Development Victoria

Clare Parry Director – Sustainability

For: MBAV Green Living Conference, 21st October 2022



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Acknowledgement of Country

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In the spirit of reconciliation, Development Victoria respectfully acknowledges the Traditional Custodians of Country throughout Victoria. We recognise their continuing cultural heritage and connection to land, and pay our respects to their Elders, past and present.

Yinga Biik Birranga-ga (Sing land and Country) Steve Ulula Parker

At Development Victoria, we create places for people.

We're a government agency partnering with industry leaders and local communities to transform ambitious ideas into reality. And together, we deliver places that make a genuine difference to the people of Victoria.



We reimagine iconic places like the Melbourne Arts Precinct and State Basketball Centre, develop precincts like Docklands and Fitzroy Gasworks, and build affordable and diverse homes where they're needed.

Developing entire precincts



Docklands

One of Australia's largest urban renewal projects

Now more than 60% complete and is home to more than 13,000 residents and 73,000 workers

Fishermans Bend Innovation Precinct

GMH site being developed into Australia's leading precinct for advanced manufacturing, design, engineering and technology excellence



Revitalising Central Dandenong

Revitalising Central Dandenong is a \$290 million project rejuvenating Dandenong's city centre, delivered with the City of Greater Dandenong, and the private sector



Fitzroy Gasworks

Renewal of the former Fitzroy Gasworks site into a new urban village

Affordable Build to Rent pilot

Reimaging iconic public places



Melbourne Arts precinct

The project will deliver 10,000 square meters of exhibition space, NGV Contemporary, public open space and new creative hub

State Basketball Centre

Creating one of Australia's leading basketball facilities and supporting the continued growth of basketball and gymnastics at local and elite levels



Melbourne Park Redevelopment

The creation of a worldclass sports and entertainment precinct to support Melbourne's broader tourism sporting and major events strategies



Geelong Arts Centre

Deliver new and enhanced facilities that will vastly improve visitor and performer experience, with improved creative space for the Geelong community and the capacity for future growth

Creating communities



Olio Officer

Affordable homes in the heart of Officer

Priority Access provides moderate-income earners with the opportunity to buy homes before they're made available to the open market

Cairnlea

The final stage of Cairnlea, delivering diverse and affordable homes, and open spaces

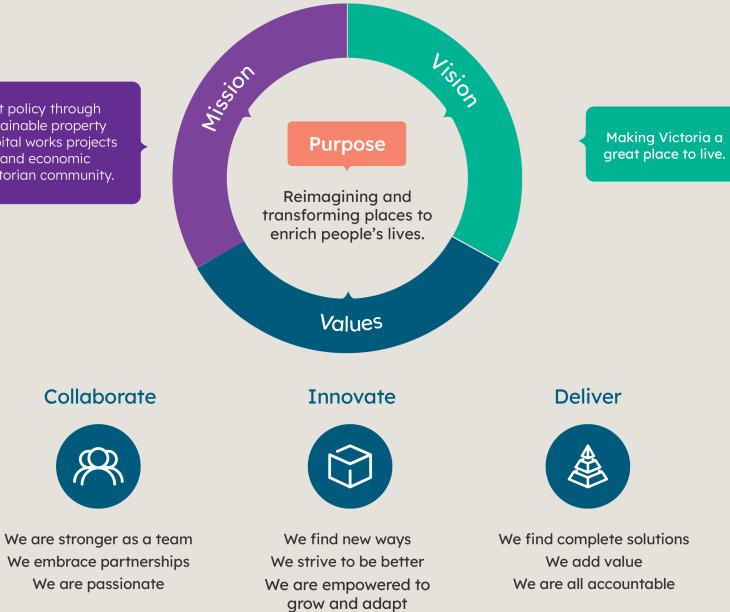
Habitas Aurora

Habitas is the latest stage of the Aurora residential development in Wollert, providing 89 new affordable homes for the northern suburbs



Riverwalk, Werribee

Sustainable mixed-use community with diverse housing options and a wide range of community facilities Deliver government policy through affordable and sustainable property development and capital works projects to achieve social and economic outcomes for the Victorian community.



Policy pillars

Development Victoria's approach is underpinned by five policy pillars



SUSTAINABILITY: INTEGRATE + EMBED IN EVERYTHING WE DO



Sustainability objectives

At Development Victoria we're taking action on climate change, with a strong and clear commitment to creating a sustainable future for our staff, the community and all Victorians.

- To deliver best practice
- To facilitate accountability and performance reporting
- To assist meeting Government and community expectations for strong sustainability outcomes on DV developments

SUSTAINABILITY: INTEGRATE + EMBED IN EVERYTHING WE DO

Priority Areas



Carbon

Carbon Neutral

Net Zero

Climate Positive



Nature

Biodiversity

Building with Nature

Nature-based offsets

Water



Liveability

Healthy buildings & places

Connectivity & Mobility

Places for Children



Circular Economy

Supply Chains

Zero Waste

Integrated Water Design



Value

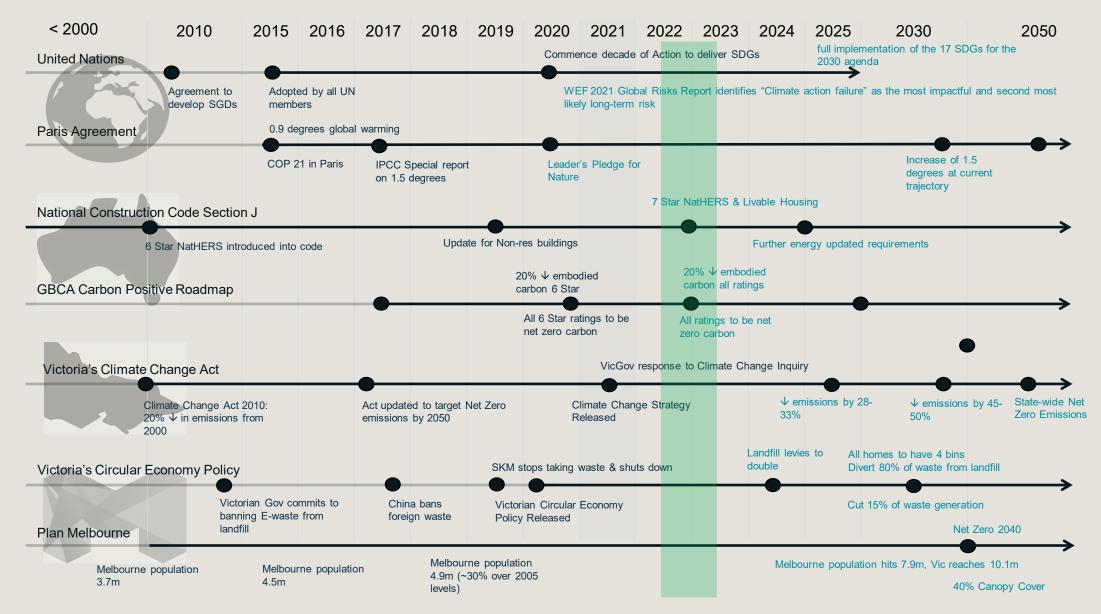
Value of Sustainability

Marketing Sustainable Homes

Sustainability in our Brand

Risk – Climate & Nature

Context



Diverse communities

- Offering homes of varying size and price to cater for different lifestyles and budgets
- Building homes where there are already good services such as transport, jobs and schools
- Creating vibrant places that enrich the local area with outdoor spaces and community facilities
- Industry best practice sustainability outcomes
- Aim to offer at least a quarter of the homes we build to households that earn less than \$131,500 per year



Development Victoria is committed to delivering **robust** and **consistent** sustainability outcomes



...means we are optimising the sustainability outcomes of projects, in line with DV's Best Practice Requirements, balanced with other project aspirations and/or targets. We are the project stewards towards a better future.



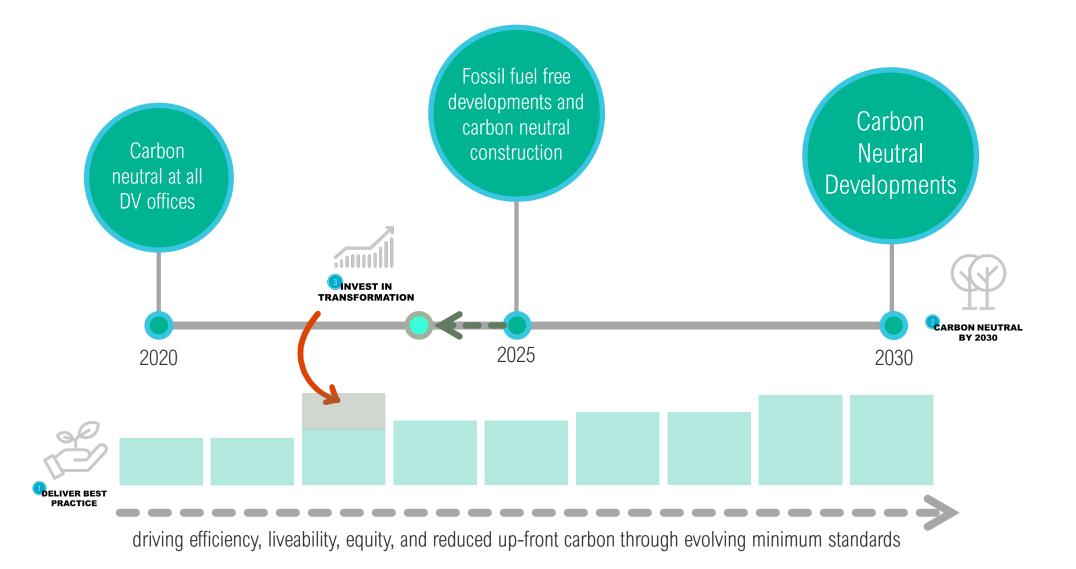
...means we are tracking against our pathway to Carbon Neutral 2030 and assessing opportunities to reduce our impacts on every project. We actively lead towards carbon neutral outcomes



COLLABORATE

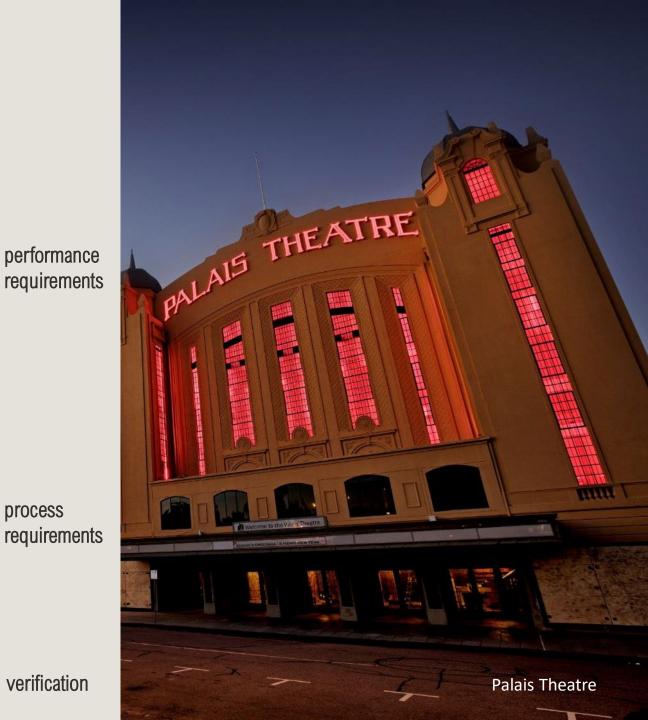
...means we seek opportunities to innovate and partner on every project in a pragmatic and transparent way. We seek to harness opportunity and reduce future risks.

Development Victoria's sustainability approach



Best Practice – what is it?

- 30% better than code energy compliance
- Minimum 20% Provision for EV charging
- 40% Renewables on site
- Gold standard of Livable Housing Australia (%)
- 95% construction waste diversion
- Implement a Circular Economy strategy
- 35% reduction in water demand
- 100% public place water from non-potable sources
- Integration of Passive House Principles
- Integration of Universal Design Principles
- Maximise on site water reuse
- Reduce Urban Heat Island on all developments
- Sustainable Transport Plan
- Biodiversity Management Plan
- Community Resilience and Climate Adaptation Plan
- Future climate for design
- Integration of WELL Building Principles
- Assess lifecycle costs
- Verification: Green Star Communities or Buildings



Translating our Best Practice Requirements for homes





volume builder market.



standard. Mandate new requirements for all future project stages across portfolio.

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Participation in Green Star for Homes pilot



Translating Best Practice for homes

<u>Lesson 1:</u> Volume builders streamline their supply chains. Any "standard" requirements (for now) must focus on being:

- Off the shelf: Initiatives that don't impact the standard product's form
- **Readily available:** Technology and products that are part of the current supply chain
- **Bang for buck:** Initiatives that significantly impact both the quality and ongoing costs of the homes
- **Buildable:** Construction methods that require skills that are widely available within he construction industry

<u>Lesson 2</u>: Leveraging the competitive environment reduces the cost uplift to the developer.

- Range of uplift costs for implementation under existing appointments was \$22,000 \$37,000 per home
- Range of uplift costs for implementation as optional pricing in a competitive tender was \$0 \$15,000 per home depending on solar PV system size.

<u>Lesson 3</u>: All electric is easily deliverable for the built form asset, and can be offered as the base product. However

- There are current implications for 'gold plating' electricity infrastructure based on increased demand assumptions and these are at times inconsistent with the rebate reduction offered for the 'demand reduction' based on the mandating of solar. Developers have the potential to be hit twice in infrastructure costs.
- There are inconsistent approaches to whether or not gas infrastructure still needs to eb put in the ground if there is technically no demand.



Our Minimum Standard for Homes:

- Minimum 7 Star NatHERS (*since 2020*)
- Carbon neutral enabled operation:
 - all electric: including heat pump DHW + induction cooktops
 - minimum 5kWp solar PV
 - EV charger ready or installed
 - 3-phase power where required
- Urban heat island mitigation
- Water efficiency
 - minimum WELS ratings for fixtures & fittings
 - minimum 2kL rainwater tank + drip irrigation
- Healthy homes:
 - low TVOC paints, adhesives, sealants & carpets
 - low formaldehyde engineered wood products
 - Flicker free lighting

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Let's work together

