

8. LAND USE, EMPLOYMENT AND ECONOMY

West Melbourne accommodates a mix of residential, commercial and industrial uses. It benefits from its proximity to the central city and transport infrastructure while also maintaining a village-like feel that is highly valued by the community. However, the mix of land uses in West Melbourne has changed historically and continues to do so in response to economic pressures.

Australia's economy has evolved from a focus on manufacturing to a more diverse range of knowledge generation and service delivery activities. Heavy industry and warehousing have generally moved out of central city locations.

Central Melbourne has instead become a crucial economic location for growth in higher order, professional services activity as well as becoming a major tourism and retail destination.

West Melbourne has held onto its industrial character longer than other inner city areas due in part to its links with the port, rail and highways. However, growth of the central city into a vibrant place for living, working and cultural offerings has raised the profile of areas like West Melbourne as locations for commercial and residential development, raising land values and driving out historical industrial uses.

Understanding this dynamic context of land use and employment requires a consideration of:

- Existing uses
- Existing policies and controls
- Recent and ongoing trends
- Emerging pressures and issues

The City of Melbourne engaged SGS Economics and Planning to undertake an Economic and Employment Study for the West Melbourne area. The study provides an understanding of economic drivers of land use in the context of population and jobs growth in the inner city.

The study analyses the attributes that make West Melbourne a desirable place to locate for a variety of land uses. It identifies possible future pathways in tourism and culture, health and research and administrative support, concluding that it is ultimately up to Council, the community and local businesses to decide on the future of the precinct.

The City of Melbourne is also developing a Land Use and Infrastructure Plan (LUIP), which will set out a long-term vision for land use and infrastructure in the municipality. LUIP will propose an integrated approach to land use and infrastructure planning that is both strategic and measurable. The LUIP is currently being drafted and will help inform the structure plan.





Figure 8.1: Predominant land use 2015. CLUE data

Existing land use and employment

The City of Melbourne conducts a Census of Land Use and Employment (CLUE) of all businesses in the municipality every two years. This provides information about land use, employment and economic activity across the municipality. The data collected includes floor space types and uses, and identifies the predominant land use of each building.

This data has been used to map the predominant land use. The maps show land uses in 2002 and 2015 to give an indication of the changes occurred over the past 13 years.

Residential

There has been an increase in residential uses since 2002.

Office use

While office use is dispersed throughout the study area, since 2002, there is a notable increase around North Melbourne Station.



Figure 8.2: Sites with predominantly residential use in 2002 and 2015. CLUE data

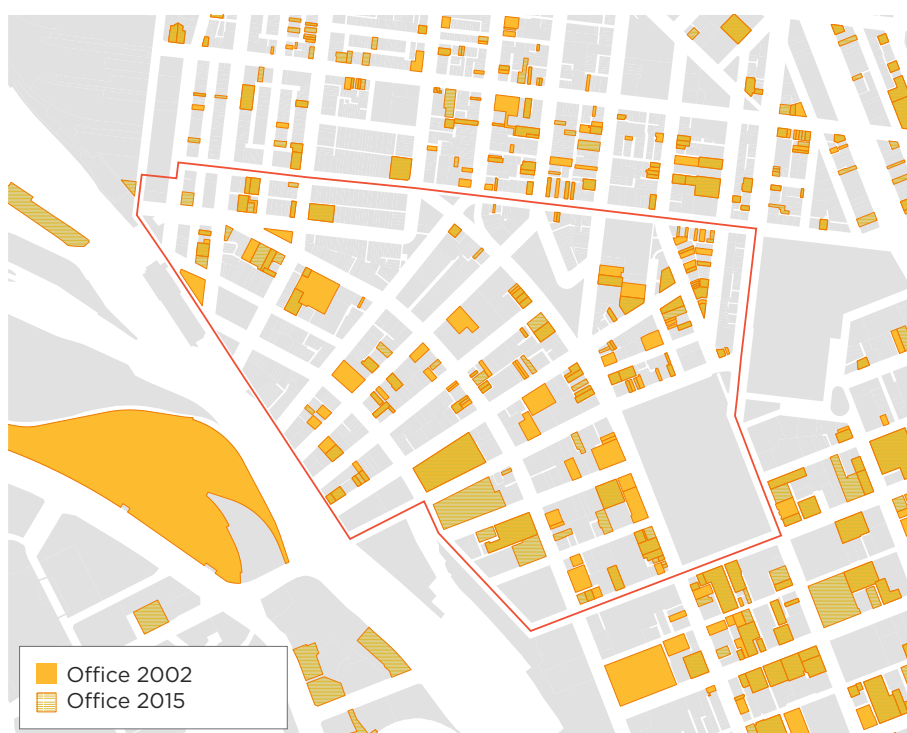


Figure 8.3: Sites with predominantly office use in 2002 and 2015. CLUE data

Low yield uses

'Low yield uses' combine a number of distinct uses including manufacturing, equipment installation, car parking, car retailing, car showrooms, wholesaling, and workshops or studios that require a large amount of space in proportion to the economic return from the activity. As land becomes increasingly expensive this type of use becomes increasingly unfeasible. Since 2002, many of these uses have left West Melbourne, and if this trajectory continues the remaining low yield uses may substantially disappear.

Unoccupied sites

Unoccupied buildings can signify future redevelopment. In 2002, there were a number of unoccupied buildings clustered in the central part of West Melbourne. Similarly, in 2015 there is a concentration of unoccupied buildings in the same area, this may indicate that change is likely to occur here in the near future.

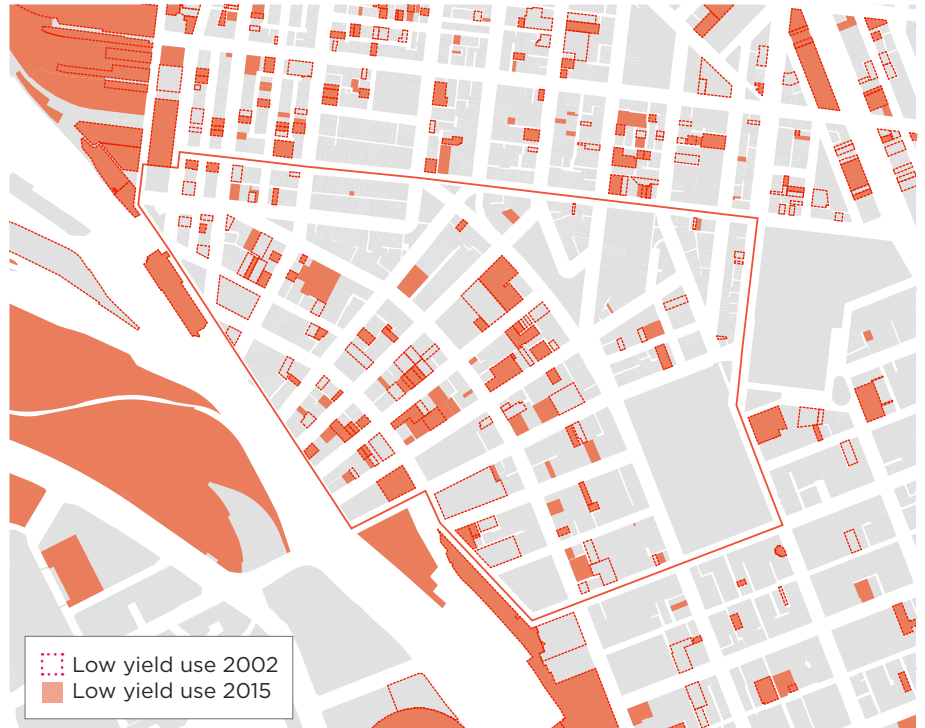


Figure 8.4: Sites with predominantly 'low yield' use in 2002 and 2015. CLUE data



Figure 8.5: Unoccupied sites in 2002 and 2015. CLUE data

Retail Uses

Significant retail facilities are accessible from various parts of West Melbourne, but there is little retail in the area itself. Nearby retail areas include Errol Street, the Queen Victoria Market, Spencer Street Coles, Harbourn town (Docklands) and the central city in general.

There has been an increase in retail uses within the wider municipality since 2002 and this is also true for West Melbourne, with a modest increase of retail activity around Victoria Street, Peel Street and along parts of Spencer Street.

Some recent planning applications have included retail components. Most notably, the Australia Post site between Dudley and Rosslyn Streets has a permit which includes an Aldi supermarket and several smaller retail tenancies.

Around North Melbourne Station there is very little retail clustering, despite the objective of DDO28 (North Melbourne Station) to encourage development of the area as an activity node.

Some larger development sites have the potential to accommodate retail. Retail uses are likely to continue to evolve in the area to service the growing residential population.

Knowledge intensive uses

A Knowledge City Strategy 2014-18 outlines the City of Melbourne's contribution to the development of the municipality's knowledge capacity, culture and reputation.

Through this strategy, the City of Melbourne has assumed four principal roles that seek to create a future in which the knowledge sector is better branded, understood, valued and experienced. The roles are as Promoter, Leader, Partner and Enabler of the knowledge city.

The role of Enabler is most relevant to the structure plan, where the City of Melbourne will assist the growth of emerging businesses by providing infrastructure, information, financial support and connections to networks.

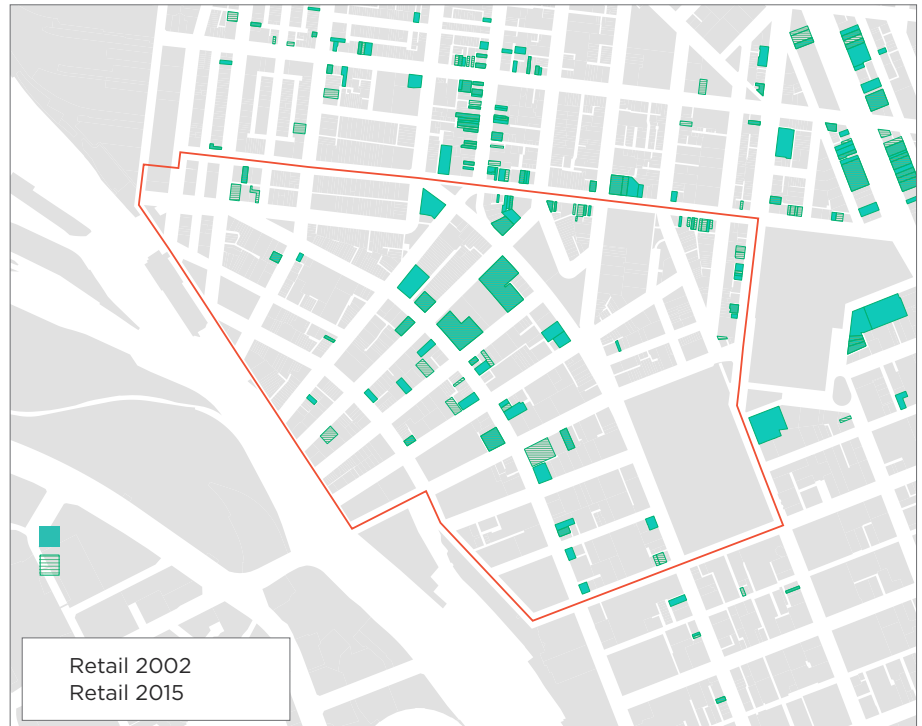


Figure 8.7: Sites with predominantly retail use in 2002 and 2015. CLUE data

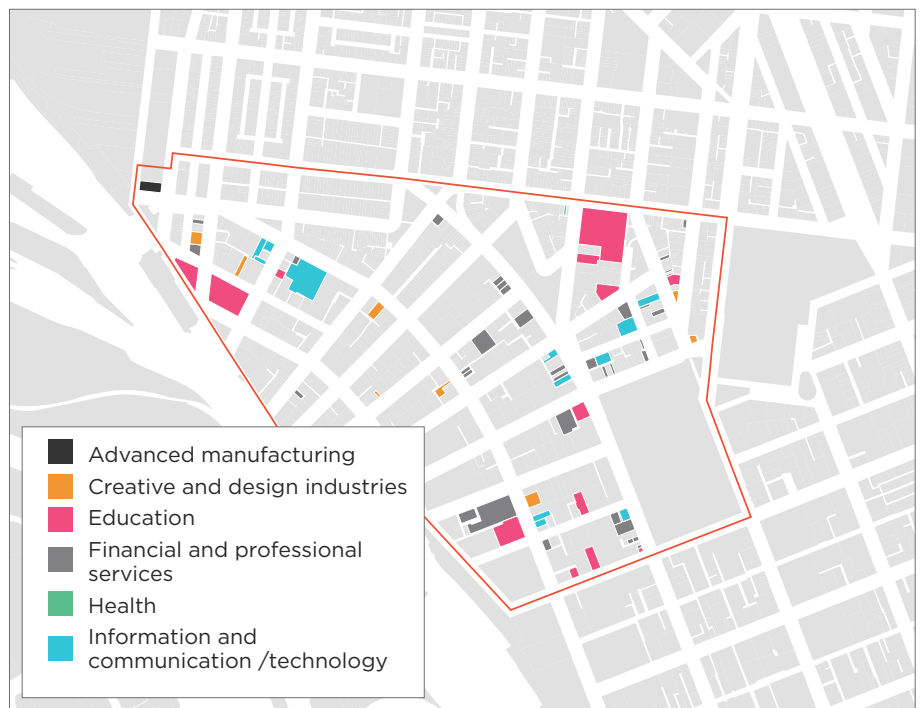


Figure 8.6: Knowledge intensive industries in West Melbourne

Existing policies and controls

The Melbourne Planning Scheme (including the MSS and Clause 21.08 Economic Development) sets out objectives to support a mix of uses in West Melbourne and to provide a liveable and sustainable environment with jobs, infrastructure and industry to service the growing population and the central city functions. Key policy directions in relation to land uses in West Melbourne are:

Retail

The central city is the municipality's retail core and this role is to be maintained. There is a need for local shops to serve residential and working communities in neighbourhoods like West Melbourne, but these should not undermine the central city's offer.

Business

Central city Mixed Use and Commercial zoned areas traditionally provided locations for businesses that support central city functions, but like many areas under a mixed use zone, West Melbourne is under economic pressure to accommodate residential growth at the expense of other uses. It is important to consider the capacity of local land to continue to support uses serving central city businesses needs.

Industry

Inner city manufacturing will continue to relocate to more competitive locations in outer metropolitan Melbourne, but the central city's accessibility benefits some advanced manufacturing industries. These are also often more compatible with dense inner urban settings and should be supported. Industries in West Melbourne are already shifting away from traditional manufacturing.

Knowledge

Innovation in business is central to Melbourne's economic vitality and its status as a competitive city. The city is a dense centre of world standard services and research, particularly in the financial, engineering, biotechnology and design sectors. This co-location of business, education, medical and research centres will be supported to strengthen the city's competitive capacity.

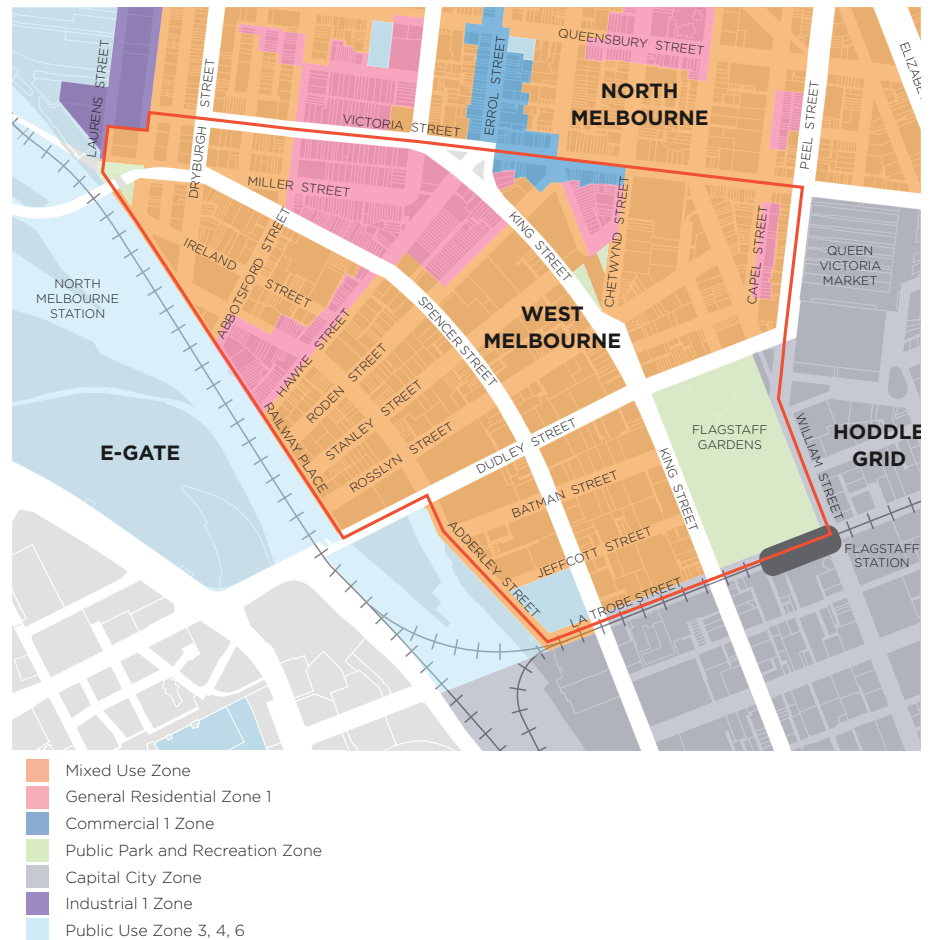


Figure 8.8: Existing Land Use Zoning in West Melbourne

Key challenges and risks

Decline of employment opportunities

West Melbourne experienced a 20 per cent decline in employment over the ten year period from 2004 to 2014, which coincided with a doubling of dwelling stock during this period. There has been a gradual decline in most employment sectors, with the exception of health care and education, which have seen strong growth supported by proximity to universities and the Parkville Medical Precinct. An example is the Australian Red Cross, which in 2012 refurbished a large warehouse as a manufacturing and distribution hub servicing all of metropolitan Melbourne's major trauma units and hospitals.

Roads and traffic

West Melbourne has excellent access to the freeway network, port and rail network. This is essential to the operation of some businesses like the Red Cross. However the traffic this generates also has negative implications for the area's amenity, safety and connectivity to surrounding areas. Congestion is an issue for businesses in the suburb that are car dependent, and for the amenity of other businesses choosing to locate here.

Limited retail and services

There is a fairly limited service offer in West Melbourne. This reduces the attractiveness of the area for certain types of businesses. However this is likely to change as developments like the recently approved Australia Post site provide the amenities required to support the growing neighbourhood.

Employment clustering

West Melbourne has a low Effective Job Density (EJD) which represents how connected jobs are to each other as affected by proximity of jobs and connectivity provided by the transport network. West Melbourne's mixed use character and limited internal transport options contribute to this low rating. These are barriers to business clustering, as is the limited availability of sites, so West Melbourne is unlikely to attract top tier businesses that require clustering.

An example is the National ICT Australia, who are moving to Docklands. However West Melbourne can provide an opportunity for second tier or emerging sectors of the economy to locate close to the central city.

Dominance of residential development

Outside the areas zoned Residential (a small part of West Melbourne) the Planning Scheme promotes a mix of uses including retail, small scale businesses, and light and service industries. These are important complements to the adjoining Capital City Zone and to the shopping and service strips along Errol Street and Victoria Street, as well as supporting objectives for diversity of employment opportunities.

However, while the Mixed Use Zone aims to encourage a mix of uses, economic pressures have seen residential use dominating recent development. The zone allows but cannot ensure a true mix of uses. Residential development is outbidding other uses. The return on investment on residential property development in comparison to other uses will make it difficult to maintain the diversity of mixes in the suburb.

Once a site is developed for apartments and strata titled, future adaptation for other uses is difficult. This is an issue if there is a need to introduce uses requiring larger floor plates, like community infrastructure, office or artist spaces.

If West Melbourne is to retain its valued mixed use character, the structure plan will need to assess potential planning mechanisms to achieve this outcome.



Looking north-east along Spencer Street towards Rose's Office Furniture.

9. SUSTAINABILITY

The City of Melbourne has a number of strategies, policies and targets to become a more sustainable city and to guide adaption to impacts of climate change. *Zero Net Emissions* is a strategy for Melbourne to become a carbon neutral city and create a sustainable future.

The City of Melbourne recognises that this goal cannot be achieved alone, as Council operations cause less than one per cent of greenhouse gas emissions in the municipality, so we have developed a plan for stakeholders to work together towards this goal.

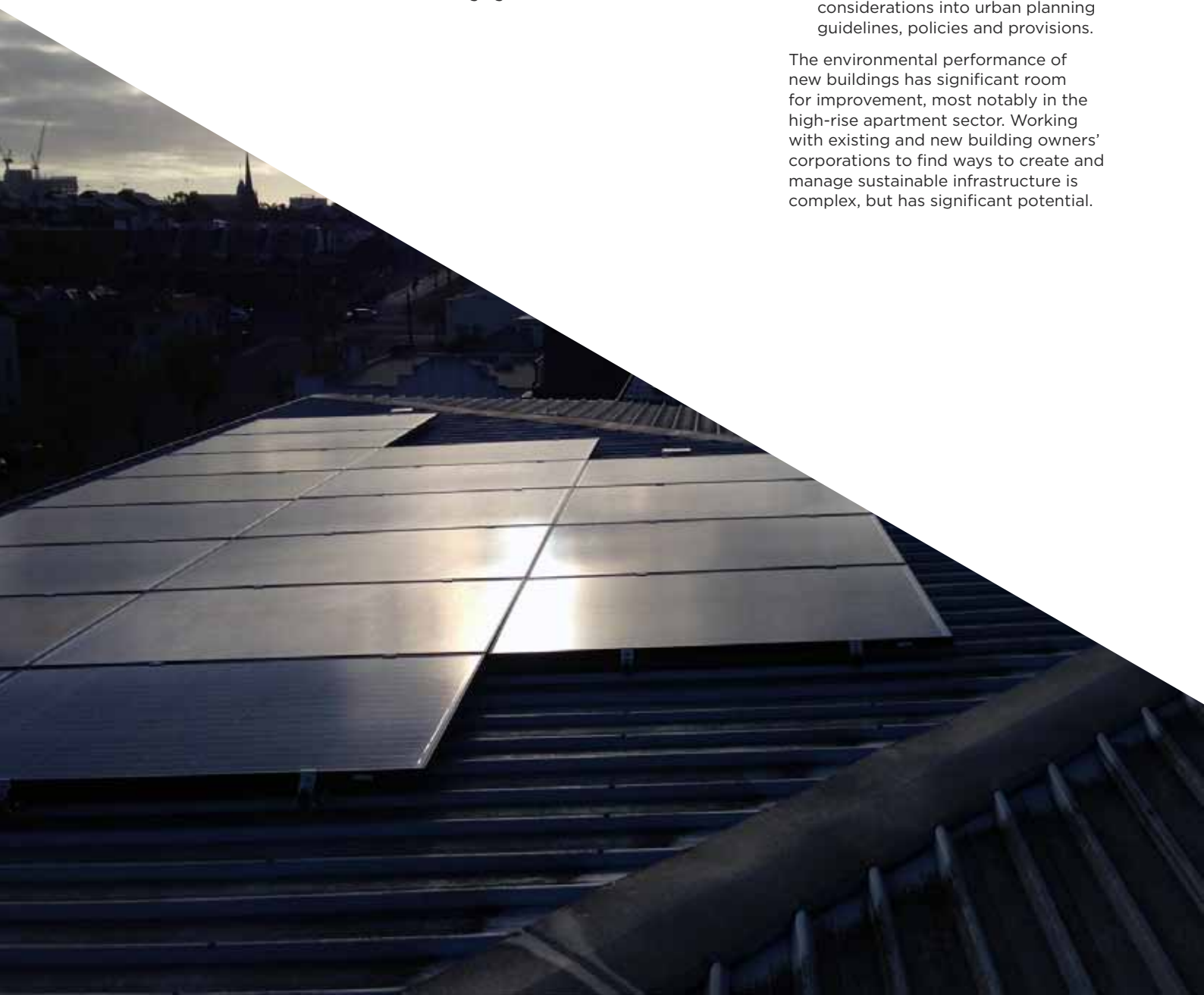
Achieving zero net emissions will require structural, economic and policy change to increase energy efficiency, decrease the use of carbon intensive fuel sources and offset any remaining emissions.

West Melbourne now makes only a limited contribution towards meeting these goals. The existing built form, public realm, transport system and essential infrastructure is not doing enough to reduce greenhouse gas emissions, increase the proportion of renewable energy and the ability of West Melbourne to adapt, survive and thrive in the face of the stresses and shocks of a changing climate.

Opportunities for new buildings, neighbourhood development and work with authorities and stakeholders include:

- Identify channels to engage with developers and building designers in the early stages of new projects.
- Apply industry-recognised standards in new buildings.
- Create and strengthen partnerships with key utility and manufacturing companies on energy efficiency and renewable energy opportunities.
- Incorporate environmental design considerations into urban planning guidelines, policies and provisions.

The environmental performance of new buildings has significant room for improvement, most notably in the high-rise apartment sector. Working with existing and new building owners' corporations to find ways to create and manage sustainable infrastructure is complex, but has significant potential.



Total Watermark

Total Watermark: City as a Catchment (2014) is the City's plan for integrated water cycle management. Our vision is a healthy city in a healthy catchment. The strategy addresses climate change adaptation, flood management, water for liveability and for the environment, and efficient water use. Actions relevant to the structure plan are to:

- Enhance the urban planning process
 - Consider flood risks in design of the public and private realm.
 - Further integrate our city with waterways and water systems.
 - Consider flood, drought and heat risks during planning
 - Make provisions for water infrastructure.
- Enhance infrastructure and buildings
 - Use green infrastructure to respond to flood risk.
 - Use fit-for-purpose water in open spaces and buildings.
 - Undertake new technology trials of fit-for-purpose water use.
 - Create a third pipe network for urban renewal areas.
 - Continue to require development to meet water efficiency standards and to incorporate integrated water cycle management design principles.
- Enhance people's health and amenity
 - Improve waterway and public space quality to enhance use.
 - Encourage developments to include public spaces.
 - Enhance public spaces to cool the environment
- Ensure access to clean, affordable water
 - Incentivise and regulate the efficient use of potable water.
 - Develop and communicate models to manage water use.
- Enhance stormwater quality
 - Continue to implement systems to improve pollutant loads in stormwater releases and
 - Reduce runoff through infiltration and reuse.

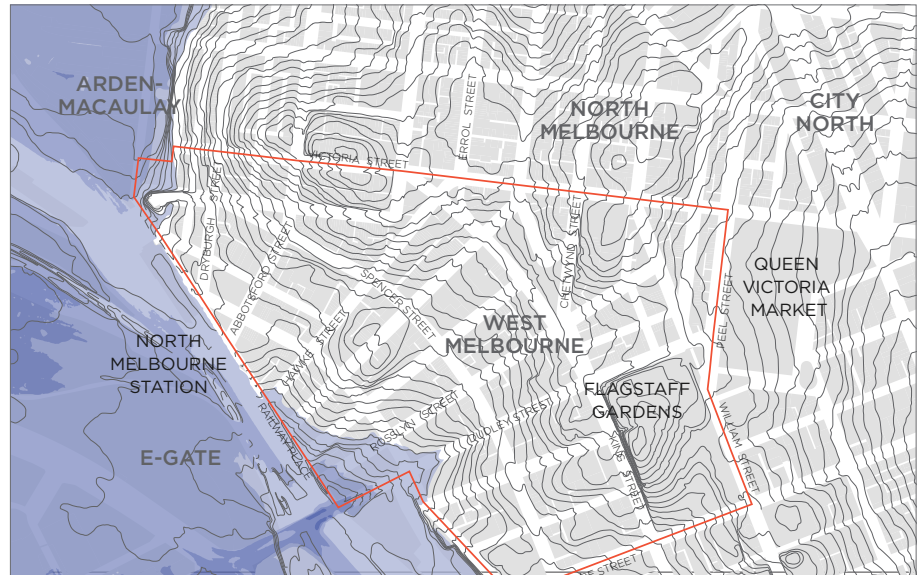


Figure 9.1: Flood extent and land contours in West Melbourne

Parts of the West Melbourne study area are subject to flood risk. The topography of the study area sees a significant slope from higher areas around Victoria Street and Flagstaff Gardens, to lower areas near the intersection of Dudley Street and Railway Place. The low areas are subject to flooding in moderate rainfall events.



'Green' buildings and rooftops

Green Star and NABERS are systems for assessing and benchmarking sustainable building design, construction and fit out. There is one Green Star rated building in the 3003 postcode, and two buildings with NABERS ratings.

The City of Melbourne also runs three programs to improve existing buildings' environmental performance:

- CitySwitch helps office tenants to improve energy and waste efficiency (four signatories in the study area).
- 1200 Buildings works with owners to support retrofitting (two signatories in the study area).
- SmartBlocks works with owners' corporations to improve energy performance in common areas of apartment buildings (four subscribers in the 3003 postcode).





In addition, environmental benefits can be achieved using rooftops with photovoltaic or solar thermal panels, finishes that reflect heat, and green (planted) roofs. New developments are encouraged to integrate solar, green roofs and cool roofs through Planning Scheme Clause 22.19 Energy Water & Waste.

The City of Melbourne has also undertaken research into the potential for adaptation of existing rooftops. This identifies levels of constraints including area, pitch, structural capacity, exposure to sunlight, and accessibility for construction, use and maintenance. Support is available to owners who are interested in adaptation measures, but there has been limited take-up to date in West Melbourne, equivalent to about 0.7 per cent of the total roof area.

New development can affect nearby buildings' ability to contribute towards climate goals, for example by overshadowing. Solar access may be partially protected through controls such as building height limits and requirements for setbacks and separation distances. These tools can also help to ensure daylight and amenity to neighbouring buildings.



Figure 9.2: Existing roof adaptations in West Melbourne

	Solar hot water	799 square metres
	Photo voltaic panels	779.6 square metres
	Green roof	399 square metres
	Rooftop garden	23.3 square metres

ROOF TOP USE AND CONSTRAINTS	BUILDING HEIGHT	AREA (SQM)
Solar - No constraints	< 5 metres	4066
Solar - No constraints	5 to 10 metres	62,884
Solar - No constraints	Other	76,583
Solar - Low constraints	< 5 metres	787
Solar - Low constraints	5 to 10 metres	30,144
Solar - Low constraints	Other	52,211
Green roofs (intensive) - no constraints	-	53,482
Green roofs (intensive) - low constraints	-	23,337
Green roofs (extensive) - no constraints	-	64,858
Green roofs (extensive) - low constraints	-	35,375
Cool roofs - no constraints	-	17,382
Cool roofs - low constraints	-	71,207

Figure 9.3: Roof adaptation potential in West Melbourne

Greener streets

The City of Melbourne's urban forest comprises the trees and other vegetation in the municipality, and the soil and water that supports it. An urban forest makes a critical contribution to the urban environment by:

- Cooling the city
- Contributing to the health, well-being and happiness of urban dwellers
- Attracting people to live, work and visit in Melbourne
- Stimulating economic activity in retail and entertainment precincts

The Urban Forest Strategy 2012-2032 sets out strategic directions to achieve a healthy urban forest including targets to:

- Increase canopy cover
- Increase urban forest diversity
- Improve vegetation health
- Improve soil moisture and water quality
- Improve urban ecology
- Inform and consult the community

The Urban Forest Strategy is supported by precinct plans to guide ongoing tree planting and street greening. The West Melbourne study area is covered by the North and West Melbourne Urban Forest Precinct Plan 2014-2024.

The Precinct Plan identifies planting priorities over the next four years, with the majority of planting planned for the northwestern area of West Melbourne.

The Precinct Plans have generally been prepared on the assumption that the role of streets and their overall design will not change. As the future role of streets such as Spencer Street and Victoria Street may change in the future, there may be a need to revise these planting plans.

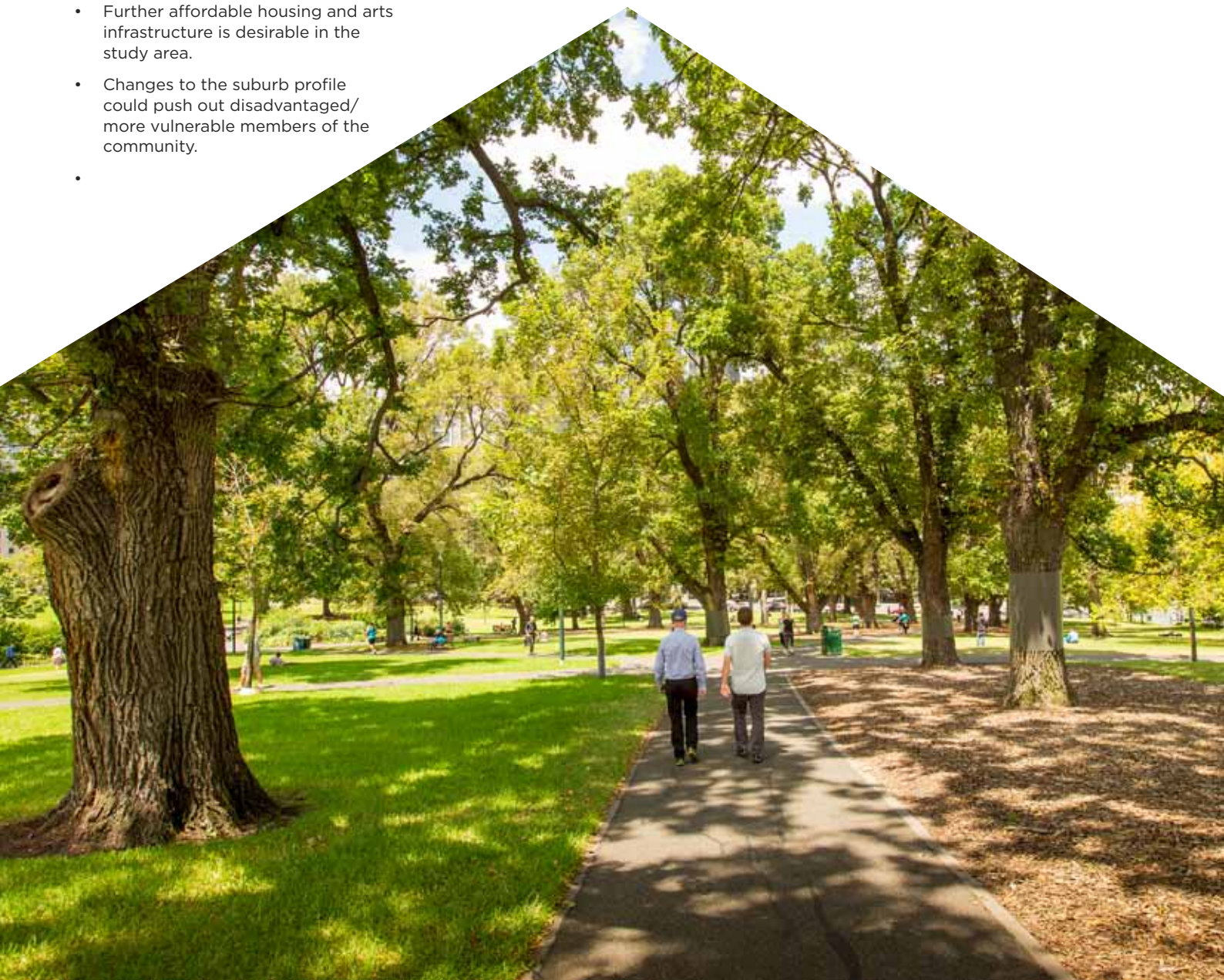


Figure 9.4: The extent of street tree planting varies across West Melbourne. Some streets are very exposed to sun.

10. SUMMARY OF KEY ISSUES

Community infrastructure

- Limited community services in West Melbourne make it important to improve access to surrounding neighbourhoods.
- Revised population projections need to be considered to plan required local services.
- An appropriate location for new services that are likely to be appropriate in West Melbourne needs to be determined.
- There are no food services and limited food related businesses in West Melbourne.
- Further affordable housing and arts infrastructure is desirable in the study area.
- Changes to the suburb profile could push out disadvantaged/ more vulnerable members of the community.
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Urban structure and public realm

- There is limited on-street activity in the study area compared to other neighbourhoods in the municipality.
- The railway lines form a barrier to movement to the west.
- Walking and cycling from west to east can be more difficult for some people due to the steep topography.
- There is a risk of flooding at the Dudley Street underpass and underneath the Dynon Road Bridge.
- Arterial roads with high traffic volumes create barriers to movement and reduce social interaction.
- Large blocks with few laneways limit the number of potential walking routes through the area.
- Property pooling in the study area is consolidating smaller plots into larger ones, changing the grain of the area.

Built form and Heritage

- There has been significant divergence from the discretionary height controls particularly in DDO29 and DDO33.
- The community has expressed a desire for mandatory controls but the planning scheme is performance based and mandatory controls are considered an exception.
- Blanket height controls insufficiently respond to the diversity of plot sizes and plot characteristics in the DDOs.
- There is no mechanism in place to capture community benefit from redevelopment of large sites, which generally negotiate heights above the DDO.
- The increase in building heights has an impact on overshadowing.
- There is insufficient public open space in the study area and the increase in overshadowing may have amenity impacts on these spaces.
- Heritage controls are in the process of being updated.

Open space

- The growing community in West Melbourne will require additional open spaces and a more diverse range of spaces than is currently available.
- The Open Space Strategy identified a need for three local open spaces and identified E-Gate as an area for future large open space.
- Major roads impede access to existing open space and future planned open spaces.
- The amenity of open spaces is compromised by exposure to heavy traffic.
- Existing open space will be under pressure from future development and population growth.
- Existing space within streets is not well designed or managed to support its use as public open space.

Movement and transport

- The existing transport network in prioritises motor vehicles ahead of walking, cycling and public transport and provides limited access to surrounding areas for these modes.
- There is no capacity for the road network to carry more car traffic, so a shift towards more space efficient modes is needed to accommodate increased demand.
- Connections to the west and south are weak, particularly for pedestrians and cyclists.
- Large intersections with fast moving traffic make walking difficult and unpleasant.
- Multiple arterial roads have a negative impact on other modes, particularly pedestrians, through congestion, noise, pollution and safety issues.
- Existing public transport is either concentrated around the perimeter of the area, or lacks visibility, priority and amenity for passengers.
- Priority bicycle routes largely bypass West Melbourne and do not integrate with key destinations such as Queen Victoria Market and Errol Street.

Land use, economy and employment

- There is no retail or activity core within West Melbourne and it relies on surrounding destinations like Errol Street, Queen Victoria Market and the central city for retailing.
- West Melbourne's proximity to the central city and transport networks make it an attractive location for a mix of uses, but this is restricted by the land value and zoning.
- There is the potential to lose the area's mixed use character, business activities that support central city functions, and local employment opportunities due to residential development displacing other uses from the mixed use zone.
- Traffic and access impact on the operation of certain types of businesses and the amenity and safety of the area.

Sustainability

- There are few examples of high quality sustainable Green Star or NABERS rated developments in West Melbourne, particularly residential developments.
- The lack of certainty around expected development outcomes is compromising West Melbourne's rooftop solar potential.
- There is a high percentage of impermeable surfaces in the public realm, and there are few on-site rainwater collection systems, increasing flood risk and failing to take advantage of non-potable water supply.
- There are existing flooding issues at the western end of Dudley Street and Railway Place, and in Miller Street in moderate rainfall events
- The limited tree canopy coverage across the area fails to achieve potential mitigation of the Urban Heat Island effect.

11. APPENDICES

STREET SECTIONS

These indicative cross sections are a selection of some of the major streets through West Melbourne. Each is unique and can change significantly along its length. The cross sections indicate the distribution of space at particular points along selection of streets in West Melbourne.

While the physical characteristics of the street are important, other aspects of the street are just as critical to understanding the way these places are experienced by people. Sunlight access, traffic and adjacent land uses are just some elements that influence the experience of the street.

Adderley Street

- North-south orientation
- 30 m wide
- Mixed use street
- Two traffic lanes
- North-south bike paths
- Kerbside parking
- Trees in footpaths or nature strip
- Road carriageway repurposed to create nature strips along street at south end

Hawke Street

- Arterial route in section between Spencer Street and Victoria Street
- East-west orientation
- 30 m wide
- Predominantly residential
- Four traffic lanes
- Kerbside parking
- Median parking
- Trees in footpaths and in a centre median



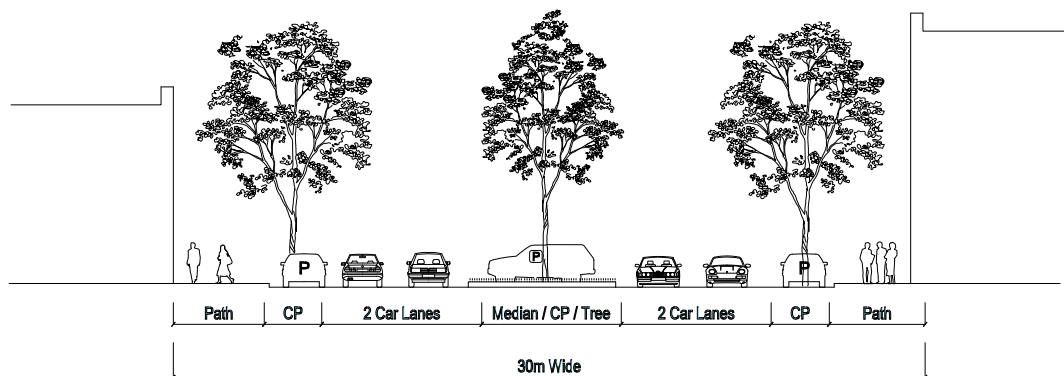


Figure 11.1: Indicative Hawke Street section between Ireland Street and Spencer Street looking east.

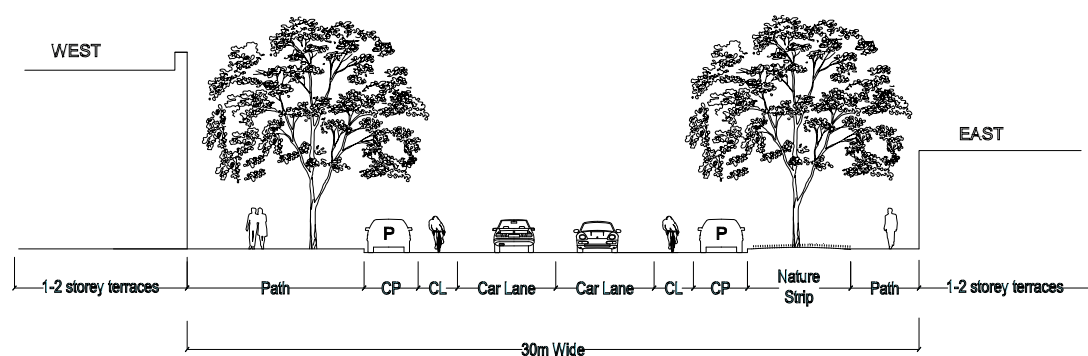


Figure 11.2: Indicative Adderley Street section between Rosslyn Street and Stanley Street looking north.

Dudley Street

- Arterial route
- East-west orientation
- 30 m wide
- Mixed use street
- Four traffic lanes
- Kerside parking
- Trees in footpaths
- Proposed future link to Franklin Street via a new street to be developed as part of the Queen Victoria Market redevelopment

Victoria Street

- Arterial route
- East-west orientation
- 30 m wide
- Mixed use street
- Four traffic lanes
- Tram route (east of Errol Street)
- Kerside parking
- East-west bike paths
- Median open space - nature strip east of Curzon Street
- Trees in footpaths and centre median

Peel Street

- Arterial route
- North-south orientation
- 40 m wide
- Tramway in median protected from vehicular traffic
- Mixed use street
- Four traffic lanes
- North-south bike lanes
- Kerside parking
- Trees in footpaths and medians flanking tramway



Looking south along Spencer Street towards the central city.
Source: City of Melbourne [westmelbourne](https://www.cityofmelbourne.vic.gov.au/)

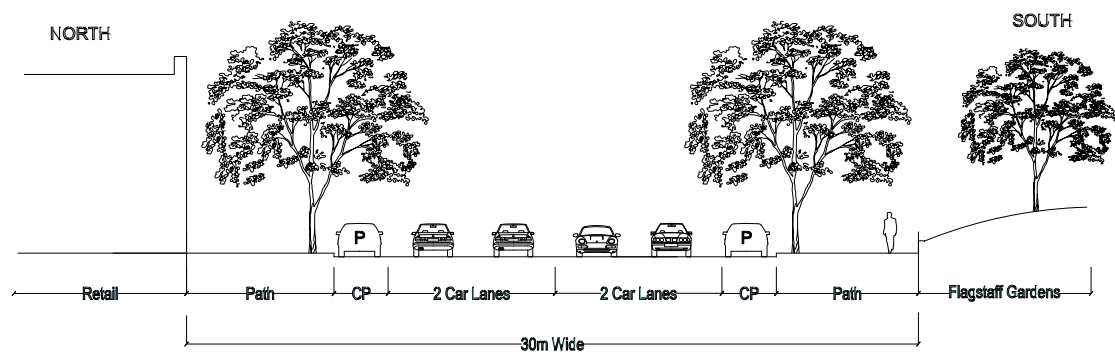


Figure 11.3: Indicative Dudley Street section between King Street and Milton Street looking east.

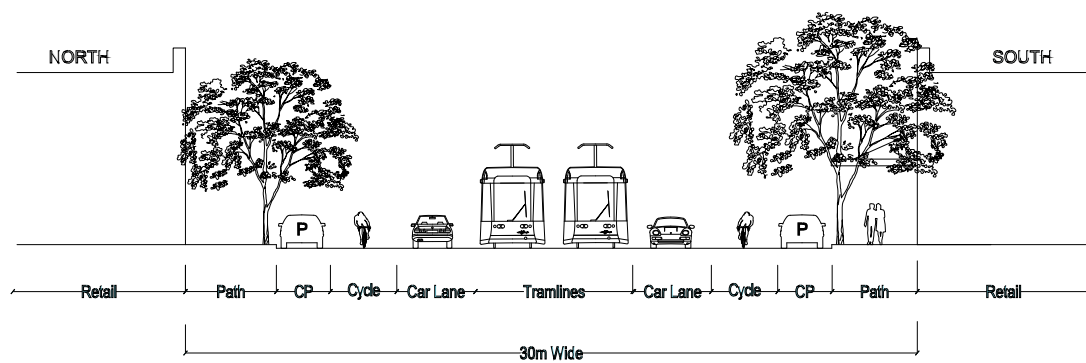


Figure 11.4: Indicative Victoria Street section looking east.

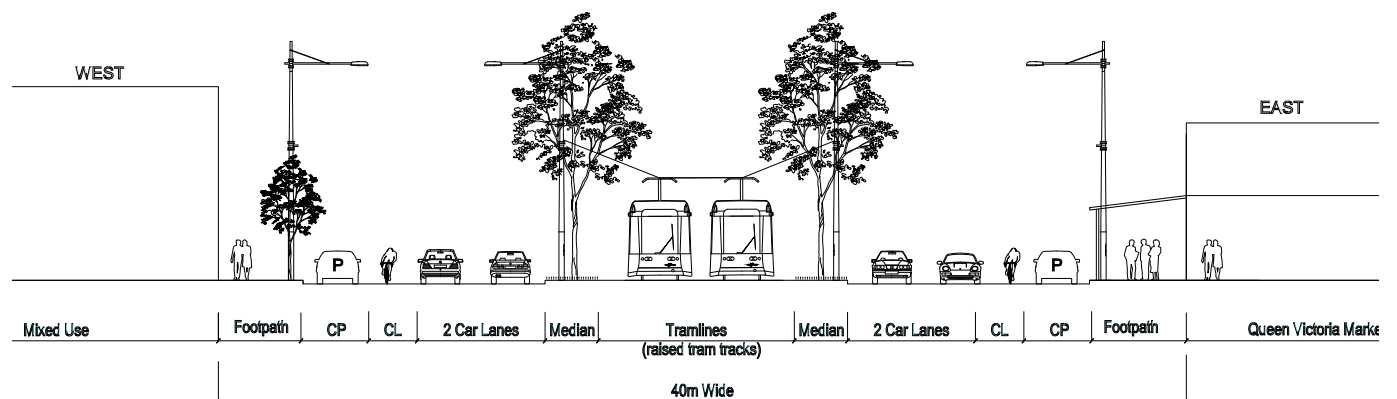


Figure 11.5: Indicative Peel Street section between Dudley Street and Victoria Street looking north.

Jeffcott Street

Jeffcott Street is a local street that runs between Adderley and King Streets. It is not as wide as most streets in West Melbourne.

- East-west orientation
- 20 m wide
- Mixed use residential street
- Two traffic lanes
- Kerside parking bays including parallel parking bays
- Trees planted on footpaths and in central median

King Street

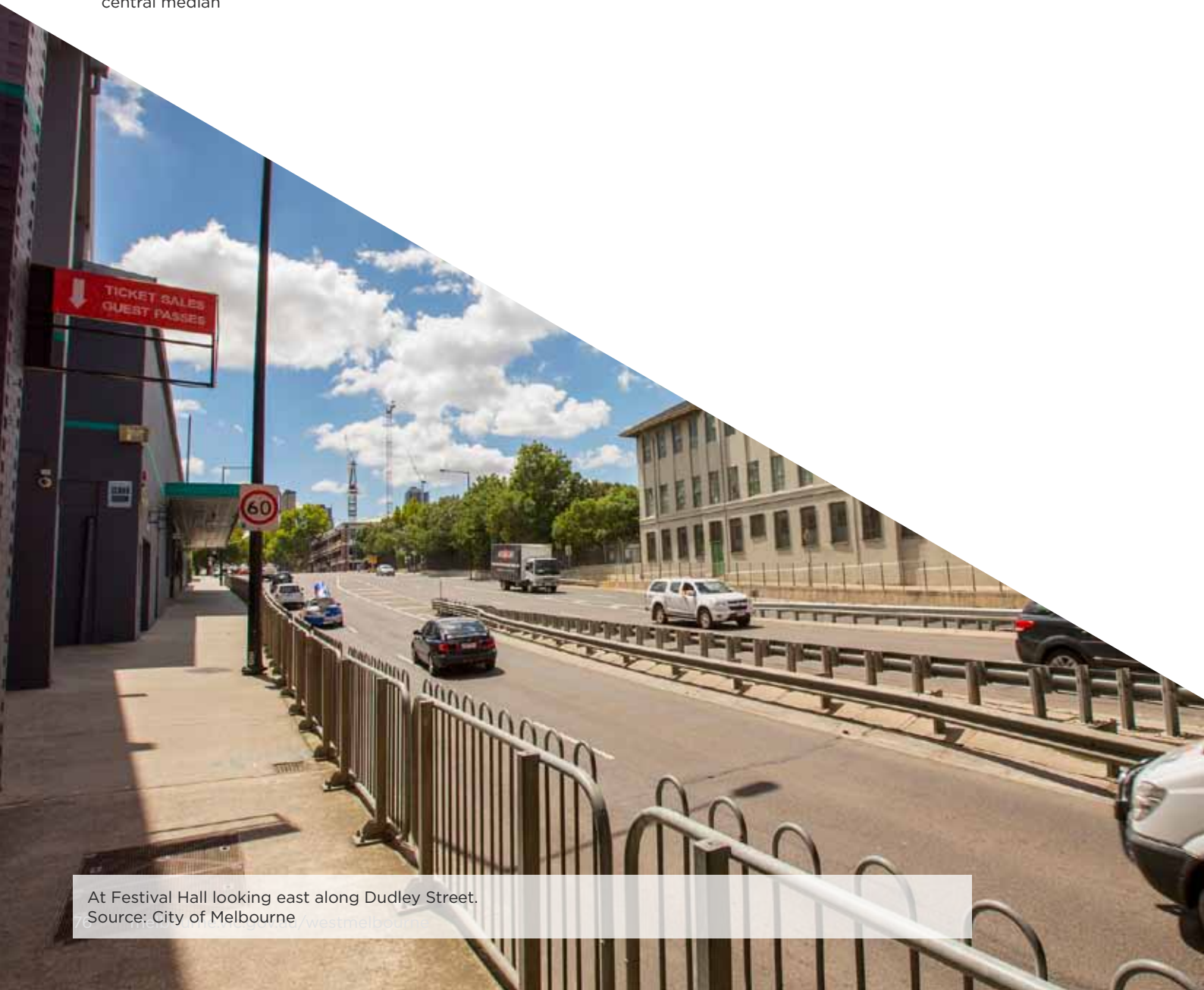
King Street is an arterial route through the central city which connects through the centre of West Melbourne to Curzon Street and Victoria Street.

- North-south orientation
- 30 m wide
- Predominantly nonresidential
- Four traffic lanes
- Kerside parking bays
- Trees planted on footpaths and in central median

Spencer Street

Spencer Street is an arterial route that runs through the central city and connects in the north to Dryburgh Street.

- North-south orientation
- 30 m wide
- Predominantly nonresidential
- Four traffic lanes
- Kerside parking bays
- Trees planted on footpaths and in central median



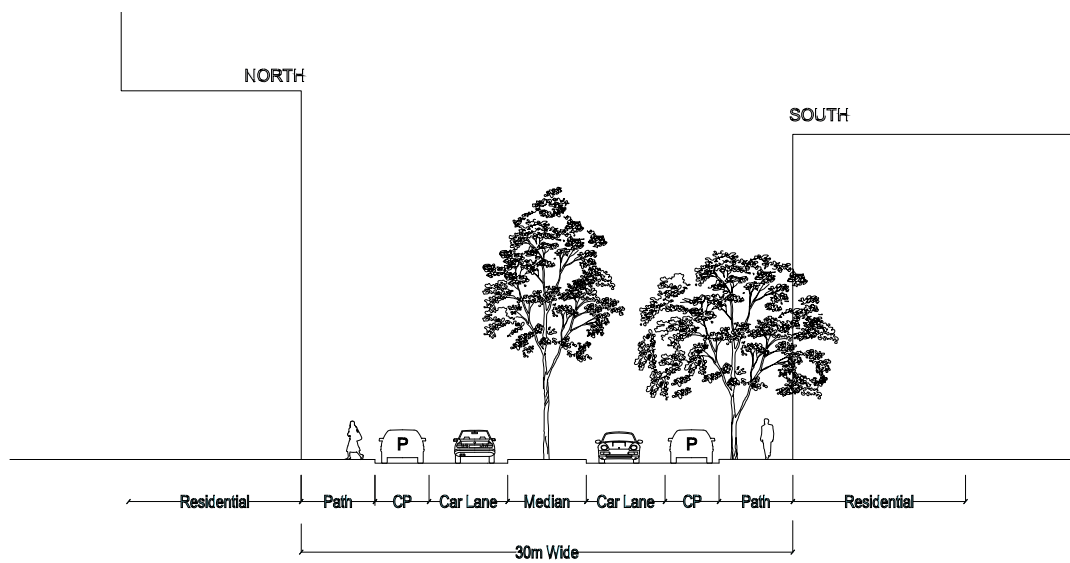


Figure 11.6: Indicative Jeffcott Street section between Spencer Street and King Street looking east.

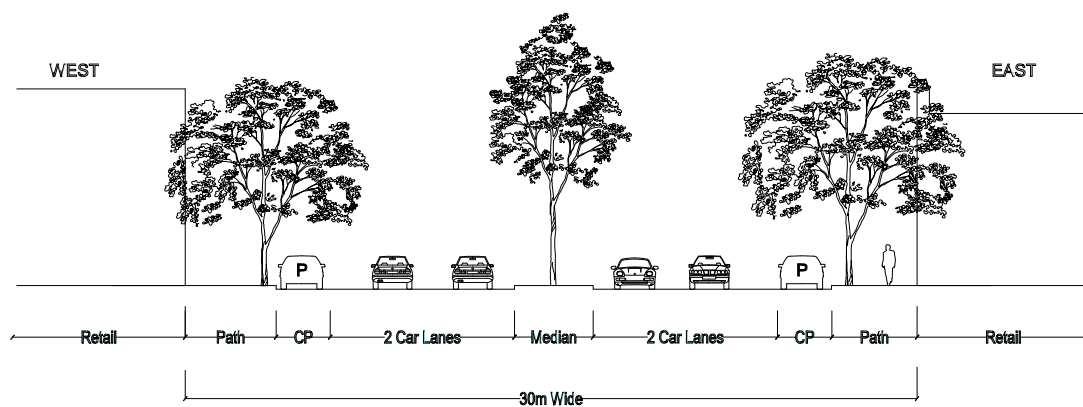


Figure 11.7: Indicative Spencer/King Street section looking north.

RELATED CITY OF MELBOURNE POLICIES

It is an objective of the West Melbourne Structure Plan to translate City of Melbourne strategies and policies into the West Melbourne context where possible. These policies include:

- Aboriginal Heritage Action Plan 2015-18
- Active Melbourne Strategy 2016-2021
- Arts Strategy 2014-17
- Beyond the Safe City Strategy 2014-17
- Bicycle Plan 2016-2020
- Climate Change Adaptation Strategy
- Community Infrastructure Development Framework 2014
- Food City: The City of Melbourne Food Policy 2012
- Heritage Strategy 2013
- Homes for People Housing Strategy 2014-18
- Inner Melbourne Action Plan
- International Student Strategy 2013-17
- Knowledge City Strategy 2014-2018
- Melbourne Planning Scheme
- Melbourne for All People 2014-17
- Melbourne Library Services Strategic Plan
- Melbourne Retail and Hospitality Strategy
- Music Strategy 2014-17
- Open Space Strategy
- Pathways- City of Melbourne Homelessness Strategy
- Places for People 2015
- Public Art Framework 2014-17
- Public Lighting Strategy 2013
- Queen Victoria Market Renewal
- Reconciliation Action Plan 2015-18
- Resilience Strategy (Resilient Melbourne)
- Road Safety Plan 2013-17
- Total Watermark- City as a catchment (update 2014)
- Transport Strategy 2012
- Urban Ecology and Biodiversity Strategy
- Urban Forest Strategy and Precinct Plans
- Walking Plan 2014-17
- Waste Management Strategy
- Zero Net Emissions by 2020 and 2014 update

PLANNING CONTROL PRECEDENTS

Across the City of Melbourne there are several different types of planning controls that guide built form outcomes. The following section summarises planning controls that are proposed to apply to the central city and Arden-Macaulay. The analysis of these built form controls is a good starting point to understand recent approaches to built form control in other parts of the municipality.

Built form in the central city

The Victorian Government has recently undergone a review of built form in the central city. This review is informing an amendment that proposes new built form controls for the area. Although there are higher levels of development in the central city, West Melbourne faces some similar challenges to the central city.

The proposed changes to the planning controls include:

- Existing plot ratios controls for entire blocks to be replaced with floor area ratios for individual sites, with added development bonuses for providing 'public benefits'.
- Discretionary tower setback to be changed to fixed tower setbacks with defined flexibility.
- Limited or negligible existing shadow and wind controls to be replaced with reinforced (strengthened) shadowing and wind controls.
- Height controls will continue to apply only in special areas.

The proposed limit for floor area ratios is 1:18, with discretion to agree to a floor area uplift bonus if all relevant built form parameters are met and an appropriate public benefit is provided.

The Central City Built Form Synthesis Report (2016) recommends the introduction of the value sharing mechanism Floor Area Uplift. This is a common practice internationally to fund the delivery of infrastructure.

It is challenging for the City of Melbourne to negotiate development contributions with no standardised value sharing mechanism in place. Currently, there are a multiplicity of approaches that are negotiated on a site by site basis, the following example was used in the synthesis report:

The proponent of 70 Southbank Boulevard (Australia 108 development) agreed/was required, through a planning consent condition, to contribute \$3500 per apartment towards improvements to City Road in the immediate vicinity of the development site.

While this contribution will be beneficial to Southbank, there is no justification for the amount specified and there is little guidance on determining what type of contribution is appropriate. A site by site approach creates uncertainty and reduces the transparency of the planning scheme.

A Floor Area Uplift scheme allows developers to increase their floorspace in return for a defined public benefit. This public benefit would need to have particular attributes, examples given in the report include a library or affordable housing.

There is currently no mechanism in place that allows the community to benefit from developments that exceed planning controls. A Floor Area Uplift scheme would provide clear guidance on the public benefit expected when controls are exceeded.

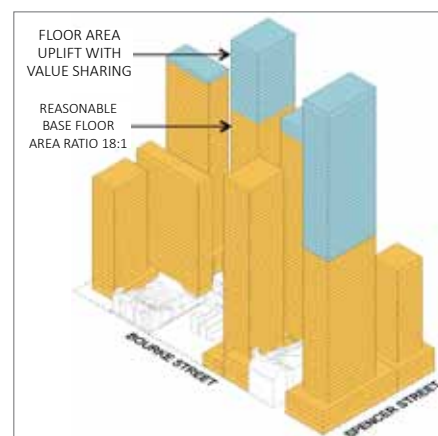


Figure 11.8: Diagram of proposed floor ratio area 1:18 from Amendment C270

Arden-Macaulay

The Arden-Macaulay Structure Plan (2012) sets out a built form vision for Arden-Macaulay as a mid-rise urban renewal precinct that relates to existing residential areas and celebrates its industrial past. The Structure Plan recommends changes to land use and development controls for the area, which will be implemented through planning scheme amendment C190.

The review of built form in West Melbourne will be informed by the planning panel report that critiqued built form controls proposed for Arden-Macaulay. Key points made by the planning panel include:

- Mandatory controls are justified for overall building height and street wall heights.
- Mandatory controls are not justified for active street frontages, open space overshadowing or impervious areas.

- Proposed mandatory controls require explicit justification and must be supported by analysis in structure plans.
- Most development proposals should be tested against performance outcomes rather than prescriptive controls. Mandatory provisions should be considered an exception.
- It was noted that in certain parts of the municipality mandatory heights might be required if height controls were to mean anything in the longer term.

Many participants in the West Melbourne community engagement expressed a desire for greater certainty through the implementation of mandatory built form controls. The recommendations made by panel emphasise the importance of structure plans in providing the strategic evidence to support built form controls.



Figure 11.9: Indicative illustration of proposed built form controls for Arden-Macaulay

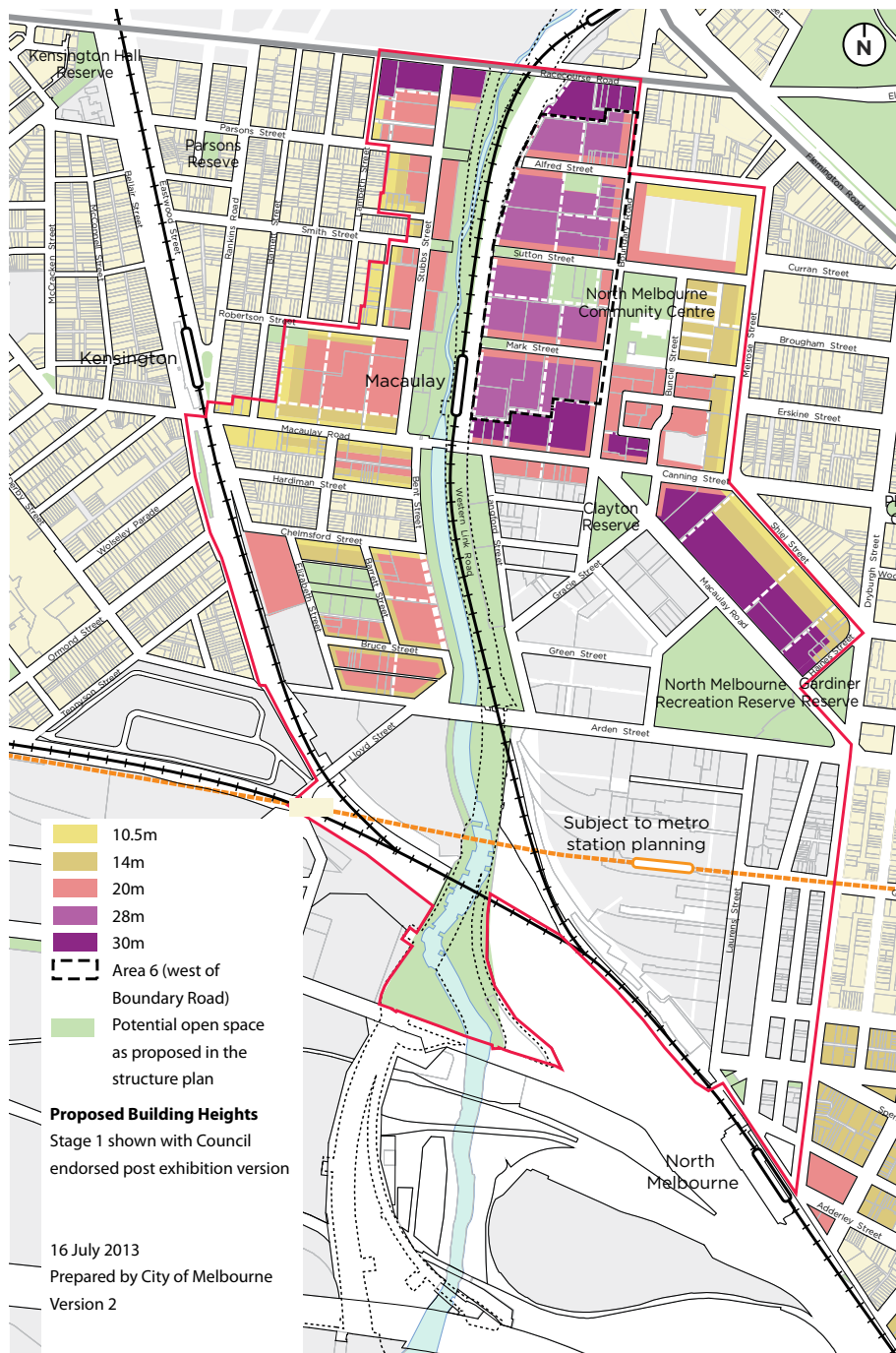


Figure 11.10: Proposed maximum building heights in Arden-Macaulay as contained within the Design and Development Overlay as part of Amendment C190.

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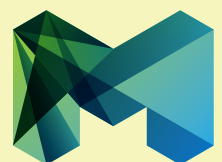
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