

Submission to Victoria's 30-Year Infrastructure Strategy Engagement:

Crystal Group- The St Hilaire Project, Wallan South

Executive Summary

Crystal Group, is an Australian property developer with a 40-year history deeply rooted in the Wallan community and committed to advancing social connection, transforming environments, and driving financial sustainability. This submission to the Victorian Engagement for the 30-Year Infrastructure Strategy, focuses on the significant alignment between Crystal Group's St Hilaire master-planned community in the Wallan South Precinct Structure Plan (PSP) area and the objectives and recommendations outlined in *Victoria's Infrastructure Strategy 2021-2051* (**Table 1** addresses the alignment of St Hilaire to Victoria's Infrastructure Strategy).

St Hilaire represents the single largest landholding within the Wallan South PSP, planned to deliver over 6,000 homes for 18,000 residents and generate approximately \$1 billion in economic activity over 20 years. This scale presents a unique opportunity to substantially contribute to Victoria's housing supply targets, particularly within the critical northern growth corridor. Specifically, timely delivery of St Hilaire directly supports and implements the strategic objectives related to housing diversity and affordability, the provision of essential social infrastructure, efficient land use through rezoning near existing infrastructure, the creation of liveable and sustainable communities, and the critical transition towards a cleaner energy future.

Crucially, realising these significant benefits hinges on two key factors: government certainty regarding the timely finalisation of the Wallan South PSPⁱ, which is currently paused, and coordinated investment in enabling infrastructure.ⁱⁱ The current pause directly impedes the delivery of much-needed housing supply in Wallan, exacerbating affordability issues. Crystal Group continues to work with all relevant stakeholders including the Victorian Government and Mitchell Shire Council to unlock St Hilaire's potential, addressing the state's housing crisis and delivering a benchmark community for the northern growth corridor.

Infrastructure Strategy Recommendation (2021-2051)	St Hilaire Alignment & Contribution
Recommendation 1: Build more social housing	St Hilaire's scale (6,000+ homes) provides a significant opportunity to deliver a substantial social and affordable housing component, aligning with Crystal Group's values. St Hilaire has committed to delivery of a minimum of 10% affordable housing through the planning framework.
Recommendation 3: Augment electricity transmission for renewable energy and resilience	The precinct-scale of innovative energy systems, combining potential geothermal with solar and non-lithium battery storage, significantly reduces peak electricity demand (est. a minimum 25% reduction). This outcome will lessen the burden on transmission infrastructure and enhance local grid resilience.
Recommendation 4: Identify and coordinate Renewable Energy Zones	St Hilaire acts as a demonstration site for innovative, large-scale renewable energy deployment (geothermal / non-lithium battery storage) at the precinct level, providing valuable data and potentially informing future REZ coordination strategies.
Recommendation 5: Require 7-star energy-rated new homes by 2022, and increase afterwards	The potential for precinct wide geothermal systems enables homes within St Hilaire to significantly exceed current energy efficiency standards, setting a high benchmark for sustainable housing development.
Recommendation 7: Strengthen minimum energy efficiency standards for rented homes	By delivering highly energy-efficient homes through geothermal and non-lithium battery technology, St Hilaire establishes a new standard for energy performance applicable to all dwellings, including potential rental stock, aligning with the intent to improve rental efficiency.
Recommendation 14: Progress integrated water cycle management	St Hilaire plans incorporate integrated water management strategies to treat stormwater runoff before it enters Merri Creek, aligning with sustainable water management principles.
Recommendation 15: Improve decision-making for urban infrastructure investment	Large scale necessitates new facilities; The master plan includes "amenity" and "community programs"; Commitment to collaborative planning and single ownership improves decision-making to support more effective, improved infrastructure investment.

	Acknowledges need and provides platform for delivery of schools, health, community facilities aligned with population growth, supporting access to essential services readily available within the established Wallan township.
Recommendation 22: Invest in secure homes for Aboriginal Victorians	The scale of St Hilaire offers a platform for partnership with ACCOs and government to deliver culturally appropriate Aboriginal housing outcomes, aligning with the VAHMF and demonstrating leadership. This will provide an opportunity to contribute directly to Aboriginal housing targets through partnership and culturally appropriate design of minimum housing outcomes within the large development footprint.
Recommendation 29: Strengthen end markets for recycled materials	St Hilaire plans to utilise innovative materials in road, civil and built form construction, directly supporting end markets for recycled materials.
Recommendation 31: Minimise waste and improve residual waste infrastructure planning	The project's sustainability focus, including use of recycled materials and potential for efficient resource use through geothermal energy, alternate non-lithium battery storage contributes to waste minimisation goals. Precinct-scale geothermal system integration (Australian-first); Significant CO2/energy savings (61% energy reduction); Peak load reduction (25% w/ solar/battery).
Recommendation 34: Review Victoria's infrastructure contribution system to cover gaps	St Hilaire's potential geothermal system highlights the need for contribution frameworks (like GAIC) to be flexible and support innovative, sustainable infrastructure that may not fit traditional models, ensuring gaps don't hinder progress.

Table 1: St Hilaire Project Alignment with Victoria's Infrastructure Strategy 2021-2051 Recommendations

St Hilaire: A Catalyst for Housing Supply and Affordability in the Northern Corridor

The scale of the St Hilaire project and its location adjoining an established township underscores its significance in addressing Victoria's housing needs. Encompassing 560 hectares, it constitutes approximately 80% of the Wallan South PSP area and is the largest single landholding planned for development within itⁱⁱⁱ. The masterplan envisages the creation of between 6,000 and 6,500 new homes, providing accommodation for an estimated 18,000 residents. This level of development represents a major contribution to the state's ambitious target of delivering 800,000 new homes over the next decade and aligns directly with the specific housing target allocated to Mitchell Shire – 66,000 net new dwellings by 2051, with the majority (56,000) designated for greenfield areas like Wallan South.^{iv} Beyond housing, the project is projected to inject approximately \$1 billion in economic activity into the region over a 20-year period, generating local employment and supporting economic growth.^v

The St Hilaire development provides a tangible opportunity to address the intent behind key infrastructure strategy recommendations concerning housing diversity and efficient land use. The *Draft 2025-2055 Strategy* Recommendation 1 explicitly calls to 'Build more social housing', the scale of St Hilaire creates a unique platform to integrate a significant component of social and affordable housing. This aligns intrinsically with Crystal Group's core values and supports the government's broader housing objectives, including the commitment to 10% affordable housing, a minimum target for St Hilaire, an aspirational one set for development on surplus government land. St Hilaire offers the potential for innovative partnerships with government and community housing providers to deliver diverse housing outcomes at scale, something far more challenging in smaller infill sites.

Similarly, while Recommendation 7 of the *2021-2051 Strategy* pertains to energy efficiency standards for rental homes, the project strongly aligns with the principle of concentrating growth near existing infrastructure, as reflected in Recommendation 7 of the *Draft 2025-2055 Strategy*: 'Rezone locations near existing infrastructure for more home choices'. The St Hilaire's location, immediately adjacent to the established Wallan township with its existing amenities and services, coupled with the planned internal infrastructure outlined in the PSP's technical studies^{vi}, exemplifies strategic and efficient land utilisation. Maximising the potential of such well-located sites through appropriate rezoning and density, as planned under the PSP, is fundamental to achieving sustainable urban growth and making the best use of public and private investment.

However, the realisation of these housing benefits is currently stalled. The Victorian Planning Authority (VPA) has paused planning for the Wallan South PSP, placing it in Horizon 2 of the 10-year greenfield plan, targeting recommencement between 2025/26 and 2028/29.^{vii} This delay has significant repercussions. As highlighted by stakeholders, without the rezoning enabled by the PSP finalisation, the supply of new residential lots in Wallan is projected to cease within

two years.^{viii} This administrative pause directly conflicts with the government's stated goals of increasing housing supply and improving affordability. A constrained land supply inevitably leads to inflated housing prices, putting home ownership further out of reach and undermining affordability objectives. Furthermore, the delay hinders the timely delivery of associated community infrastructure, such as schools and retail facilities, which are predicated on population growth triggers. Coupled with the government's own commitment to a clear 10-year greenfield pipeline, this underscores the importance of certainty for projects like St Hilaire. Resolving the PSP pause is therefore not merely an administrative step, but a critical action required to unlock a major supply pipeline and support the government's housing and affordability agenda in the northern corridor.

Delivering Essential Community Infrastructure for a Thriving Wallan

The St Hilaire development is poised to support the delivery of vital community infrastructure, aligning with the intent of recommendations focused on providing necessary facilities in growth areas. While Recommendations 3, 4, and 5 of the *2021-2051 Strategy* address the energy transition, the *Draft 2025-2055 Strategy* includes specific recommendations pertinent to community facilities: Recommendation 3 (Facilitate markets and invest in kindergarten infrastructure), Recommendation 4 (Plan and deliver expanded and new schools; Expand TAFE in growth areas), and Recommendation 5 (Build libraries and aquatic centres for Melbourne's growing communities).

The *Wallan South PSP Review of Community Infrastructure Needs* provides a comprehensive assessment of the facilities required to support the projected population of 21,700 residents within the PSP area. This assessment identifies significant requirements, including:

- **Educational Facilities:** Three government primary schools, one government secondary school, one government specialist school (potentially co-located), and sites for at least two independent schools are recommended.
- **Libraries and Community Hubs:** Recognising the limitations of the existing Wallan Library, a new, large branch library is recommended within the Wallan South PSP, ideally co-located within a proposed 2-hectare Level 3 Community Centre, alongside a Neighbourhood House/Learning Centre.
- **Recreation Facilities:** The assessment identifies the need for significant active open space and recommends exploring the feasibility of an indoor recreation facility (potentially including aquatic elements) at the Greenhill Recreation Reserve and potentially co-locating another 2-hectare indoor facility with the proposed secondary school.

- **Other Facilities:** The needs assessment also outlines requirements for early years services (childcare, kindergarten, Maternal & Child Health), potential civic and cultural spaces, health service investigation areas, and aged care facilities.

St Hilaire's strategic location adjacent to the existing Wallan township facilitates integration with current services, while the PSP envisages integrated community hubs and accessible open space networks. However, the delivery of this essential infrastructure identified in the Needs Assessment is not automatic. It requires substantial and timely government funding coordination, primarily through mechanisms like the Growth Areas Infrastructure Contribution (GAIC) fund^{ix}. The Needs Assessment itself indicates that only the Level 1 community centres are anticipated to be fully funded through the draft Infrastructure Contributions Plan (ICP) for Wallan South. This highlights a potential gap between identified need and guaranteed funding. To ensure the liveability of St Hilaire and the broader Wallan South area from day one, proactive funding commitments for the infrastructure outlined in the Needs Assessment must proceed in parallel with the finalisation of the PSP. Providing essential certainty for the developer, future residents, and service providers, ensuring infrastructure keeps pace with population growth, a key principle for managing growth areas effectively.

Staging the Development for Optimal Integration and Affordability

The ability to stage the development of the St Hilaire project presents a strategic advantage in leveraging the existing infrastructure in the Wallan township and is in line with the objectives set by Infrastructure Victoria. By coordinating the initial phases of development with the current facilities and services in Wallan, Crystal Group can effectively increase housing supply and enhance affordability, in line with the state government's PSP infrastructure staging initiatives. In conjunction, accelerating the infrastructure investment into the northern growth corridor will further ensure that new residents have immediate access to essential amenities, reducing the initial strain on resources and facilitating a smoother transition for the community.

Additional benefit will ensure that the early stages focus on integrating closely with Wallan's established transport networks, schools, healthcare, and recreational facilities (such as Greenhill Reserve), thereby maximizing the utility of existing public investments and minimizing the need for immediate large-scale infrastructure expenditure. Furthermore, supporting the staged development will enable increased funding to support expanded services in a cost-effective and highly utilised way. This phased development model not only supports the Victorian Government's objectives for sustainable growth but also aligns with Crystal Group's commitment to creating liveable, connected, and affordable communities.

Commitment to Inclusive Communities and Aboriginal Housing

Crystal Group is committed to fostering diverse and inclusive communities, as reflected in the vision for St Hilaire and the company's core values. This commitment extends to exploring

opportunities to contribute meaningfully to Aboriginal housing outcomes, aligning with the intent of the user query regarding Recommendation 22. Recommendation 22 of the *Draft 2025-2055 Strategy*, 'Invest in secure homes for Aboriginal Victorians', provides a clear policy direction that St Hilaire can support.

The significant scale of the St Hilaire development, with over 6,000 planned dwellings, presents a substantial platform to address Aboriginal housing needs within the Mitchell Shire region. Crystal Group recognises the principles outlined in the *Victorian Aboriginal Housing and Homelessness Framework – Mana-na woorn-tyeen maar-takoort: Every Aboriginal Person Has a Home*. This framework, developed by and for the Aboriginal community, emphasizes the importance of self-determination, community leadership, and culturally safe housing solutions^x

Crystal Group is prepared to engage proactively and respectfully in partnerships with relevant Aboriginal Community Controlled Organisations (ACCOs), recognised Traditional Owner groups, and government agencies, including Homes Victoria and the Aboriginal Housing and Homelessness Forum (AHHF). The objective of such partnerships would be to explore viable and culturally appropriate mechanisms for delivering Aboriginal housing within the St Hilaire community. This could involve identifying suitable land parcels, exploring different tenure models (social housing, private rental, rent-to-buy, home ownership pathways as outlined by VAHMF), and ensuring housing design meets community needs.

Developing Aboriginal housing as an integrated component of a major new community like St Hilaire, rather than as an afterthought, offers a powerful opportunity for place-based reconciliation. It allows Crystal Group to demonstrate leadership by contributing tangible outcomes that support Aboriginal self-determination and wellbeing, creating a truly inclusive community from its inception.

Conclusion: Partnering for Victoria's Future - The Critical Role of Greenfield Supply and Enabling Infrastructure

The St Hilaire project by Crystal Group represents a significant opportunity to advance key objectives outlined in *Victoria's infrastructure strategy 2021-2051* and subsequent government plans. As detailed in this submission, the development strongly aligns with state priorities for increasing housing supply and diversity, delivering essential community infrastructure in growth areas, creating liveable and connected neighbourhoods, pioneering sustainable energy solutions, and fostering inclusive communities, including potential contributions to Aboriginal housing outcomes. St Hilaire is not just another housing estate; it is a thoughtfully master-planned community designed to set new benchmarks for development in Victoria.

However, the full potential of St Hilaire cannot be realised without decisive action and partnership from the Victorian Government. Crystal Group recommend that Infrastructure Victoria support the following critical dependencies receiving urgent attention:

1. **Precinct Structure Plan (PSP) Certainty:** The current pause on the Wallan South PSP creates significant uncertainty and directly hinders the delivery of over 6,000 much-needed homes and associated economic benefits. It contradicts the government's own housing supply objectives and risks exacerbating affordability pressures in the Wallan area.

Crystal Group strongly urges the Victorian Government and the VPA to prioritise the resolution of outstanding matters and expedite the finalisation and gazettal of the Wallan South PSP. This certainty is the essential prerequisite to unlock this major housing supply pipeline.

2. **Timely Enabling Infrastructure Investment:** Large-scale growth requires concurrent investment in enabling infrastructure. The Wallan South PSP's technical reports clearly identify the necessary upgrades and new facilities, including transport network improvements (roads, public transport access), schools, health facilities, libraries, and community hubs. While developer contributions like GAIC play a role, significant government funding and coordination are essential for delivering major infrastructure items in a timely manner, ensuring new communities are liveable from the outset. Investment must be planned and committed in coordination with development staging.

Crystal Group stands as a ready, willing, and experienced partner. We are committed to working collaboratively with the Victorian Government, Mitchell Shire Council, service authorities, and the local community to deliver St Hilaire. By providing the necessary planning certainty and committing to the required enabling infrastructure, the government can leverage Crystal Group's investment and expertise to achieve significant progress towards Victoria's housing, infrastructure, and sustainability goals, creating a thriving, resilient, and benchmark community for Wallan and the northern corridor.

ⁱ Wallan South PSP - VPA, accessed April 20, 2025, <https://vpa.vic.gov.au/project/wallan-south/>

ⁱⁱ Submission - Infrastructure Victoria 30-Year Infrastructure Strategy.pdf - Wyndham City Council, accessed April 27, 2025, <https://www.wyndham.vic.gov.au/sites/default/files/2021-03/Submission%20-%20Infrastructure%20Victoria%2030-Year%20Infrastructure%20Strategy.pdf>

ⁱⁱⁱ New Community Set For Wallan - The North Central Review, accessed April 25, 2025, <https://ncreview.com.au/2021/04/01/new-community-set-for-wallan/>

^{iv} Victoria progress report – September 2024 [DOCX 934 KB] - The Treasury, accessed April 27, 2025, <https://treasury.gov.au/sites/default/files/2025-02/p2025-615172-vic-pr-sep-2024.docx>

^v Wallan South PSP - VPA, accessed April 20, 2025, <https://vpa.vic.gov.au/project/wallan-south/>

^{vi} vpa-web.s3.amazonaws.com, accessed April 25, 2025, <https://vpa-web.s3.amazonaws.com/wp-content/uploads/2022/09/Wallan-South-PSP-Review-of-Community-Infrastructure-Needs-ASR-Research-September-2022.pdf>

^{vii} Wallan South PSP - VPA, accessed April 20, 2025, <https://vpa.vic.gov.au/project/wallan-south/>

^{viii} Housing To Halt: Precinct Structure Plans Paused In Wallan - The North Central Review, accessed April 27, 2025, <https://ncreview.com.au/2023/08/01/housing-to-halt-after-precinct-structure-plans-paused-in-wallan/>

^{ix} Infrastructure funding where homes are being built | vic.gov.au, accessed April 26, 2025, <https://www.vic.gov.au/infrastructure-funding-where-homes-are-being-built>

^x VAHMF: Home, accessed April 25, 2025, <https://vahhf.org.au/>