Mornington Peninsula Shire

ADDENDUM AGENDA

COUNCIL MEETING

TUESDAY, 10 NOVEMBER 2026

6:30 PM

MUNICIPAL OFFICES
BESGROVE STREET, ROSEBUD

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3 MANAGEMENT REPORTS

COMMUNITIES

3.10 Community Housing Provider - Rosebud

Issued By	Manager - Economic & Cultural Development & Manager - Assets, Buildings & Property
Authorised By	Director - Communities
Document ID	A14051929
Briefing Note Number	Not Applicable
Attachment(s)	1. Design Report

EXECUTIVE SUMMARY

Following the withdrawal of Housing Choices Australia, Shire officers have worked with Housing Australia to keep the funding application live whilst seeking an alternative provider. Following a targeted market approach, a Community Housing Provider who can deliver the project and complete the funding application in accordance with the Shire's purpose and intent of the Expression of Interest previously undertaken for funding by 20 November has been identified.

The purpose of this report is to appoint YWCA Australia to develop community housing for women and children impacted by family violence and women over the age of 55 years at risk of homelessness and in doing so enter a 50-year lease for land at 23 McDowell Street, 36 and 40 Rosebud Parade and 1 Spray Street Rosebud.

3.10 (Cont.)

RECOMMENDATION

That Council:

1. **Pursuant to section 115 of the *Local Government Act 2020*, proposes to lease the land at 23 McDowell Street, 36 and 40 Rosebud Parade and 1 Spray Street, Rosebud, to YWCA Australia on the following terms:**

   A. a lease term of 50 years;

   B. annual rent of $1.00 per annum, if demanded;

   C. the Tenant will be responsible for all outgoings, taxes, rates, levies, charges and all costs associated with the Lease, including all building maintenance, repair and renewal costs; and

   D. the permitted use will be for the development, operation and management of 22 self-contained apartments and townhouses to provide transitional accommodation for women and children within the municipality who are experiencing, or at risk of, family violence.

2. **Notes that the proposed lease is subject to a community engagement process being undertaken in accordance with Council's Community Engagement Policy.**

3. **Authorises the Manager Assets, Building and Property to prepare, negotiate and execute all necessary documentation to give effect to this resolution under delegation.**

COUNCIL PLAN

This aligns with the Council Plan 2025-2029, in particular:

Performance: A transparent, accountable Council delivering measurable, community-centred services that are cost-effective, fit-for-purpose, future-proofed, and responsive to community needs.

- Strategic Objective 4.2: Community-centred, responsive, and fit-for-purpose services.

GOVERNANCE PRINCIPLES

Section 9 of the *Local Government Act 2020* states that a Council must in the performance of its role give effect to the overarching governance principles. This report aligns with principles A, B and I which are:

A. Council decisions are to be made and actions taken in accordance with the relevant law.

B. Priority is to be given to achieving the best outcomes for the municipal community, including future generations.

I. The transparency of Council decisions, actions and information is to be ensured.

RELEVANT COUNCIL DECISIONS AND POLICIES

On 21 April 2020 the Triple A Housing Plan (the Plan) was adopted. The Plan recognises that the primary responsibility for the provision of social and affordable housing, matched with funding capability, lies with Federal and State Governments but acknowledges that Council has an important, although limited, role to play. The Plan calls for the delivery of Council land for social housing at least once every three years.

On 13 July 2021, Council adopted its Community Vision including Principle 7 – Plan and regulate responsible and innovative housing development, develop opportunities for affordable housing throughout the Mornington Peninsula. Maintain and develop infrastructure to support the ideals of community wellbeing, sustainability, and innovation.

On 28 October 2021, Council declared a Housing Crisis expressing extreme concern that the Mornington Peninsula was facing an unprecedented crisis due to the lack of housing availability and affordability market.

At the Council Meeting of 15 November 2021, Council adopted to release an Expression of Interest (EOI) to the Community Partners in leasing any, or all, of ten land parcels across the Mornington Peninsula Shire (Shire) for the development of social and affordable housing.

In 2022, Council undertook this EOI process for the development. Five of the land parcels in Hastings and Mornington proceeded to lease phase with community housing partners and one parcel (Capel Sound) did not proceed. The four Rosebud properties also did not proceed due to the quality of submissions.

At the Council Meeting of 6 September 2022, Council resolved to return these four Rosebud sites to market as a part of a future procurement process.

On 16 April 2024, Council resolved to execute 30-year leases for Affordable Housing projects for five Council properties in Hastings and Mornington.

At the 28 May 2024 Council Meeting, Council resolved to proceed with an EOI process for the sites at 23 McDowell Street, 36 and 40 Rosebud Parade and 1 Spray Street, Rosebud. It also resolved that a further report be presented to Council following the conclusion of the EOI process to consider a formal position.

At the 27 August 2024 Council Briefing, Council supported the selected Registered Housing Association following the EOI process and the proposal to proceed with stage two of the EOI, this being to obtain further detailed design information around the proposed social housing development and consider an in-principal support of a lease agreement.

At the 8 April 2025 Council Meeting, Council considered information regarding the proposed concept plans, lease proposal and engagement plan and resolved to initiate the process of advertising the intent to lease the land for the purposes of developing social housing by undertaking community consultation.

At the 22 July 2025 Council Meeting, Council accepted the EOI of Housing Choices Australia for the Rosebud land.

Following Council's April 2025 resolution, community consultation was undertaken in accordance with the *Local Government Act 2020*. The consultation to community included a 50-year lease for the purpose of transitional housing, and demonstrated strong community support for the proposal, with 84 per cent of respondents supporting the project and 79 per cent supporting Council's proposal to lease the land to facilitate the development.

While Council previously resolved to enter into lease negotiations with Housing Choices Australia, no formal lease had been executed. The July 2025 Council decision contemplated that a lease would only be finalised following the achievement of a number of key project milestones, including funding and approval requirements. As no lease has yet been entered into, the current proposal does not constitute a lease transfer or lease break. Rather, it seeks Council approval to negotiate and enter into a lease with an alternative community housing provider capable of delivering the same project outcomes originally endorsed by Council.

DISCUSSION

Background

Housing Choices Australia was appointed through an EOI to partner with the Shire to pursue funding for safe and secure housing for women in need in Rosebud. In December 2025, they submitted a National Housing Infrastructure Facility – Crisis Transitional Housing grant application managed by Housing Australia.

3.10 (Cont.)

Housing Choices Australia advised the Shire on 18 August that they were unable to proceed with the project.

Unfortunately, with available funding rounds there is a timing dependency, so a targeted market approach was undertaken. Housing Australia advised that changes in applicants do happen as different operators review project options and the project can be transferable to another partner to deliver the same outcomes.

Shire officers utilised a targeted market approach, meeting with five Community Housing Support Providers in total.

- One was very keen to progress but unable to meet the timeline of 20 November.
- Two did not have capacity due to other funding and grant commitments.
- One wanted to consider but was not confident of the timelines.
- One is already partnering with the Shire and could meet the 20 November timeline.

YWCA Australia is a national specialist not for profit housing provider operating over 500 homes across 19 communities across Australia with more than 140 years of experience supporting women through housing, homelessness and related services. The organisation is governed through a skills-based Board with formal finance, audit and risk oversight arrangements.

The Shire already has an established partnership with YWCA Australia through the delivery of 10 new social housing dwellings in Mornington, funded through the Victorian Government's Social Housing Growth Fund. This provides Council with direct experience of the organisation's capability and delivery approach. YWCA Australia has identified operational efficiencies in delivering both projects within the municipality and has confirmed its ability to meet project funding and delivery timeframes.

The project would continue to be delivered in partnership with Good Shepherd Australia, maintaining the same transitional housing model and wraparound support services previously considered by Council. Importantly, any funding application is also subject to independent assessment by Housing Australia, which evaluates organisational capability, governance, financial capacity and delivery risk before funding approval. Combined with Council's milestone-based and sunset based lease conditions, these arrangements provide a strong level of assurance that risks have been minimised.

3.10 (Cont.)

If successful in the Housing Australia Future Fund - Crisis and Transitional Program funding application the properties will be delivered and ready to be occupied by June 2028.

This project will deliver:

- 22 self-contained modern apartments and town houses.
- One and two-bedroom dwellings delivering 30 bedrooms and over 40 beds.
- Specialised support services.
- Accommodation for local women and children impacted by family violence.
- Communal gardens.

The recommendation is consistent with the principles of the Shire's Property Strategy, which seeks to ensure Council land and assets are utilised to maximise community benefit and support strategic outcomes. The proposal does not alter the intended community purpose of the site, being the delivery of transitional housing for women and children experiencing housing vulnerability.

The recommended approach maintains continuity of a strategically significant housing project while ensuring the site remains available for its intended purpose. Council retains control through any future lease conditions, milestones and performance requirements.

Shire officers do not support recommencing an EOI process. Council has already determined the preferred use of the land and the community outcome it seeks to achieve through the delivery of transitional housing for women and children experiencing housing vulnerability. The proposal before Council does not alter that outcome. Recommencing an EOI process would introduce significant delay, likely extending project delivery by a further 6-12 months, while providing limited additional strategic benefit given Council has already determined the preferred use of the land. Such delays may also impact the project's ability to compete for time sensitive Commonwealth funding opportunities that prioritise delivery ready projects.

Consistent with the Shire's Property Strategy, the recommendation ensures Council assets continue to be used for their approved community purpose and enables the project to proceed without resetting years of planning, design, consultation and funding work. The only substantive change is the community housing provider responsible for delivering the project. As no lease has been executed and the approved project outcome remains unchanged, a negotiated

lease with an alternative suitably qualified provider represents a practical mechanism to achieve Council's previously endorsed strategic objective rather than a new property disposal or a materially different proposal requiring market testing.

Options for Consideration

Proceed with YWCA Australia as the Community Housing Support provider at 23 McDowell Street, 36 and 40 Rosebud Parade and 1 Spray Street Rosebud for a term of 50 years to deliver 22 self-contained modern apartments and town houses providing transitional accommodation for local women and children impacted by family violence at a peppercorn lease.

ENGAGEMENT

Engagement was undertaken prior to the appointment of Housing Choices Australia.

A further community engagement process in accordance with the Shire's community engagement policy is required if Council proceeds with the proposed lease.

COMMUNICATIONS PLAN

A communications plan for this project is already in place. It will be updated to reflect the YWCA Australia if the proposed lease is granted.

LEGAL AND REGULATORY FRAMEWORK

The recommendation is consistent with the principles of the Shire's Property Strategy, which seeks to ensure Council land and assets are utilised to maximise community benefit and support strategic outcomes. The proposal does not alter the intended community purpose of the site, being the delivery of transitional housing for women and children experiencing housing vulnerability.

The recommended approach maintains continuity of a strategically significant housing project while ensuring the site remains available for its intended purpose. Council retains control through any future lease conditions, milestones and performance requirements.

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extending project delivery by a further 6-12 months, while providing limited additional strategic benefit given Council has already determined the preferred use of the land. Such delays may also impact the project's ability to compete for time sensitive Commonwealth funding opportunities that prioritise delivery ready projects.

Consistent with the Shire's Property Strategy, the recommendation ensures Council assets continue to be used for their approved community purpose and enables the project to proceed without resetting years of planning, design, consultation and funding work. The only substantive change is the community housing provider responsible for delivering the project. As no lease has been executed and the approved project outcome remains unchanged, a negotiated lease with an alternative suitably qualified provider represents a practical mechanism to achieve Council's previously endorsed strategic objective rather than a new property disposal or a materially different proposal requiring market testing.

CLIMATE AND SUSTAINABILITY CONSIDERATIONS

Best practice climate and sustainability practices will be utilised in the construction and delivery of the accommodation.

FINANCIAL CONSIDERATIONS

The Rosebud Women's Housing Project site comprises four Council-owned properties:

- 23 McDowell Street (563sqm) – 2021 valuation: $400,000 (vacant land)
- 36 Rosebud Parade (525sqm) – 2021 valuation: $400,000 (contains a dwelling that cannot be re-let without significant renovation)
- 40 Rosebud Parade (589sqm) – 2021 valuation: $300,000 (vacant land)
- 1 Spray Street (595sqm) – 2021 valuation: $400,000 (vacant land).

The combined 2021 valuation of the four properties was approximately $1.5 million and is 2,272 sqm.

The current return to Council is largely limited, while the Shire continues to incur holding and maintenance costs. The proposed lease arrangement converts an underutilised landholding into a long-term community asset, unlocking significant external investment and delivering social housing outcomes. While the site may have an alternative market value if sold or leased for commercial purposes, the Shire has consistently identified the land as a strategic community asset to

support social and affordable housing outcomes. The proposed lease delivers a significant social return through the provision of transitional housing for women and children experiencing housing vulnerability, leveraging substantial external capital investment and specialist housing management.

This decision would allow YWCA Australia access to 23 McDowell Street, 36 and 40 Rosebud Parade and 1 Spray Street, Rosebud for a term of 50 years to deliver 22 self-contained modern apartments and town houses providing transitional accommodation for local women and children impacted by family violence at a peppercorn lease.

OFFICER DECLARATION
No person involved in the preparation of this report has a General or Material interest requiring disclosure.

4 CONFIDENTIAL ITEMS

Advice to the Public

All reports, information and recommendations contained in 'Section 4 – Confidential Items' of this Agenda have been designated by the Chief Executive Officer as confidential pursuant to section 66 (2) (a) of the *Local Government Act 2020*.

MEETNG CLOSED TO THE PUBLIC

The Council may resolve that the meeting be closed to members of the public in accordance with section 66 (5) (a) of the *Local Government Act 2020* if the meeting is discussing any of the following:

(a) Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.

(b) Security information, being information that if released is likely to endanger the security of Council property or the safety of any person.

(c) Land use planning information, being information that if prematurely released is likely to encourage speculation in land values.

(d) Law enforcement information, being information which if released would be reasonably likely to prejudice the investigation into an alleged breach of the law or the fair trial or hearing of any person.

(e) Legal privileged information, being information to which legal professional privilege or client legal privilege applies.

(f) Personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.

(g) Private commercial information, being information provided by a business, commercial or financial undertaking that:

(i) Relates to trade secrets.

(ii) If released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.

(h) Confidential meeting information, being the records of meetings closed to the public under section 66 (2) (a).

(i) Internal arbitration information, being information specified in section 145.

(j) Councillor Conduct Panel confidential information, being information specified in section 169.

(k) Information prescribed by the regulations to be confidential information for the purposes of this definition.

(l) Information that was confidential information for the purposes of section 77 of the *Local Government Act 1989*.

RECOMMENDATION

That Council considers the confidential report listed below in a meeting closed to the public in accordance with section 66 (2) (a) of the *Local Government Act 2020*:

4.2 Appointment of Independent Member - Chief Executive Officer Employment and Remuneration Committee

This matter is considered to be confidential under Section 3 (1) f of the *Local Government Act 2020* as It contains information in relation to personal information.