure development.

6

Design and Construction

Recommendation 15

Develop and promote design guidelines for RLLCs emphasising accessibility, sustainability, and community integration.

Recommendation 16

Offer benefits for innovative design and construction practices, such as modular methodologies, using sustainable materials, or incorporating smart home technologies.

“**More homes mean opportunity** – that’s why the Allan Labor Government is driving home building and infrastructure funding and **slashing upfront costs** everywhere in the state, including in **Victoria’s regional centres and towns**”

- The Hon. Jacinta Allan MP. Premier of Victoria, October 2024

Regulatory and Planning Approvals

1



Mandate a streamlined rezoning process for RLLCs.

This should include predefined criteria and fast-track options for developments that meet specific standards. This recommendation aims to streamline processes and prioritise affordable housing development, ultimately helping to unlock more land for RLLC use in Victoria.

2



Amend the “Caravan and Camping Park” definition within the Victorian Planning Provisions (VPP), specifically including the words “Part 4 and Part 4A Parks”.

Pending the appropriate process and approval by the Minister for Planning, this will allow RLLC developments to be established as caravan parks rather than residential villages thereby unlocking land for an RLLC Planning Permit.

3



Establish special use permits with site-specific criteria for application within planning zones under the Development Facilitation Program for Part 4 and Part 4A Caravan Parks.

These permits allow for development and expansion of new and existing RLLCs and caravan parks within zones where such uses are not typically permitted without requiring a change in zoning.





Standardise zoning codes across Local Government Areas to minimize inconsistencies arising from specific variations and additional regulations.

This approach will create a more predictable and efficient planning environment, reducing confusion and delays caused by inconsistent local regulations. By meeting predefined standards, this proposal can be assessed and approved more efficiently under the code assessable pathway.



Caravan Parks (the Residential Tenancies Act 1997 Part 4 and Part 4A) to be included and recognised in the Development Facilitation Program as a priority sector for affordable housing.

This recognition will streamline the approval process for developing and expanding caravan parks, enabling more affordable homes to reach the market more quickly. By including Part 4 and Part 4A caravan parks which cover movable dwellings such as prefabricated and modular homes, the recommendation supports affordable housing solutions. This can help address housing shortages without needing to rezone land.

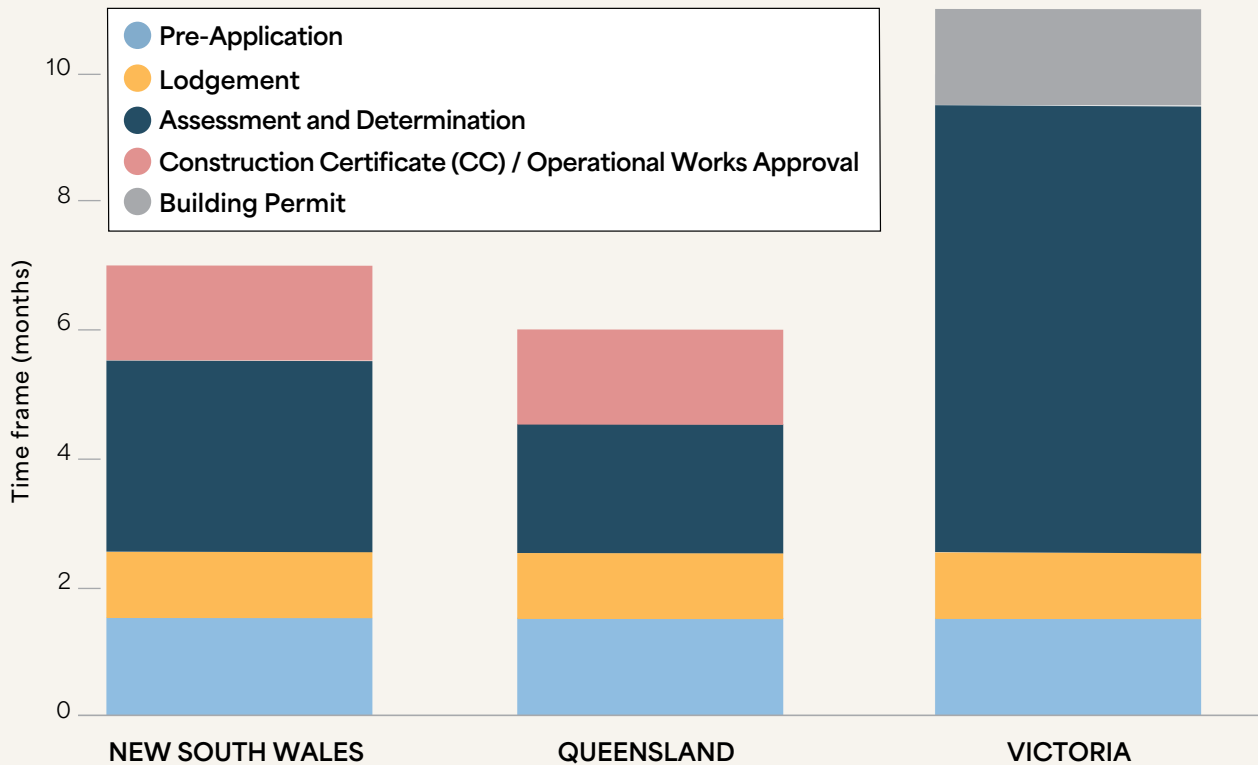


Centralised online portal for affordable housing planning permit applications.

Focusing specifically on affordable housing initiatives, this would support a dedicated approach to simplifying the application process and speeding up the approval process facilitating quicker development of affordable housing RLLC projects.



The table below represents the typical timeframes from pre-application to building permits barring significant environmental and social heritage requirements.



Sources: NSW Planning Portal - Development Assessment: NSW Development Assessment Best Practice Guide; Queensland Development Assessment Rules; Queensland Government - Development and Building Approvals Fact Sheet; Guide to Victoria's Planning System: Clause 1 Planning - Planning Permit Decision Time Frames.

New South Wales and Queensland authorities have approved significantly more land lease developments due to several factors. In New South Wales, the implementation of streamlined development assessment pathways, such as Local Development Applications (DAs), Complying Development Certificates (CDCs), and State Significant Development (SSD) pathways, has made the approval process more efficient than Victoria.

Additionally, new laws and regulations have been introduced to support residential land lease communities, further expediting approvals. The high demand for diverse housing options, particularly in regional and rural areas, has also driven more developments in NSW.

In Queensland, the Integrated Development Assessment System (IDAS) provides a coordinated approach to planning and development, making the approval process more efficient. Recent changes to planning legislation have further expedited the approval process for residential developments.

These factors collectively contribute to the higher number of approvals in both New South Wales and Queensland compared to Victoria. Specifically, however, the length of time spent in Assessment and Determination in Victoria is almost double that of New South Wales and Queensland.

“The length of time spent in Assessment and Determination in Victoria is almost double that of New South Wales and Queensland”

Environmental and Heritage Considerations



7 Establish a team of experts to assist developers with environmental and heritage assessments.

These teams will provide expert guidance, helping developers navigate complex regulations more efficiently, reducing delays and ensuring compliance.



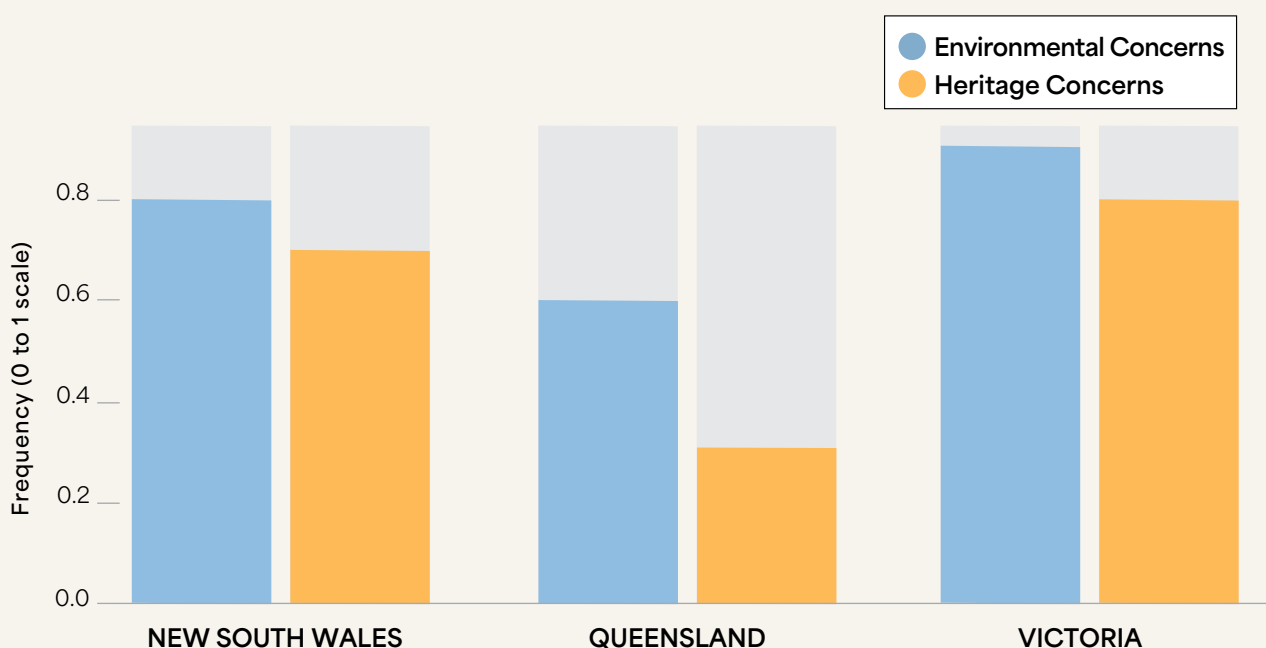
8 Simplify the environmental impact assessment process for RLLCs, especially for developments with minimal environmental impact.

By developing predefined assessment criteria and expedited review processes, approvals for low-impact projects will be streamlined, reducing the time and cost associated with environmental assessments.

The below table depicts the frequency and impact of environmental and heritage concerns on RLLC developments. These are generally consistent with other residential projects.

Whilst New South Wales and Queensland have robust environmental and heritage regulations, they are not as stringent or comprehensive as those in Victoria. Additionally, the level of community involvement by Victorian councils and civic associations and the number of heritage overlays which often require additional assessments and approvals, result in further delays.

These circumstances are viewed poorly by developers and investors due to the additional risk of delays in generating returns from home sales and community operations.



Sources: *Your guide to the DA process - Planning*, *How Long Does the Development Assessment Process Take?* - Archistar Blog, *Development Approval required for a lease? When?* - Carter Capner, *Development and Flood Considerations - Queensland*, *Environmentally Sustainable Development - Victoria*, *Heritage Protections in Victoria*.

Legal Challenges



Initiate mediation services for resolving disputes over land use, zoning changes, or compliance issues.

Mediation can offer a faster, less adversarial way to resolve disputes, reducing the burden on courts and speeding up the resolution process.



Establish clear and consistent legal frameworks for RLLCs.

This will reduce ambiguity and ensure that all stakeholders understand the rules, leading to more predictable and efficient development processes.

Legal challenges in zoning and planning arise from the complexity of the *Planning and Environment Act 1987* and various planning schemes, often leading to disputes. Current mediation services provided by the Dispute Settlement Centre of Victoria (DSCV) focus on smaller disputes, not complex land use issues, which are typically resolved through the Victorian Civil and Administrative Tribunal (VCAT). This process can be costly and lengthy, deterring developers due to increased risks of delays and costs.

Establishing a suitable mediation service will help developers address disputes efficiently, fostering a more favourable investment environment and timely development of RLLCs. Clear and efficient legal frameworks provide a predictable approval process and reduce costs. An efficient legal framework also facilitates better coordination between stakeholders, fostering collaboration to address housing shortages. This collaboration is essential for implementing innovative housing solutions, such as RLLCs, which can be developed more quickly and cost-effectively under a more supportive legal environment.

Streamlining and clarifying legal requirements is crucial for encouraging developers to invest in Victoria. Reducing legal complexity can expedite the approval process, minimise delays, and enhance Victoria's attractiveness for investment.

SUGGESTED SOLUTIONS TO ADDRESS LEGAL CHALLENGES IN ZONING REGULATIONS AND PLANNING DEVELOPMENT

LEGAL CHALLENGE	SOLUTION	DETAILS
Ambiguity in Regulations	Clearer Guidelines	Develop and publish more detailed guidelines and examples for interpreting zoning regulations.
Differing Interpretations	Training and Education	Provide regular training sessions for council staff and developers on zoning regulations and their applications.
Frequent Updates	Consistent Communication	Ensure timely and clear communication of updates to all stakeholders to minimise confusion.
Dispute Resolution	Mediation Services	Enhance mediation services to resolve disputes before they escalate to VCAT hearings.
Expert Consultation	Access to Experts	Facilitate access to planning and legal experts for stakeholders to seek advice on complex zoning issues.
Technology Integration	Digital Tools	Utilise digital tools and platforms to streamline the planning process and improve transparency.

Sources: *Legislation and regulations - Planning, Victoria Planning Regulation: A Comprehensive Overview - SQM Architects, Legal Challenges to Zoning and Planning Decisions.*

Land Acquisition Challenges



11

Implement government assistance programs that support land acquisition for RLLCs.

These programs can provide support and incentives, making it easier for developers to acquire land and proceed with RLLC projects.



12

Encourage public-private partnerships for land acquisition.

This can leverage private sector investment and expertise, facilitating the acquisition and development of land more efficiently.

The table on page 22 summarises the practices government should consider when creating effective government assistance programs and public-private partnerships in land acquisition for RLLCs.



POLICY AREA	SUGGESTED PRACTICES	DETAILS
Government Assistance Programs	Needs Assessment	Conduct surveys and engage stakeholders.
	Clear Objectives and Goals	Define SMART goals and develop a policy framework.
	Funding and Resources	Secure funding and allocate resources efficiently.
	Program Design	Tailor assistance programs and provide incentives.
	Monitoring and Evaluation	Implement monitoring systems and gather feedback.
Public-Private Partnerships	Framework and Guidelines	Develop clear guidelines and align with legal frameworks.
	Stakeholder Collaboration	Engage stakeholders and conduct public consultations.
	Risk Management	Identify risks and establish risk-sharing mechanisms.
	Financial Structuring	Explore innovative financing and conduct cost-benefit analyses.
	Transparency and Accountability	Ensure transparent processes and implement accountability mechanisms.

Acquisition Handbook, Grants For Landowners | Land Grant Money | Federal Land Grant Programs, Best Practices for Due Diligence in Land Acquisition for Government, Public/Private - Urban Land Institute, Ten Principles for Successful Public/Private Partnerships.

Government assistance programs that can support the development of RLLCs include tax incentives, i.e. credits or exemptions (e.g. Windfall Gains Tax), infrastructure support, and the Integration of RLLCs into broader affordable housing programs.

By leveraging private sector investment and expertise, it is possible to facilitate the acquisition and development of land more efficiently and provide access to valuable resources such as land banks or surplus public land. This approach reduces the financial burden on developers, encourages timely project completion, and ultimately helps keep RLLC home prices affordable for buyers. Ensuring affordable land acquisition is essential for fostering a favourable investment environment and providing high-quality, affordable housing options to meet the needs of diverse communities.



Utility and Infrastructure Connection

13



Create a dedicated task force to coordinate utility and infrastructure providers.

This task force will streamline the process of connecting utilities and reduce delays and ensure that infrastructure is in place to support new RLLC developments.

14



Develop incentives or subsidies for infrastructure development.

This can reduce the financial burden on developers, encouraging the timely completion of necessary infrastructure for utilities.

In 2024 there are more than 12,000 homes in Victorian RLLCs. Two thirds of those are in peri urban (urban fringe) and in Victoria regions.

The following highlights some of the issues and impacts facing the affordability of RLLC developments.

INFRASTRUCTURE CAPACITY

Existing infrastructure in peri-urban and regional areas often lacks the capacity to support new developments, leading to increased costs.

INCREASED DEVELOPMENT COSTS

Additional costs from infrastructure and utility delays due to issues such as sewer and water, are often passed on to homebuyers, making housing less affordable.

UTILITY CONNECTION DELAYS

Delays in connecting essential utilities such as electricity, sewer, water, and gas can extend project timelines and increase costs.

Impact on housing affordability

REGULATORY DELAYS

Lengthy approval processes reduce the supply of available homes, driving up prices due to increased demand.

REGULATORY AND APPROVAL PROCESSES

The complexity and length of regulatory and approval processes cause significant cost overruns.

INFRASTRUCTURE FUNDING

The unforeseen cost of upgrading infrastructure is often shifted to developers and, ultimately, to homebuyers, increasing housing prices.



Issues



Sources: *Housing Affordability and Supply Restrictions* - CIS, *Land Use Regulation and Approval Reforms* | Urban Institute, *Shaping regional and rural Victoria: A discussion paper* - MAV

By streamlining the process of connecting utilities and reducing delays, necessary infrastructure can be in place to support new RLLC developments. These measures reduce the financial burden on developers, encouraging timely project completion and ultimately keeping home prices affordable for buyers. This approach not only fosters a favourable investment environment but also ensures that high-quality, affordable housing options are available to meet the needs of these communities.

Design and Customisation



15 Develop and promote design guidelines for RLLCs emphasising accessibility, sustainability, and community integration.

Clear design guidelines will ensure that new RLLC developments are well planned, sustainable, and integrated into the community, enhancing liveability and reducing planning disputes.



16 Offer benefits for innovative design and construction practices, such as modular methodologies, using sustainable materials, or incorporating smart home technologies.

Incentives for innovation can lead to more efficient, cost-effective, and environmentally friendly construction practices, speeding up the development process and improving the quality and affordability of RLLC homes.

Clear design guidelines will streamline the planning process, reducing costs and disputes, while promoting accessibility, sustainability, and community integration. This ensures that RLLC developments are not only cost-effective but also enhance liveability.

Innovation is a key driver of progress, and by incentivising innovative design and construction practices, a culture of creativity and forward-thinking can be fostered. This will not only result in more sustainable and efficient building methods but also inspire developers to explore new technologies and materials that can further reduce costs and improve the quality and affordability of housing. Encouraging innovation will also attract investment and talent to the state, boosting the economy and positioning Victoria as a leader in sustainable development.

The table below outlines a structured approach to implementing design guidelines and innovation incentives, ensuring that RLLC developments are well planned, sustainable and efficient.

PROCESS STEP	DESIGN GUIDELINES	INNOVATION INCENTIVES
Policy Development	Collaborate with government and stakeholders to develop comprehensive design guidelines.	Create policies offering financial and recognition incentives for innovative practices.
Public Consultation	Engage with community members through consultations, workshops, and feedback sessions.	Consult with developers, technology providers and research institutions for input.
Training and Resources	Provide training for developers and planners on the new guidelines.	Offer resources and training on innovative construction methods and technologies.
Implementation	Enforce guidelines through planning approvals and regular inspections.	Implement incentive programs such as grants, tax breaks and awards for innovation.
Monitoring and Evaluation	Review and update guidelines regularly based on feedback and changing needs.	Monitor the effectiveness of incentives and adjust policies to encourage further innovation.
Conflict Resolution	Establish mechanisms for resolving planning disputes quickly and fairly.	Provide support for developers to navigate the incentive application process.
Continuous Improvement	Continuously improve guidelines based on best practices and new developments.	Foster ongoing partnerships to promote and adopt new technologies and methods.

CARAVAN & RESIDENTIAL PARKS VICTORIA

Helping our members succeed since 1964

Caravan and Residential Parks Victoria's sixteen policy recommendations aim to streamline regulatory processes, enhance environmental and heritage considerations, and support land acquisition as well as utility and infrastructure connections. These measures align with the Victorian Government's strategic goals of cutting red tape, streamlining systems for industry, and fostering regional development.

By adopting these recommendations, the Victorian Government can incentivise investment in RLLCs, ensuring that more Victorians have access to affordable, secure, and community-oriented housing. This approach not only assists in addressing the immediate housing crisis but also lays the foundation for long-term economic and social benefits in both regional and peri urban Victoria.

Our vision is to create thriving communities where residents enjoy a high quality of life, supported by well planned infrastructure and sustainable living practices. By working collaboratively with government, industry, and local community stakeholders, the challenges facing RLLC development can be overcome. Unlocking the full potential of this innovative housing model can be unlocked.

Together, a future can be built where affordable housing is accessible to all, and where communities are empowered to grow and prosper. Let us seize this opportunity to make a lasting difference and contribute to the overall economic and social well-being of tens of thousands more Victorians.



Addendum

Initiatives in other States

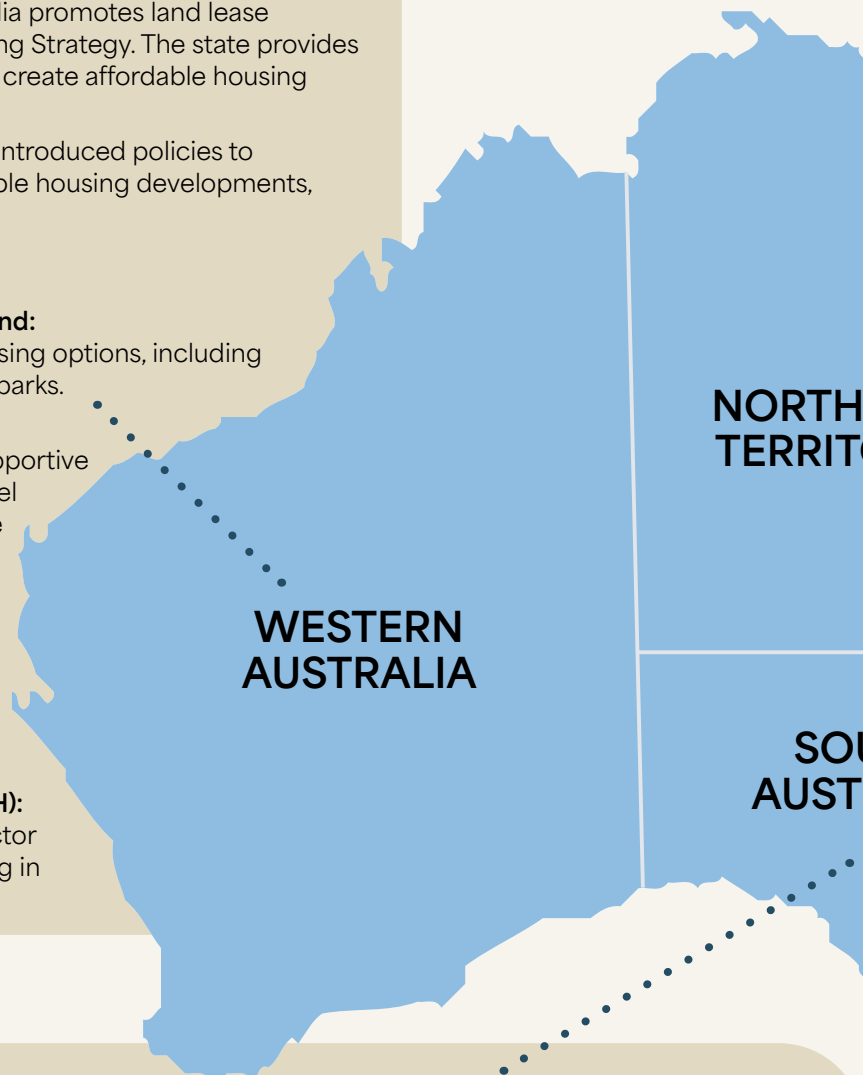
The Victorian Government can look to other Australian states to identify how government support can lead to more RLLC housing in this state.

WESTERN AUSTRALIA

- **Affordable Housing Strategy:** Western Australia promotes land lease communities as part of their Affordable Housing Strategy. The state provides policies that offer incentives for developers to create affordable housing options, including land lease communities.
- **Streamlined Approvals:** The government has introduced policies to streamline the approval processes for affordable housing developments, reducing the time and complexity involved.

OUTCOMES

- **Social and Affordable Housing Investment Fund:**
 - supports the development of affordable housing options, including those in land lease communities and caravan parks.
- **Regional Supportive Landlord Model:**
 - a pilot program for a 100-home Regional Supportive Landlord Model rolled out in the Perth and Peel regions. This model aims to provide affordable rental housing with supportive services, benefiting home owners in manufactured housing estates and caravan parks.
- **Boosting Housing Supply and Choice:** will provide a mix of social and affordable housing, including options for land lease communities and caravan parks.
- **Government Regional Officer Housing (GROH):** supports affordable housing for key public sector workers in regional areas, including those living in caravan parks.



SOUTH AUSTRALIA

- **Planning and Design Code:** South Australia has implemented an integrated planning system through its Planning and Design Code, which standardises zoning and planning requirements across the state. This policy helps reduce inconsistencies and simplifies the approval process for developers.
- **Pre-Lodgement Services:** The state offers policies that provide pre-lodgement services to assist developers in understanding the planning requirements and addressing potential issues before submitting formal applications.

OUTCOMES

- The Tatiara District Council has built accommodation units at Bordertown Caravan Park in partnership with Unity Housing. This initiative provides affordable rental housing options within the caravan park.
- Recent legislative changes have made it easier to build and rent ancillary accommodations, including caravans and tiny homes on wheels. These accommodation can be rented to anyone.
- The expansion of Renewal SA's role to assist with regional case management and identify priority projects in partnership with local councils has led to the development of more affordable housing options in regional areas, including caravan parks.

QUEENSLAND

- **Manufactured Homes (Residential Parks) Act 2003:** Queensland has a dedicated regulatory framework for manufactured homes and residential parks, providing clear guidelines for operators and home owners. This policy helps streamline the development and management of these communities.
- **Support for Developers:** The Queensland government offers policies that support developers through grants and subsidies aimed at promoting the development of affordable housing options, including MHEs (the common term for RLLCs in Queensland).

OUTCOMES

- Increased production and sales of manufactured homes, with a 15% rise in 2024 compared to 2023.
- Streamlined approvals and prioritisation of affordable housing projects, expediting the development process.



NEW SOUTH WALES (NSW)

- **Land Lease Community Reforms:** NSW has introduced policies to simplify the planning processes for land lease communities, including clearer guidelines and faster approval processes for developments that meet specific criteria.
- **Affordable Housing Initiatives Policy:** The NSW government promotes land lease communities as a solution to the housing affordability crisis, particularly for retirees and low-income households.

OUTCOMES

- **Cost of Living Reductions:** The new regulations have made living in land lease communities more affordable by improving transparency around fees and charges, and capping electricity prices in communities with embedded networks.
- **Enhanced Homeowner Rights:** Home owners now have more freedom to make minor changes to their homes without needing approval from community operators. This has helped home owners feel more secure and comfortable in their homes.
- **Community Feedback:** The statutory review of the *Residential (Land Lease) Communities Act 2013* highlighted that these changes have been well-received by home owners, who feel that their living conditions and rights have significantly improved.
- **Enhanced Housing Stability:** By increasing transparency around fees and charges and capping electricity prices, Home owners can better manage their living expenses, leading to greater financial stability and reduced risk of displacement.
- **Improved Quality of Life:** Allowing home owners to make minor modifications to their homes without needing approval fosters a sense of ownership and personal comfort. This contributes to higher satisfaction and well-being amongst home owners.
- **Economic Benefits:** The streamlined approval processes and incentives for developers have led to increased investment in affordable housing projects. This not only boosts the housing supply but also stimulates local economies, particularly in regional and rural areas.
- **Sustainable Development:** The focus on utilising surplus public land for affordable housing ensures that new developments are sustainable and meet the needs of diverse populations, including vulnerable groups.



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