

CONTENTS

Purp	Purpose of this report				
Exe	Executive Summary				
1	Introduction	08			
1.1	The study area	10			
1.2	The need for a new structure plan	14			
1.3	West Melbourne development activity	18			
1.4	Urban design and planning principles	26			
1.5	The vision for West Melbourne	28			
1.6	A place-based approach	30			
2	Developing new controls	38			
2.1	What we heard from the community	40			
2.2	The issues with the current controls	42			
2.3	Considering new controls	50			
2.4	Designing new controls	58			
2.5	Testing the new controls	66			
3	Finalising the new controls	68			
3.1	Refining the controls	70			
3.2	The proposed controls	72			

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PURPOSE OF THIS REPORT

The purpose of this report is to provide a synthesis of the work that was carried out in order to develop, test and refine the proposed built form controls for West Melbourne. The final built form controls proposed (see section 3.2) subsequently form part of the West Melbourne Structure Plan 2018. Other key urban design and planning considerations have been considered by different reports and studies (see below) and are incorporated into this report where required.

The report provides a summary of the issues which the new built form controls need to respond to. Further information on the analysis of West Melbourne can be found in the following background work:

- West Melbourne Heritage Review, Graeme Butler and Associates.
- Understanding West Melbourne Baseline Report, City of Melbourne.
- West Melbourne Urban Character Study, Claire Scott Planning.
- West Melbourne Structure Plan Stage 1 Report, SGS Economics & Planning.
- West Melbourne Discussion Paper Ideas for West Melbourne, City of Melbourne.
- West Melbourne Community Engagement Reports (Phase One and Two), City of Melbourne.

The proposed built form controls have been developed through an iterative design process and tested by independent experts. The external testing was to ensure that development would be economically feasible and support the delivery of architectural and urban design excellence in West Melbourne. This report, therefore, should be read in conjunction with the following studies:

- West Melbourne Structure Plan Stage 2 Report, SGS Economics & Planning.
- West Melbourne Built Form Control Testing, Breathe Architecture.

This report focusses on the following areas of West Melbourne with the most significant development pressure:

- The area covered by the current Design and Development Overlay 33 - now referred to as Flagstaff.
- The area covered by the current Design and Development Overlay 29 - now referred to as Spencer and Adderley.
- The area covered by the current Design and Development Overlay 28 - now referred to as Station Precinct.

It does not focus on the areas of West Melbourne covered by other controls including the Design and Development Overlay 32 or the General Residential Zone. It is considered that the built form controls in DDO32 (with a mandatory maximum building height of 14 m) respond well to the context and characteristics of this part of West Melbourne, particularly considering its high heritage value. The current maximum mandatory building height of 11 m in the General Residential Zone is considered appropriate given its significant heritage value (covered by Heritage Precinct Overlay 3), largely fine grain character and low-rise buildings.

This report is a background document, prepared by officers, that demonstrates the comprehensive methodology for the built form controls that has underpinned the West Melbourne Structure Plan.

EXECUTIVE SUMMARY

The area now known as West Melbourne has been the country of the Wurundjeri (Woiwurrung) and Boon wurrung (Bunurong) people of the Kulin nation for tens of thousands of years. The hill now occupied by Flagstaff Gardens was a meeting place for local clans with expansive views across the salt lakes, flats and lagoons to the You Yangs in the west. The hills of West Melbourne were once covered in grasslands and eucalypt woodland leading down to salt marshes, billabongs and floodplains to the west.

Today, West Melbourne is an inner urban area of Melbourne situated between the central city and North Melbourne, and adjacent to the renewal areas of City North, E-Gate, Dynon Road and Arden-Macaulay.

The need for a new structure plan

West Melbourne is currently experiencing significant levels of growth, well beyond what was previously planned for the area. A shift away from industrial, particularly manufacturing and the relocation of some employment to the central city, has seen a renewed interest in the development of land close to the central city for higher value uses, the highest of which is currently residential.

The discretionary nature of the height and setback controls in the current Design and Development Overlays (DDOs) has helped enable development to occur that significantly exceeds the levels of development envisaged when the controls were introduced. This has resulted in a number of issues with the current controls, including:

- Lack of clarity around wording and meaning of the current Design and Development Overlays.
- A 'broad brush' approach to the diverse and varied character of West Melbourne.
- A lack of mixed-use and commercial development.
- Developments delivering extremely high densities and a lack of supporting infrastructure.
- Insufficient building separation.
- Adverse impact of development on the streets of West Melbourne.

Since 2010, there has been over 15 permit applications in West Melbourne determined by VCAT. This is not a preferable or efficient outcome for applicants, the responsible authority or the community, particularly considering the significant time and costs involved in VCAT hearings.

The key challenge of the new structure plan is to develop tools and policy for West Melbourne that enable an appropriate level of change and development, while retaining aspects of character. All the while giving greater certainty to the community but still supporting flexibility on a site by site basis. The policy framework must be strong enough to defend and protect the existing character and also allow for an evolving, complementary and contemporary approach for the area. Bringing ideas and evidence about the value of 'place' to the forefront, informed from technical studies and extensive community engagement, has been critical in achieving this.

The Vision for West Melbourne

The vision moves away from treating West Melbourne as a transitional zone between the central city and other areas and placing a greater recognition of West Melbourne as a place of value its own right as an evolving and distinct neighbourhood, distinct from the central city. It means supporting growth that responds positively to West Melbourne's valued characteristics, diversity, heritage and mix of uses.

The Structure Plan will help ensure the celebration of the area's eclectic character and heritage through a rigorous design-led, place-based approach. Building upon the overall vision for West Melbourne, each of the five identified places has its own vision, density and built form controls and public realm proposals based around each area's inherent values and point of difference.

Objectives of new built form controls for West Melbourne

The key findings from the background work and the community engagement has helped inform the following objectives for new built form controls for West Melbourne:

- 1. The ability to successfully plan for a growing population, including supporting infrastructure.
- 2. Provide greater certainty around development outcomes on sites in West Melbourne.
- 3. Offer flexibility to facilitate good design outcomes and respond to diverse characteristics of sites and places within West Melbourne.
- 4. Support a range of building typologies to support a diverse population.
- 5. Help deliver a true mix of uses and a vibrant, distinct neighbourhood.
- 6. Provide a clear, simple and consistent measure to support efficient decision making.

Proposed new built form controls

A number of scenario's were considered during the development of new built form controls for West Melbourne in relation to achieving the six objectives. The proposed approach is for mandatory Floor Area Ratio controls, along with accompanying largely discretionary built form controls, that will respond to the spatial characteristics of West Melbourne, where the subdivision pattern is not uniform and site attributes vary significantly throughout the neighbourhood and from site to site.

The floor area ratio controls and built form controls have been devised from a design-led, iterative process with independent expert review and testing (see figure 0.1). This included feasibility testing by SGS Economics & Planning and built form testing by Breathe Architecture. It also included testing the capacity of the existing controls with those proposed, and an independent peer review by the Office of the Victorian Government's Design Review Panel.

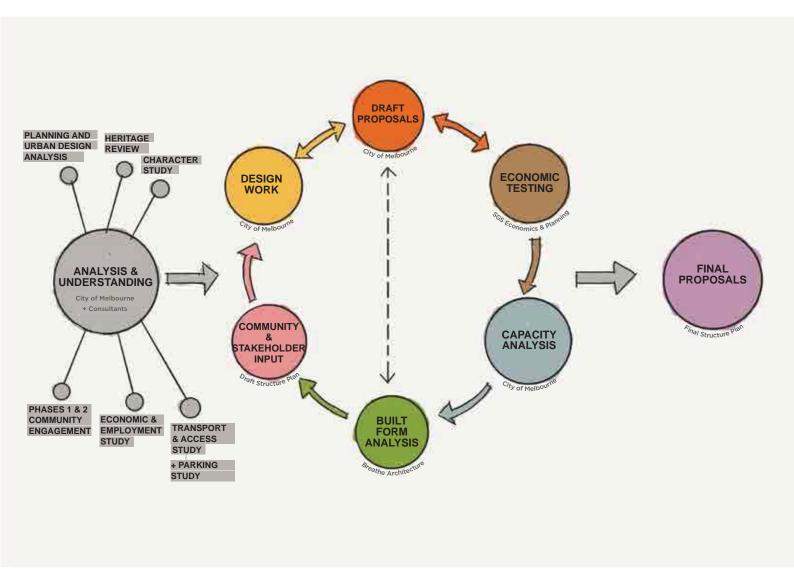


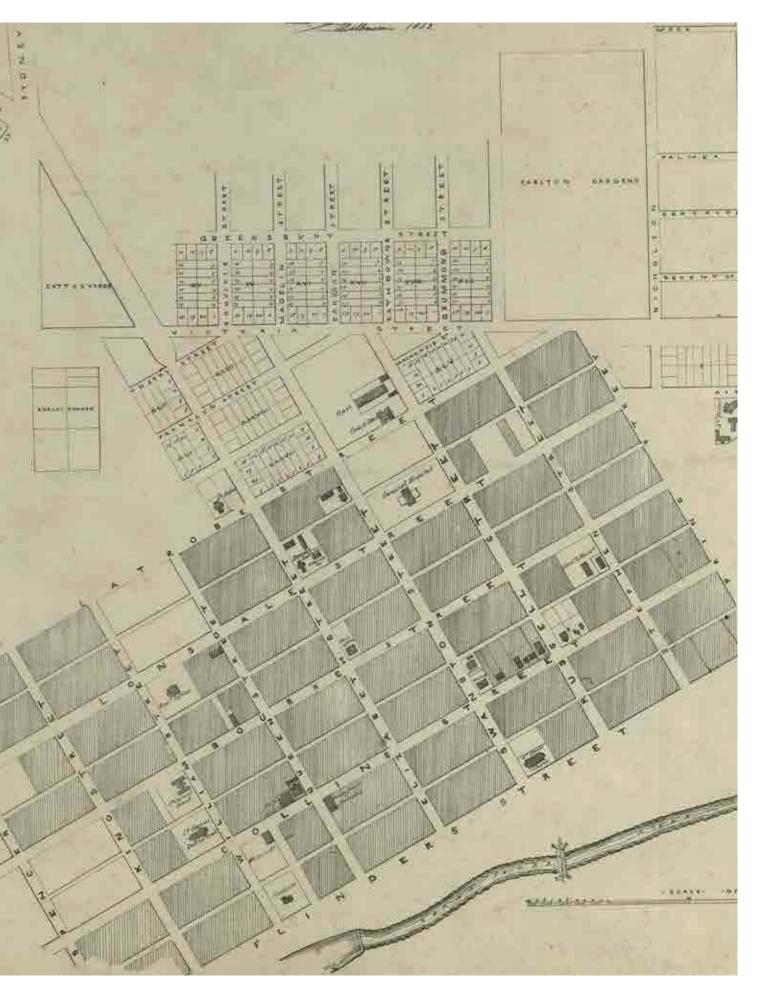
Figure 0.1: The design-led process of developing the structure plan, with an extensive evidence base feeding into an iterative design testing process to ensure economic feasibility, short, medium and long term.

1. INTRODUCTION

This chapter helps introduces West Melbourne and explains the background and vision for West Melbourne that has helped inform new built form controls. It comprises the following sections:

- 1.1 The study area
- 1.2 The need for a new structure plan
- 1.3 West Melbourne development activity
- 1.4 The vision for West Melbourne
- 1.5 A place-based approach





1.1 THE STUDY AREA

Where is West Melbourne?

The area now known as West Melbourne has been the country of the Wurundjeri (Woiwurrung) and Boon wurrung (Bunurong) people of the Kulin nation for tens of thousands of years. The hill now occupied by Flagstaff Gardens was a meeting place for local clans with expansive views across the salt lakes, flats and lagoons to the You Yangs in the west. The hills of West Melbourne were once covered in grasslands and eucalypt woodland leading down to salt marshes, billabongs and floodplains to the west.

Today, West Melbourne is an inner urban area of Melbourne situated between the central city and North Melbourne, and adjacent to the renewal areas of City North, E-Gate, Dynon Road and Arden-Macaulay.

When Robert Hoddle laid out the town grid in March 1837, Spencer Street and La Trobe Street formed its western and northern edges. With population growth fuelled by the gold rush, the city was extended into the area. The radial street network within West Melbourne creates a pivot between the offset alignment of the grid and the north south streets of North Melbourne. At this time views west would have

been over a fertile wetland including the meandering northwest course of the Yarra River and a large blue saltwater lagoon. The lagoon was drained to make way for railway infrastructure and the realignment of the Yarra.

Since then, West Melbourne has evolved to include a mix of building types and uses, from cottages and factories to office buildings, warehouses and apartments. Several local landmarks tell important stories from the past, including St James' Old Cathedral (Melbourne's oldest cathedral), Festival Hall, Flagstaff Gardens and North Melbourne (future West Melbourne) Station.

The structure plan study area includes the area bounded by Victoria Street to the north, Peel and William Streets to the east, La Trobe Street to the south and Adderley Street and Railway Place to the west (see figure 1.1). The area classified as the 'industrial' part of West Melbourne (west of the railway yards all the way to the Maribyrnong River) is not included in the study area.

While the focus for the proposals in the structure plan is defined by the study area boundary, West Melbourne's strategic context and relationships with surrounding areas and proposals have helped inform and shape the plan.

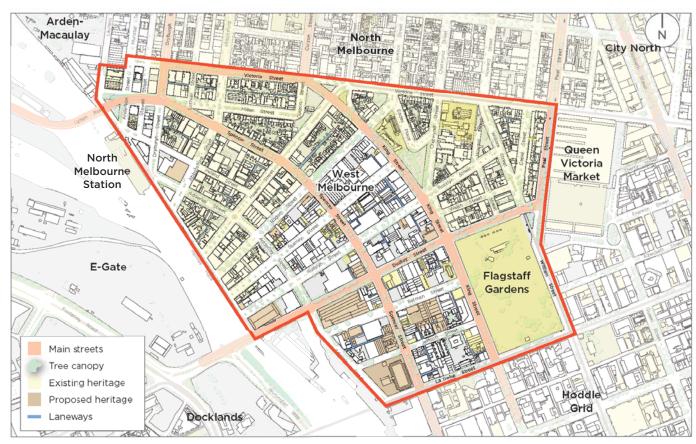


Figure 1.1: West Melbourne Structure Plan area (red Ine)



West Melbourne's distinctive variety of uses and rich cultural and architectural heritage has long been shaped by its adjacency to the central city, nearby industrial areas, proximity to the port and good road and rail connections.

West Melbourne is well connected to regional and local road and rail networks, making it a place that people pass through to access the central city and key destinations. The area has historically served as a portal to the city due to its access to local and regional transport networks.

The area accommodates a mix of residential, commercial and industrial uses along with the major regional open space of Flagstaff Gardens and North Melbourne (future West Melbourne) Station - a major interchange station connecting six train lines to the north-west of Melbourne.

The surrounding context

Significant growth is occurring in urban renewal areas adjacent to West Melbourne, dramatically changing its surrounding context. Melbourne Metro Rail Project and West Gate Tunnel are major transport infrastructure projects creating further pressure for change in West Melbourne.

Metro Tunnel and the new North Melbourne Station

The Victorian Government's Metro Tunnel is a high capacity rail project, which delivers a tunnelled connection between the existing Sunbury and Cranbourne-Pakenham lines with five new stations; North Melbourne (the current North Melbourne Station will be renamed West Melbourne Station), Parkville, State Library, Town Hall and Anzac.

The new North Melbourne Station will be about half a kilometre north west from the current North Melbourne (future West Melbourne) Station, further enhancing West Melbourne's public transport access.

Arden-Macaulay and City North urban renewal areas

Arden-Macaulay and City North are urban renewal areas identified for significant change over the next 10-15 years overlap the West Melbourne study area. Arden-Macaulay will become a mixed use, commercial and residential precinct. City North will become an extension of the central city, supporting the Parkville health, medical and education sectors.

Intensive development of the central city

The central city, including the Hoddle Grid, Southbank and Docklands has undergone significant high density residential and commercial growth in the last two decades, increasing development pressure on adjacent areas.

Redevelopment of the Queen Victoria Market

On the doorstep of West Melbourne, the City of Melbourne's Queen Victoria Market Precinct Renewal is a \$250 million investment over five years to create a world-class market precinct, with better facilities and new public open spaces.

E-Gate urban renewal area

E-Gate is an identified urban renewal area owned by the Victorian Government between the railway yards and Docklands. The timing of the renewal of E-Gate is uncertain and is likely to be impacted by the West Gate Tunnel.

Dynon urban renewal area

Freight and industrial land to the north of Dynon Road is identified as a potential urban renewal area in the Melbourne Planning Scheme.

Innovation districts

Emerging innovation districts in Fishermans Bend and City North will provide high quality city spaces and infrastructure. They will support new enterprise development and job creation, enable experimentation and testing for new interventions, and be places for people to connect to each other and the city.

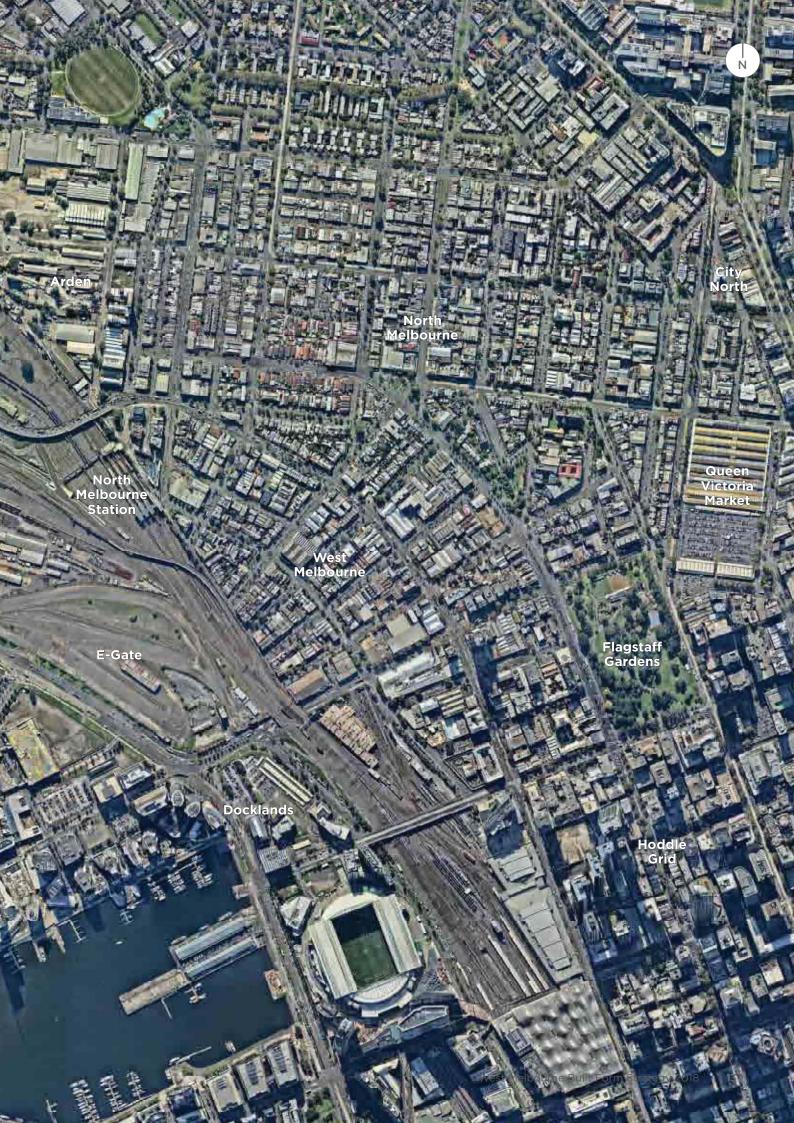
West Gate Tunnel project

The West Gate Tunnel is a road project led by the Victorian Government in partnership with Transurban. The road will connect into West Melbourne via the Dynon Road Bridge. The project also proposes an extension of Wurundjeri Way to connect with Dynon Road in the vicinity of CityLink via a road through E-Gate. Construction of the West Gate Tunnel Project is expected to be completed by 2022.

The City of Melbourne made a submission on the West Gate Tunnel as part of an Environment Effects Statement assessment process in July 2017. The City of Melbourne submission opposed several aspects of the design, including the connection to Dynon Road Bridge because the connection will bring more traffic into North Melbourne and have residual traffic impacts in West Melbourne. Also, the project will have impacts on E-Gate and the Moonee Ponds Creek which are important for the broader growth of inner Melbourne.

The final stage in the Environment Effects Statement process was the Minister for Planning's Assessment which was released in November 2017. The Assessment found that the project will have acceptable environmental effects, paving the way for the project to go ahead.

The structure plan establishes a framework to deliver a vision for West Melbourne in line with the City of Melbourne's commitment to making great places for people. The potential impacts of the West Gate Tunnel have been considered during the development of the plan. The West Gate Tunnel does not alter the vision for West Melbourne.



1.2 THE NEED FOR A NEW STRUCTURE PLAN

Development in West Melbourne

Melbourne is projected to be a city of nearly 8 million people by 2051. Many areas of Melbourne, particularly those close to the central city such as West Melbourne, are under pressure to change. Change in West Melbourne is part of a broader trend in Australian cities as former industrial and manufacturing uses make way for residential and commercial development. This change is reflected in the shifting profile of West Melbourne's population, household size and structure, and allocation of floorspace.

The previous West Melbourne Structure Plan was completed in 2005 and informed the existing planning controls for the area. Since then, a lot of change has occurred in and around West Melbourne and further change is expected into the future. A gradual shift away from industrial uses has seen a renewed interest in the development of land for higher value uses, including residential and commercial. See the following section 1.3, on development activity in West Melbourne for more information on recent development.

To ensure the future liveability of West Melbourne, the growing population will need to be supported by associated infrastructure such as open space, better walking and cycling routes and community infrastructure. The significant deviation from current controls makes it harder to plan for this supporting infrastructure.

Delivering City of Melbourne strategies and plans

A new structure plan also helps to ensure that West Melbourne contributes to reducing green gas emissions and is able to adapt, survive and thrive in the face of the stresses and shocks of a changing climate.

The structure plan provides an opportunity to implement City of Melbourne strategies in West Melbourne. This includes the Zero Net Emissions Strategy, Climate Change Adaptation Strategy Refresh 2017, Urban Forest Strategy, Transport Strategy and Total Watermark Strategy.

The ongoing development of Caring for Country principles provides an opportunity to contribute to a West Melbourne that respects its Aboriginal past and shape a future that is inclusive of contemporary Aboriginal culture and values.

What is a structure plan?

The key aims of structure planning are to plan for and develop a shared vision for an area and to identify the type and scope of change projected within an area over time.

A structure plan helps give effect to state and local planning policy and is a tool to help manage, influence and facilitate change and over the next 10-15 years.

The structure plan will help ensure that West Melbourne continues to grow as a sustainable, diverse and liveable neighbourhood.

There are four key objectives for the new structure plan:

- To establish a shared vision and framework for the longterm future growth, development and character of West Melbourne.
- To ensure that community infrastructure, open space and transport provisions meet the needs of a growing population.
- To help deliver current City of Melbourne strategies and policies related to West Melbourne.
- To identify a set of actions to deliver the vision and framework for the future development of West Melbourne, to include planning scheme amendments and potential capital works proposals.

West Melbourne Heritage review

Statutory protection of heritage places in the City of Melbourne is primarily controlled by the Heritage Overlay (HO) in the Melbourne Planning Scheme. Under the overlay, a planning permit is required to demolish, remove, construct, externally alter or paint a building. Heritage Overlays can apply to heritage precincts and/or to individual heritage places.

Precinct Heritage Overlay 3 (HO3) applies to part of the West Melbourne Structure Plan study area and extends into North Melbourne. Several significant buildings and places are covered by individual Heritage Overlays that apply to individually significant heritage places outside of this precinct.

The precinct was developed from the mid-nineteenth century as part of the extension of Melbourne to its north and west during a period of significant population growth. Buildings with heritage value are largely from the mid-nineteenth century through to the inter-war period, although Victorian development predominates.

To help inform the new structure plan (rather than be an action in the new plan), the City of Melbourne commissioned Graeme Butler and Associates to undertake a heritage review of West Melbourne in 2015. The review included assessments of currently protected heritage places and other sites that may merit heritage protection.

The review identified 25 new heritage properties/places that warranted heritage protection. This process forms part of the wider Heritage Policies review which proposes a new approach to heritage practice in the City of Melbourne to streamline and improve the policy and guidance around protecting and redeveloping heritage places.

Some of the buildings recommended for heritage protection or upgrade include:

- Autocar Industries Proprietary Limited Assembling and Motor Body Works (now Red Cross Blood Service), Batman Street.
- Dixon & Co. cordial factory, later Felton Grimwade & Duerdins P/L chemical laboratory, factory & store complex, Rosslyn Street.
- Melbourne Remand Centre, later Assessment Prison, Spencer Street.
- Flagstaff Place, corner of Spencer Street and Batman Street.

A planning scheme amendment (C258) is currently underway to implement these recommendations. This review has also helped inform the proposed built form controls for West Melbourne, particularly how to better respect and respond to heritage buildings.

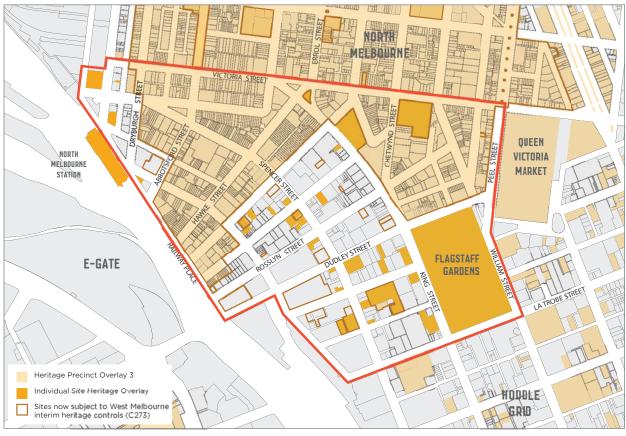


Figure 1.2: Heritage controls for West Melbourne including sites subject to the West Melbourne interim heritage controls (C273).

The strategic context

Municipal Strategic Statement (MSS)

West Melbourne is identified as an 'other local area' of incremental growth within the current Municipal Strategic Statement (part of the Melbourne Planning Scheme), located between the intense growth currently occurring in the central city and the more stable area of North Melbourne.

Plan Melbourne 2017-2050

Plan Melbourne is the Victorian Government's 35-year blueprint to ensure Melbourne becomes more sustainable, productive and liveable as its population approaches 8 million. The vision for Melbourne is that Melbourne will continue to be a global city of opportunity and choice.

Plan Melbourne helps address the challenges and opportunities around managing population growth, growing the economy, creating affordable and accessible housing, improving transport, responding to climate change and connecting communities.

The plan identifies that for the central city to remain a desirable destination for business investment and a major destination for tourism, new space must be found for office, retail, education, health, entertainment and cultural activities. The plan also refers to the major urban renewal precincts, some of which border West Melbourne, to deliver high-quality, distinct and diverse neighbourhoods offering a mix of uses. *Plan Melbourne* is structured around principles, outcomes, directions and policies, many of which relate to West Melbourne. The main parts relevant to West Melbourne are:

West Melbourne as an evolving and distinct neighbourhood within the city

West Melbourne will support well-designed growth for housing and employment, while retaining its distinctive neighbourhood character.

The existing complexity and character of West Melbourne will be maintained, consistent with Plan Melbourne *Principle 1 A distinctive Melbourne*, and Outcomes 4 and 5 that 'Melbourne is a distinctive and liveable city with quality design and amenity' and that 'Melbourne is a city of inclusive, vibrant and healthy neighbourhoods'.

West Melbourne as a 20-minute, mixed-use neighbourhood

West Melbourne will become an area where people can 'live locally' and access most of their everyday needs within a 20-minute walk, cycle or local public transport trip (Plan Melbourne Principle 5). This will be achieved by creating a pedestrian friendly neighbourhood (Plan Melbourne Policy 3.3.1), creating a network of cycling links for local trips (Plan Melbourne Policy 3.3.2) and transforming Spencer Street as a new local high street where residents and workers can access their everyday needs.

It is also important to help ensure West Melbourne becomes a mixed use neighbourhood (Plan Melbourne Policy 5.1.1. Create mixed-use neighbourhoods at varying densities) that offers more choice in housing along with opportunities for local businesses and new jobs and deliver better access.

West Melbourne provides housing choice close to jobs and services

West Melbourne will help to manage the supply of housing in the right location (Plan Melbourne Direction 2.1), deliver more housing closer to jobs and public transport in defined locations within the neighbourhood (Plan Melbourne Direction 2.2 and Policy 2.2.3), help to facilitate and deliver social and affordable housing (Plan Melbourne Direction 2.3 and Policy 2.2.3) and provide greater choice and diversity of housing (Direction 2.5).

West Melbourne is a sustainable and resilient city

West Melbourne has the opportunity to make a contribution towards local, national and global goals of reducing greenhouse gas emissions (Plan Melbourne Direction 6.1), integrating water cycle management (Direction 6.3) and making Melbourne cooler and greener (Direction 6.4).

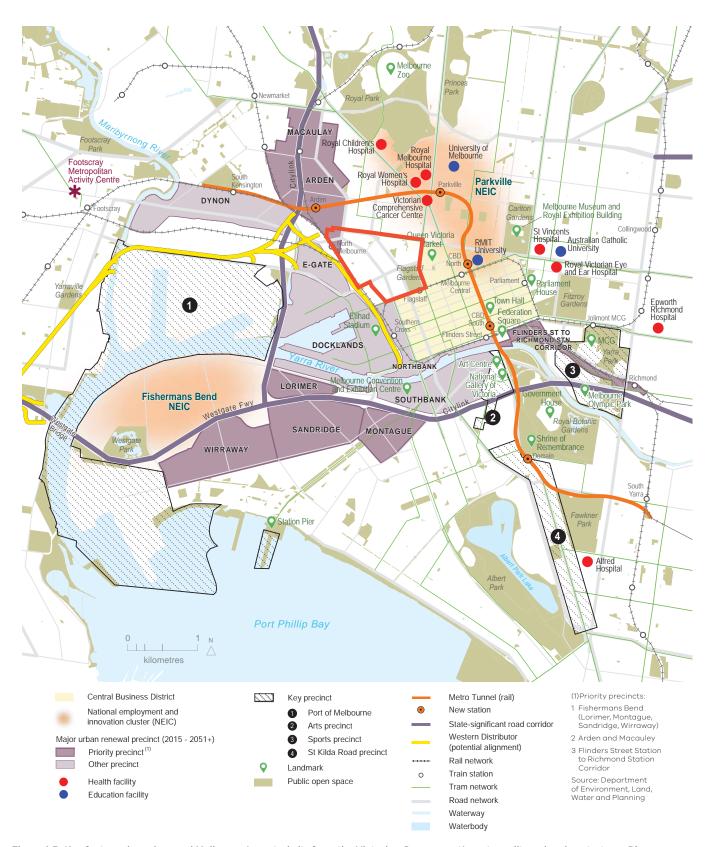


Figure 1.3: Key features in and around Melbourne's central city from the Victorian Government's metropolitan planning strategy, Plan Melbourne. The West Melbourne Structure Plan area is outlined in red.

1.3 WEST MELBOURNE DEVELOPMENT ACTIVITY

West Melbourne is currently experiencing significant levels of growth, well beyond what was previously planned for the area. A shift away from industrial, particularly manufacturing and the relocation of some employment to the central city, has seen a renewed interest in the development of land close to the central city for higher value uses, the highest of which is currently residential. In West Melbourne in the last ten years the number of residential dwellings has nearly doubled (increased by 87 per cent), while the levels of employment and number of jobs has decreased by a quarter.

This period of significant change has continued throughout the development of the structure plan. There are currently more than 4000 dwellings in the development pipeline for West Melbourne. This includes proposals under construction, approved or awaiting planning approval. The majority of which are one and two bedroom apartments. This would more than double the number of dwellings in West Melbourne from the 2590 in 2016 to over 6000 in the future.

The discretionary nature of the height and setback controls in the current Design and Development Overlays (DDOs) (see section 2.2 for more information) has helped enable development to occur that exceeds significantly the levels of development envisaged when the controls were introduced. When the current Design and Development Overlay controls were considered by an Independent Planning Panel in 2006, it was thought that the introduction of discretion in the control of building heights in the CBD Fringe Area (Design and Development Overlay 33 - the area now being referred to as Flagstaff) should not lead to any substantial divergence overall from the preferred height limit of 40 metres.

However, this has not been the case as some of these areas now have buildings that are two or three times higher than the discretionary height control. The lack of clarity of the current built form controls leads to uncertainty for the community and applicants regarding what is considered an appropriate level of development in West Melbourne. It also means that supporting infrastructure, such as open space, transport and community facilities, are not keeping pace with increasing populations. Further information and discussion on the existing controls and the issues with recent development can be found in section 2.2.

The highest development in West Melbourne is at 420 Spencer Street, a recently completed 38 storey tower with elements of the 1930s heritage building in its podium (see figure 1.4 opposite). It is the Council's position that the former Ministerial approval of 420 Spencer Street is an anomaly in decision-making. This has been reinforced by VCAT. This development should not be used for a basis of negotiating height above the existing discretionary height controls of 40m (around 12 storeys).

Another notable development in West Melbourne is the retrofitting of 383 King Street to become Haileybury School. This has also triggered the installation of a new pedestrian crossing at the corner of King Street and Jeffcott Street and a reduction in the speed limit from 60 km/h to 40 km/h between La Trobe Street and Dudley Street.

West Melbourne is identified as an 'other local area' of incremental growth within the current Municipal Strategic Statement (part of the Melbourne Planning Scheme), located between the intense growth currently occurring in the Central City and the more stable area of North Melbourne.

However, views differ on the meaning of incremental growth. This, together with current state planning policies encouraging and supporting higher density development in areas near existing services and transport, and the uncertainty around the DDOs, has led to diverse and differing judgements on appropriate levels of development in West Melbourne. This has led to many proposals in West Melbourne being determined by the Victorian Civil and Administrative Tribunal (VCAT).

Since 2010, there has been over 15 permit applications determined by VCAT. Some of the proposals determined by VCAT through mediation or compulsory conference include developments at the following sites in West Melbourne:

- 15-31 Batman Street.
- 185 Roden Street.
- 50 Batman Street.
- 512-544 Spencer Street.
- 109-133 Rosslyn Street.
- 130-154 Dudley Street.
- 577 King Street.
- 17-37 Abbotsford Street.
- 101-107 Rosslyn Street.

In the majority of cases that are determined at VCAT, there is general agreement that growth and development will occur in West Melbourne and that there is strategic justification for this. But the point of difference in most cases is differing views as to the acceptable level of intensity of this growth. Seven proposals determined through VCAT hearings are detailed on the following pages.

The high number of recent permit applications in West Melbourne being decided by VCAT is not a preferable or efficient outcome for applicants, the responsible authority or the community. Considerable time and costs are involved in VCAT decisions, particularly those that go to hearings and usually involve the cross examination of a number of experts over several days. Consideration could be given, therefore, to whether a mandatory provision in West Melbourne could help resolve divergent opinions as to a preferred outcome.

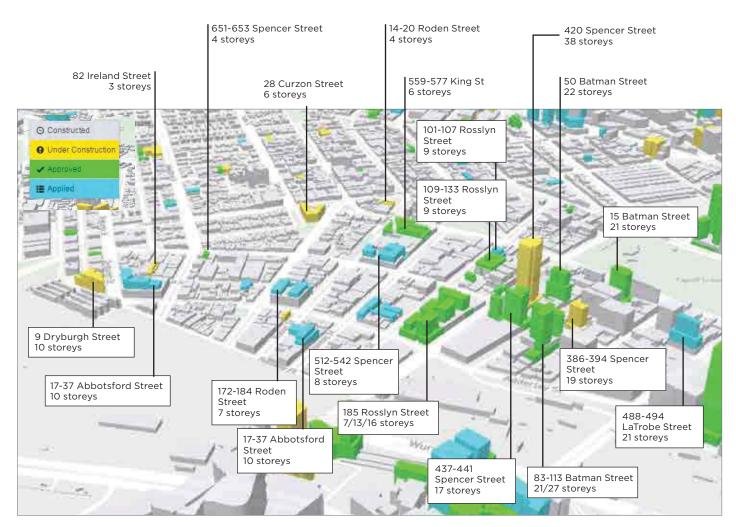


Figure 1.4: Development Activity Monitor, City of Melbourne. August 2017 (building heights reference are the maximum height of a building on the site)



149m approved height

40m maximum height control in DDO33

Figure 1.5: The approved height of 420 Spencer Street, West Melbourne compared to the height control in DDO33





Figure 1.6: Renders of the proposed development of two tall towers at 371 Spencer Street and 83-113 Batman Street (prior to the VCAT decision to reduce the height of the towers of around 20m).



Figure 1.7: 3D image of West Melbourne showing approved developments (in purple) compared to the height control specified in Design and Development Overlays 28,29 and 33.

Recent VCAT hearings in Design and Development Overlay areas 33, 29 and 28

SITE	VCAT REFERENCE	CURRENT CONTROLS*	PROPOSAL	PROPOSED DENSITY**
371 Spencer Street and 83-113 Batman Street (with heritage building)	P1348/2014 Melbourne CC v Minister for Planning	MUZ, DDO33 40m maximum building height. 6m setback from all boundaries (except a laneway where 2m is acceptable).	Construction of a mixed use building comprising two residential towers of 28 storeys (105m) and 34 storeys (123m) over a podium and basement parking. Some setbacks proposed are less than 6m.	FAR: 11.2:1 Dw/ha: 1322
405-421 Spencer Street (with heritage building)	Yarrabank Developments Pty Ltd V Melbourne CC [2017] VCAT 888	MUZ, DDO33 See above.	A 22 level building (approximately 69m) with ground floor retail, first floor office and 20 residential floors comprising 181 apartments with basement parking. Setbacks proposed are less than 6m.	FAR: 10.5:1 Dw/ha: 1064
488 La Trobe Street (with heritage building)	Mitchell-Wong & Ors V Melbourne CC [2017] VCAT 888	MUZ, DDO33 See above.	Construction of 118 apartments in a 19 storey development (approximately 65m) comprising a substantial podium with a recessed tower element about a similar height to the podium). Reduced east and west side setbacks less than 6m. ***see previous application the VCAT decision below.	FAR: 10:1 Dw/ha: 1157

^{*} all current controls are discretionary (MUZ = Mixed Use Zone, DDO = Design and Development Overlay).

^{**}density calculations are approximate and calculated with available information as at October 2017.

^{**} this was earlier proposal at 488 La Trobe Street to construct a 32 storey building comprising 247 dwellings that was refused by Council and affirmed by VCAT at a subsequent hearing ($Spacious\ Property\ Development\ Group\ Pty\ Ltd\ v$ $Melbourne\ CC\ [2015]\ VCAT\ [1895]$). In forming its decision, VCAT considered that the proposed tower at 98m in height was too intense when considered in context of its physical and policy setting.

VCAT DECISION

than 6m.

NOTABLE POINTS RAISED IN DECISION

Decision of the responsible authority is varied; a permit is granted (with changes).

Changes include a reduction in height of around 20m to each tower. Some setbacks increased but still substantially less In principle, we consider that there is policy support for a more intensive, and taller, residential development on this site which is identified as a strategic redevelopment site.

The Panel however did agree that if the final outcome within DDO33 was a series of 60m buildings then, as submitted by Council, it would be unacceptable and would detract from the essential built form character of the area, and the built form outcomes sought to be achieved.

We agree with this position. Whilst discretionary controls provide flexibility to consider proposals which do not meet those specified as 'maximum', the whole point of discretionary controls and the policy underpinning them would be negated if development proposals were consistently approved which exceeded the desired maximum height limit.

We conclude that a reduction in height of around 20 metres to each tower would be a realistic and effective response to DDO33 given the increase in height that has occurred in the CCZ, other buildings in the precinct and in DDO29 to the north. We think it would result in a clear transition in scale from the CCZ to the DDO29 precinct.

The size of their footprints and the external design of the towers is a factor in persuading us that a height of more than twice that sought by the DDO is acceptable in this location and will add to the overall quality of the urban environment.

Decision of the responsible authority is set aside; a permit is granted (with changes).

Changes include a reduction in 2 levels (so that is reads as a smaller building than its neighbour) and more retained fabric of the heritage building.

We find that the heritage building is retained to a sufficient degree and that the visual relationship between the old and new form is acceptable.

With regard to the building's scale, we find that the proposed development, with some modification to its height, is an acceptable response to DDO33's design objectives. We are not persuaded that the proposed development's height offends DDO33's design objectives. Rather, we accept that it will be viewed as part of a 'field' of higher buildings on this part of Spencer Street as the applicant suggests.

Decision of the responsible authority is varied; a permit is granted (with changes).

Changes include those conditioned by Council with a reduction in overall building height to 55m (reduction by two levels - one podium level, one tower level).

The discretion available is to vary the heights and setbacks contained in DDO33 provides the opportunity for proposals to be assessed in the context of existing circumstances and policy parameters rather than those applying at an earlier time when different circumstances applied. As a result, we are confident that a development of 17 stories will be seen as apart of a generally lower area than the central business district, providing an acceptable transition to the lower scale of North Melbourne.

Our site visit confirmed that although the proposed building will be very visible form the various aspects of the surrounding existing residential development, the distances from occupied balconies or habitable rooms will be well in excess of accepted norms within an urban environment, let alone one where a level of change is anticipated by the planning scheme.

Recent VCAT hearings in Design and Development Overlay areas 33, 29 and 28 (continued)

SITE	VCAT REFERENCE	CURRENT CONTROLS*	PROPOSAL	PROPOSED DENSITY**
407-411 King Street (with heritage building)	DCF 407 King Street Developing Entity v Melbourne CC [2017] VCAT 423	MUZ, DDO33 See above.	Part demolition and renovation of the existing two storey building and construction of a 23 level building above for the purposes of a Residential hotel, one penthouse dwelling and a restaurant together with associated services and facilities and signage.	FAR: 13:1 Dw/ha: n/a
164-184 Roden Street West Melbourne (with heritage building - Don Kyatt building)	Waters v Melbourne CC [2017] VCAT 1350	MUZ, DDO29 4 storey maximum building height.	Part demolition of the existing buildings, construction of an 8 storey residential building.	FAR: - Dw/ha: 556
210-228 Stanley Street and 205-211 Roden Street (with heritage building)	Stanley Street Holdings Pty Ltd v Melbourne CC [2018] VCAT 30	MUZ, DDO29 4 storey maximum building height.	Construction of a part six-storey and part seven-storey mixed use building comprising 73 apartments and a small office.	FAR: - Dw/ha: 429
9 Dryburgh Street	P811 2015 CBUS Property West Melbourne Pty LtD v Melbourne CC (2015)	MUZ, DDO28 5 storey maximum building height.	Construction of a 14 storey building comprising 200 apartments.	FAR: - Dw/ha: 1176

^{*} all current controls are discretionary (MUZ = Mixed Use Zone, DDO = Design and Development Overlay).

^{**}density calculations are approximate and calculated with available information as at October 2017.

VCAT DECISION

NOTABLE POINTS RAISED IN DECISION

Decision of the responsible authority is affirmed; no permit is granted. We find that it is the views to the building from the Flagstaff Gardens which direct us to determine that the proposal is too high and that a lower height is required together with consideration to the heaviness of the building form when viewed from the gardens. We find that a building height of 50m or less is in the order of acceptability for this site in the context of the DDO which has a preferred height of 40m.

Decision of the responsible authority is set aside; no permit is granted.

It is evident that development for greater than four storeys has been approved proximate to the station and Dudley Street. However, in the central area including Hawke, Roden and Stanley Streets and west of Spencer Street, the approved and constructed scale of development appears to be a maximum of five storeys.

It is evident that DDO29 needs to be reviewed given there are examples, particularly to the northwest and south of this site, where developments higher than four storeys have been allowed. However, I am not persuaded that the four storey height in DDO29 no longer has any relevance. The existing low scale buildings in this area remain and many are affected by heritage controls that may temper their development potential. Until DDO29 is replaced or amended, it has continued relevance, partly because of the number of low-scale heritage buildings in the area and it continues to represent the preferred future built form character of the area.

Whilst there are particular characteristics of this site that may assist a taller development than four storeys on this site, this could be five or six storeys rather than eight storeys. At present I am not persuaded the planning scheme or the physical context provides support for this proposed eight storey development.

Decision of the responsible authority is affirmed; no permit is granted We would not grant permission to demolish the whole of the former industrial building at 210-212 Stanley Street. We agree with Ms Gould that a minimum of the front 10 metres should be retained so that all parts of the roof associated with the first saw-tooth are retained.

We agree with the Council that the predominant scale...is one, two and three storeys of older industrial, commercial and residential buildings, together with some newer buildings. We find this is low scale. We find the proposal does not respond positively to this policy because it is up to four storeys greater in scale than the predominant scale. The local area policy clearly states that in other areas, lower scale development 'should be maintained'. It also encourages the re-use of industrial buildings with 'efficient recycling potential' if it contributes to the 'traditional' mixed use character of the area.

The built form response in relation to the overall building height and street wall does not respond well to the scheme's policies and requirements.

Decision of the responsible authority is set aside; a permit is granted (with changes).

Changes include a reduction in building height from 14 to 10 levels and a reduction in apartments from 200 to 154.

This case is about planning policy and height. This case is about what the planning scheme tells us about the site currently and the future vision and development of the area. It is noted that Council in its submission acknowledged that the area is developing in such as way that a building could exceed the DDO28 five storey height maximum with Council's urban design expert suggesting that the site could accommodate up to 8 storeys.

It was put to us by the Objectors that the proposed height would set a precedent for future buildings. We understand but do not share this concern. Any future building on another site is to be assessed against the relevant planning framework, its context and the impact on surrounding properties. In this case, the site is unique in this location. It is an island site with three street frontages and a location directly opposite one of the busiest railway stations in Melbourne.

To allow this building to be a marker beyond the 6 storey emerging character, the tower element must be noticeably higher than it. A building of 8 storeys would not successfully achieve this. We consider an additional 4 storeys above the podium would achieve this status without overwhelming the precinct. This acknowledges not only the unique qualities of the site but the site within its policy context.

1.4 URBAN DESIGN AND PLANNING PRINCIPLES

The structure plan for West Melbourne is guided by well-established and recognised urban design and planning principles to help ensure a design-led approach to West Melbourne.

The eight urban design principles listed are based on an extensive global literature review establishing the economic, environmental and social benefits of urban design.

The principles are:

- 2. Connectivity
- 3. Density
- 4. Mixed use
- 5. Adaptability
- 6. High quality public realm
- 7. Integrated decision making
- 8. User participation

These principles are further explained on the following pages, including how they relate to West Melbourne.



1. Local character

Local character is the distinctive identity of a particular place that results from the interaction of many

factors, including built form, people, activity and history. West Melbourne has a number of distinct character areas influenced by factors such as its outlook over the railway yards, heritage fabric, wide radial streets and diverse architecture. Proposals for the future of the area will enhance these existing qualities and ensure change occurs in a way that is respectful of the place and its history.

Urban design that supports and respects local character can reinforce a sense of identity among residents, offer people meaningful choices between different neighbourhoods and attract highly skilled workers and high-tech business.





Key reference documents that explain urban design principles in more detail include:

- By Design Urban design in the planning system: towards better practice, CABE (Commission for Architecture and the Built Environment), UK
- The Value of Urban Design (The economic, environmental and social benefits of urban design), Ministry for the Environment, New Zealand
- Creating Places for People, An Urban Design Protocol for Australian Cities, Australia



2. Connectivity

Connectivity is the physical conditions facilitating access and movement within a region, city, town or neighbourhood. West

Melbourne's location to the east of the old port (Docklands) and the railway yards has limited its connections to the west. Several main roads run through the study area reflecting its industrial past and the continued prioritisation of cars over other forms of transport.

Well-connected neighbourhoods can encourage more walking and cycling, make local shops and facilities more viable and enhance people's safety and security by encouraging surveillance.

West Melbourne's location enables it to provide great opportunities for businesses to provide alternative services to economic activity in the central city.



3. Density

Density is the concentration of population and activity in an urban area. West

Melbourne's high level of accessibility makes it a sustainable location for the concentration of population and activity. There are currently approximately 5000 people living in the neighbourhood and more than 4000 dwellings in the pipeline indicating that population density will increase in the near future. There are limited local services in the area but this is starting to change as the neighbourhood grows.

Higher density development can (in conjunction with other conditions, such as mixed use, good building design and adequate open space) promote social connectedness and vitality, encourage greater physical activity, reduce the economic costs associated with time spent travelling and help conserve open space.



5. Adaptability

Adaptability is the capacity of urban buildings, neighbourhoods and spaces to adapt

to changing needs. West Melbourne is scattered with re-purposed warehouses, terraces, corner stores and garages that have been given a new life. The adaptation of buildings enables a sustainable approach to enhancing local character and heritage.

Urban design that addresses adaptability can extend the life of buildings and public spaces, increase the diversity of uses and users in a public space, encourage the conservation of non-renewable resources and contribute to the long term economic success of a neighbourhood.

Adaptability is also important in the context of adapting to the impacts of climate change.



7. Integrated decision making

Integrated decision making must occur between and within

organisations involved in urban policy planning and implementation, leading to the integration of different elements in the urban environment. West Melbourne is affected by different decisions made in the private sector and across all levels of government. At almost every border of the neighbourhood there is major change occurring that will influence the neighbourhood - unprecedented central city growth, the urban renewal of Arden-Macaulay and City North, the West Gate Tunnel project, Melbourne Metro and the renewal of the Queen Victoria Market.

An integrated approach to decisionmaking can allow urban design to produce the greatest possible benefits for the community.



4. Mixed use

Mixed use is where a variety of different living and working activities are in close proximity within a

neighbourhood. West Melbourne has a long history of many different land uses, this is reflected in the auto repair shops, large furniture retailers and small workers cottages. More recently, knowledge intensive industries, private education providers and commercial accommodation services have started to locate in the neighbourhood indicating a shift in the local economy.

Urban design that supports mixed use neighbourhoods can (in conjunction with connectivity and a relatively high intensity of different uses) provide opportunities for people to establish and run businesses in their local area, reduce household spending on transport, increases the viability of local shops and facilities, offer people greater choices and opportunities and allow parking and transport infrastructure to be used more efficiently.



6. High quality public realm

The public realm is all the parts of the physical environment of neighbourhoods

that the public has access to, and that forms the setting for public life. West Melbourne's wide sunny streets, narrow bluestone laneways, diverse open spaces, varied topography and architecture provide the foundations for a high quality public realm. Currently, the majority of the public realm remains dedicated to cars and there are significant opportunities for the improvement of the public realm for people.

A high quality public realm can increase the use of public space and associated businesses, enhance personal safety, attract more people and activities and improve the sustainability of a neighbourhood. A good walking environment supports local businesses and helps people stay better connected with each other.



8. User participation

User participation is the public engagement process, and other forms of public

involvement in projects such as surveys or design workshops. The participation of community members in the planning for West Melbourne is crucial to its success. Local knowledge is fundamental in understanding the history and experiences of a neighbourhood.

User participation can enhance the sense of community, develop a greater sense of ownership over changes, ensure changes to the neighbourhoods meets the needs of the community and encourage increased user support for positive change.

1.4 THE VISION FOR WEST MELBOURNE

Visioning is about the future of a place. A vision statement is an expression of what a place could be like in the future - it is the foundation of the structure planning process. The vision should relate to the qualities of what is already there and focus on what everyone wants to see happen.

West Melbourne has a distinct character: a dynamic mix of business and industry which sits alongside an established community and growing residential population. It is an area in high demand due, in part, to its proximity to the central city, Queen Victoria Market, Flagstaff Gardens and Errol Street

The vision for West Melbourne helps to describe how West Melbourne could be in the future. The vision has been informed by community input and a range of background studies. The vision is:

West Melbourne will retain its unique identity, varied areas of character and mix of uses as it evolves into one of Melbourne's distinct inner urban neighbourhoods and a counterpoint to the central city.

Its heritage and other characterful buildings will provide opportunity for a diverse range of uses, new mixed use development will bring high amenity for residents and workers and visitors. Its wide green streets will provide excellent connections and a network of local places and spaces to rest and play with Spencer Street as a vibrant local high street.

The vision moves away from treating it as a transitional zone between the central city and other areas and placing a greater recognition of West Melbourne as a place of value its own right as an evolving and distinct neighbourhood, distinct from the central city. It means supporting growth that responds positively to West Melbourne's valued characteristics, diversity, heritage and mix of uses.

This accords with Outcome 5 of *Plan Melbourne* 'Melbourne is a city of inclusive, vibrant and healthy neighbourhoods', which includes policies to create mixed-use neighbourhoods at varying densities.

The vision statement expresses the aspirations and goals of West Melbourne and will guide decision making and investment. The vision will be delivered through a number of *Objectives* and *Actions* in the structure plan that relate to built form and density, uses, activities and infrastructure, movement and access and streets and spaces.

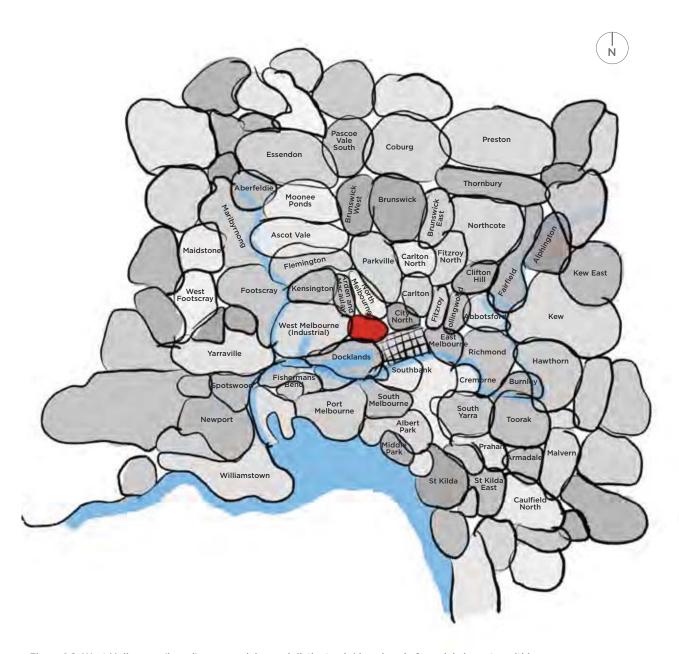


Figure 1.8: West Melbourne (in red) as an evolving and distinct neighbourhood of special character within Melbourne's inclusive, vibrant and healthy neighbourhoods (as referred to in Outcome 5 of *Plan Melbourne*).

1.5 A PLACED-BASED APPROACH

The West Melbourne Structure Plan will help ensure the celebration of the area's eclectic character and heritage through a rigorous design-led, place-based approach.

The urban design analysis of West Melbourne found that there were several different areas within the neighbourhood that had their own character and that some parts of West Melbourne were very different to each other. The area has evolved to include a mix of building types and uses, from low rise heritage cottages in the north, mid-rise factories and warehouses in the middle to larger scale high-rise apartment buildings in the south.

The analysis identified eight specific character areas, alongside Flagstaff Gardens. An independent Urban Character Analysis was subsequently carried out by Claire Scott Planning which recognised that the character areas

identified in the urban design analysis accurately reflect the different character precincts within West Melbourne. The character areas were then overlaid with the existing Design and Development Overlays and simplified to identify five distinct places in West Melbourne to develop our placebased approach.

Building upon the overall vision for West Melbourne, each of the five places has its own vision, density and built form controls and public realm proposals based around each area's inherent values and point of difference. The five places are Spencer, Flagstaff, Adderley, Station Precinct and Historic Hilltop (see figure 1.9 below).

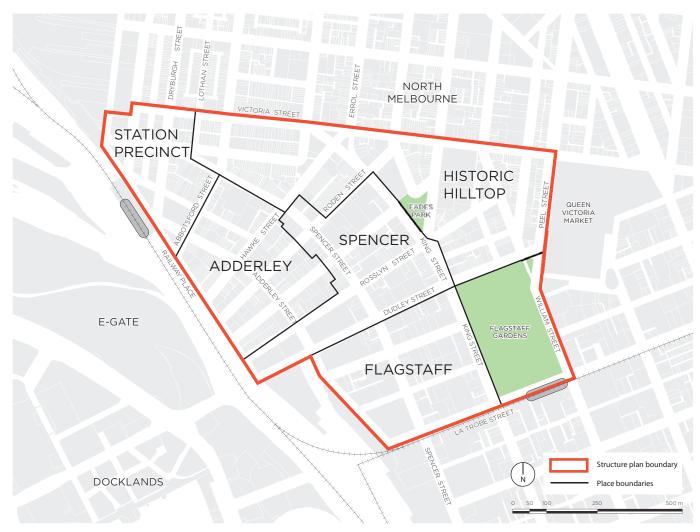
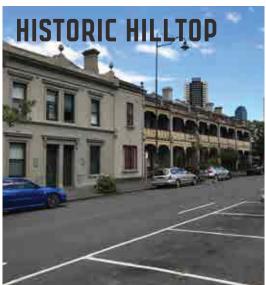


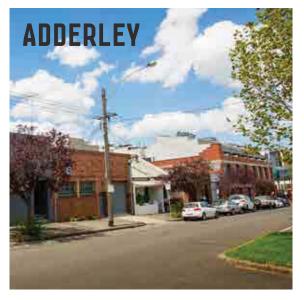
Figure 1.9: A map of West Melbourne showing the study area and five places identified in the plan.



Figure 1.10: Images of the five different places of West Melbourne









Spencer

Spencer is located in the centre of West Melbourne bounded by Roden, King, Dudley, Rosslyn and Spencer Streets. It includes properties on both sides of Spencer Street between Hawke and Stanley Streets but is generally defined by major streets (see figure 1.11). An urban design analysis and character study identified Spencer as a distinct area based on its industrial character, generally large allotment sizes, relatively limited heritage and likelihood of significant change into the future.

What is the area like now?

Spencer has a mixed commercial character with some finegrain residential located throughout. Spencer Street forms the central spine of the precinct with several shops, offices and corner pubs. There are two large open spaces directly to the east, Flagstaff Gardens and Eades Park.

Spencer contains Festival Hall (previously known as the West Melbourne Stadium), which is significant historically and socially to West Melbourne, the municipality and Victoria. It is a major event, sport and music venue in Victoria and was used for the 1956 Olympics. The hall has

had a special affinity to the working classes that worked and lived in the West Melbourne area from its inception. More information can be found in the West Melbourne Heritage Study.

Site sizes in Spencer vary, but the majority are greater than 1500 m² and several sites are greater than 3000 m². Substantial light industrial or commercial buildings occupy many of these larger sites. The built form is varied and includes former industrial brick buildings, smaller warehouses and Victorian terraces. Some blocks have bluestone laneways with small businesses and residential warehouse conversions.

Buildings in Spencer are predominantly two to four storeys. Some buildings of up to 14 storeys have been approved along Dudley Street. Heritage controls apply to several sites including industrial buildings that have been identified as having heritage significance and a number of character buildings have been identified in this area (see Objective 3).

Wide local streets in Spencer generally have a limited number of trees providing large canopy cover. Many of the streets are characterised by a large number of on-street car parking spaces, narrow footpaths and no nature strips.

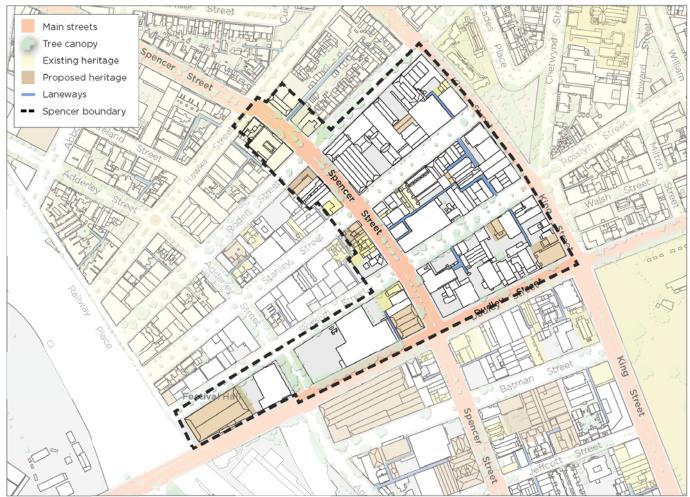


Figure 1.11: Location and characteristics of Spencer.

Flagstaff

Flagstaff is located to the west of Flagstaff Gardens bounded by King, La Trobe, Adderley and Dudley Streets (see figure 1.12). An urban design analysis and character study identified Flagstaff as a distinct area within West Melbourne based on its built form character and proximity to Flagstaff Gardens and the central city. As a result of this and current planning controls in the area, it has the highest land values in West Melbourne.

What is the area like now?

Flagstaff has a more intensive built form than other parts of West Melbourne with an urban character that includes a mix of large institutional buildings, industrial warehouses, residential towers and office buildings. Many of the sites are between 1500 and 3000 m². To the west of Spencer Street, the built form is characterised by a number of large red brick buildings, including the Sands and McDougall building, Australian Red Cross building and Melbourne Assessment Prison.

Building heights vary significantly across the precinct with two storey warehouses and townhouses alongside 16 storey residential towers. There is a recently completed 130 m tall tower at the corner of Spencer and Dudley Streets. This building has significantly changed the West Melbourne skyline and, at over three times the preferred height limit for Flagstaff, is considered an anomaly.

The main streets of Spencer Street and King Street carry heavy traffic and local streets are used predominantly for car parking. On-street parking in Flagstaff is generally long term parking and presents opportunities for streetscape and open space improvements. The role of the streets within Flagstaff will become more important as it intensifies and more people live and work in the area.

Flagstaff Gardens is difficult to access due to the heavy traffic on King Street. This major open space is an important destination for locals and workers. Views towards Flagstaff Gardens contribute to a sense of openness, particularly in the blocks east of Spencer Street. St James' Old Cathedral is an important landmark located at the corner of King and Batman Streets.

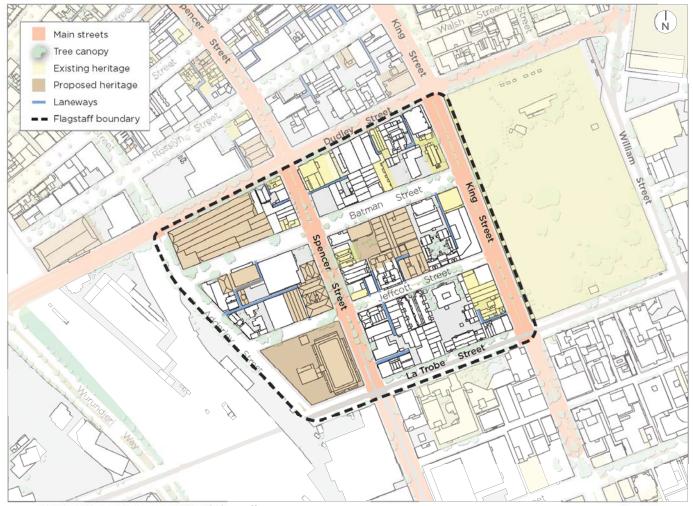


Figure 1.12: Location and characteristics of Flagstaff.

Adderley

Adderley is located in the western part of West Melbourne bounded by Spencer Street, Railway Place, Abbotsford and Rosslyn Streets (see figure 1.13). Remaining sites on Spencer Street between Hawke and Dudley Street are included in Spencer.

An urban design analysis and character study identified Adderley as a distinct area based on its high heritage value, quiet streets, mixed built form character of low and mid-rise buildings, allotment sizes and topography.

What is the area like now?

Adderley has a mixed and diverse urban character. It is currently undergoing change with former industrial buildings being adapted for residential use.

This pocket of West Melbourne has limited connections to other areas due to the railway cutting that forms its southwest boundary. As a result, the wide east-west streets carry limited through traffic. The topography slopes down to the south-west providing panoramic and expansive views over the railway lines to Docklands.

Lot sizes vary, but the majority are less than 1500 m^2 . Historic brick warehouses, workers cottages and Victorian terraces are often found side by side, reflecting the mixed history of the area. Buildings are predominantly one to five storeys.

The combination of wide footpaths, native planting and mid-rise buildings creates a place that feels distinct and relatively remote from the central city, despite its proximity.

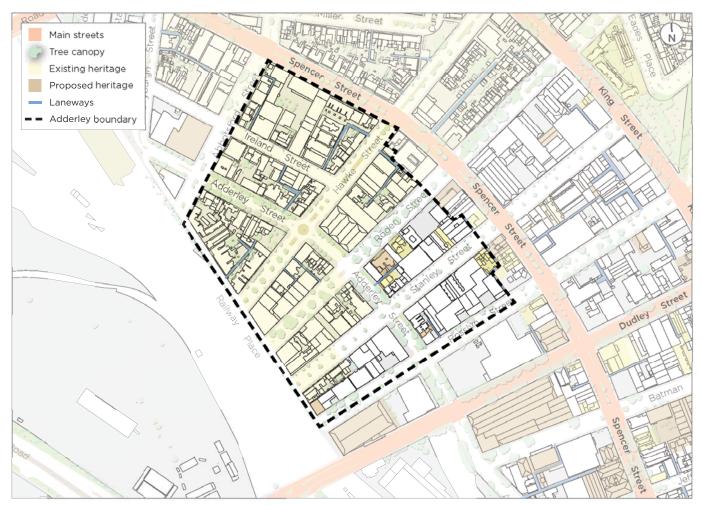


Figure 1.13: Location and characteristics of Adderley.

Station Precinct

Station Precinct is located around North Melbourne (future West Melbourne) Station and bounded by Abbotsford, Spencer, Lothian, Victoria and Laurens Streets and Railway Place (see figure 1.14).

An urban design analysis and character study identified the Station Precinct as a distinct area based on its irregular street pattern, allotment sizes, relationship to the station and to the Arden-Macaulay urban renewal area. A number of buildings in this area are subject to heritage controls. The area to the north-east of Dryburgh and Ireland Streets is within the North and West Melbourne heritage precinct overlay.

What is the area like now?

Station Precinct is an area currently undergoing significant change, with a number of developments currently underway or recently completed. To the north-west of the precinct is the Arden-Macaulay urban renewal area.

The irregular street grid includes a mix of 20 and 30 metre wide streets with many sites having frontages onto multiple streets. Small blocks mean that much of the precinct is dedicated to road reserve.

Lot sizes vary throughout Station Precinct and range in size from 500 m^2 to over 3000 m^2 . There is a mix of industrial, commercial and residential uses. Recent development has been predominantly residential. Buildings are typically up to six or seven storeys tall. A 10 storey building is currently under construction adjacent to North Melbourne (future West Melbourne) Station.

In the west of Station Precinct, a small open space called Railway and Miller Reserve is currently being expanded into the road reserve to provide more green space for the community.

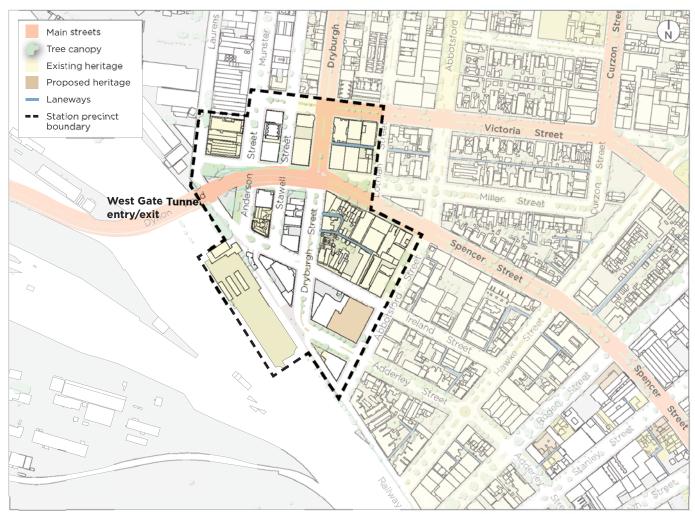


Figure 1.14: Location and characteristics of Station Precinct.

Place Visions

Spencer will be a vibrant, inner-city mid-rise area with a mix of retail, commercial, residential, community and creative uses spilling out onto its streets. Anchored by the Spencer Street high street, this neighbourhood will be distinct from the central city and North Melbourne with its mix of converted warehouses, contemporary developments, heritage corner pubs and Victorian shop fronts.

Older buildings have been incorporated into new developments, with the retention of more than just façades adding integrity and retaining the sense of history of the precinct. Tree planting throughout is well established and consistent, and includes large canopy trees in all streets. Views towards Eades Park and St Mary's Church are retained and enhanced by these green avenues.

Flagstaff will be a busy, diverse area of mostly residential and commercial buildings that is well connected to the iconic Flagstaff Gardens. The area will be distinct from the central city, characterised by large historic brick buildings, contemporary developments and warehouse restorations.

Local streets will be home to small parks, recreation spaces and broad canopy trees, while a variety of shops and services will be found on Spencer, King and La Trobe Streets. A sense of proximity to Flagstaff Gardens permeates the area and streets are sheltered and green at pedestrian level due to the avenues of canopy trees.

Adderley will have an eclectic mix of uses, tucked away from the busy thoroughfares of West Melbourne but with great views of the city and Docklands. It will be recognisable by its mix of heritage cottages and terraces, contemporary buildings and restored warehouses and factories.

The retention and renovation of buildings from all eras, including workers' cottages and Victorian terraces, together with more recent apartment buildings visually reveal the layers of history and provide eyes and people on the street at all times of the day and night. Its leafy streets connect to the Hawke Street green spine and new pedestrian and cycle route over to Docklands, providing excellent walking and cycling access to surrounding areas. No vehicular through traffic and large established street trees and pocket parks add to the 'urban oasis' character.

Station Precinct will be a thriving area of converted warehouse apartments and new mid-rise residential buildings defined by the edge of the railway escarpment, views towards the industrial heritage of the west and busy transport nodes at station entrances.

North Melbourne (future West Melbourne) Station will be emphasised as the focal point of the precinct by green avenues that extend to the north and east and new pedestrian and cycling bridges linking south and west to E-Gate and Docklands. A mix of retail, commercial and residential buildings will encourage people to linger in the precinct rather than just pass through.



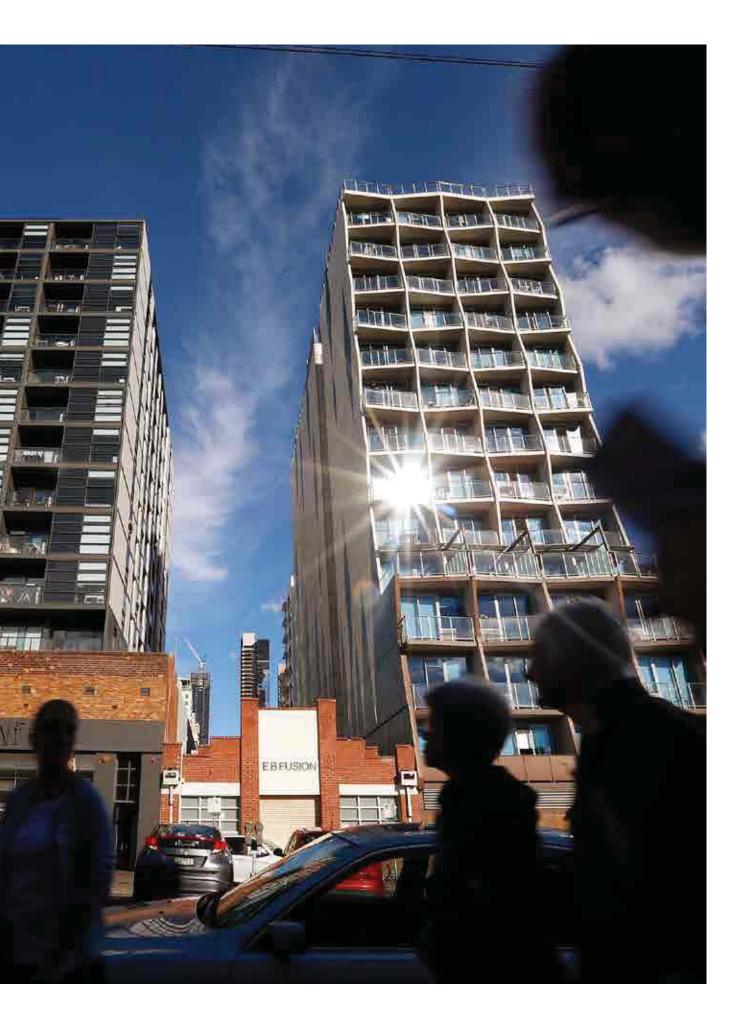
Figure 1.15: Indicative sketch of Spencer, looking north along Spencer Street

2. DEVELOPING THE NEW CONTROLS

This chapter helps explains how we developed the new built form controls for West Melbourne. It comprises the following sections:

- 2.1 What we heard from the community
- 2.2 The issues with the current controls
- 2.3 Considering new controls
- 2.4 Designing new controls
- 2.5 Testing new controls





2.1 WHAT WE HEARD FROM THE COMMUNITY

The City of Melbourne worked with the community and stakeholders to develop a shared vision for West Melbourne to help guide and manage future growth in the area.

The community engagement approach included three phases as set out below, as well as ongoing discussions with key stakeholders, residents' groups and others throughout the development of the structure plan:

- Phase one: Understanding the community's likes, concerns and priorities for the area to help shape the new structure plan (April-May 2015).
- Phase two: Engagement on the draft vision and ideas in the *Ideas for West Melbourne* discussion paper (February-March 2017).
- Phase three: Engagement on the draft West Melbourne Structure Plan (July - August 2017).

Phase one engagement

The first phase of community engagement asked the community and stakeholders to express their likes, concerns, priorities and visions for West Melbourne at the very start of developing a new structure plan, prior to any plans for the area being proposed.

Many of the concerns from the community during this initial phase of engagement relating to built form, the scale of buildings and the lack of certainty in the planning process given that many new developments in West Melbourne exceeded significantly the discretionary height controls for the area.

Comments from the community included:

- 'Certainty of building heights for both developers and residents'
- 'To have a variety of heights and types of buildings'
- 'Mixed use within development or block'
- 'Additional commercial space to provide more shops'
- 'Ensure the scale of new buildings is respectful to existing buildings'
- 'Protection of heritage buildings'

The key messages from this phase of engagement relating to built form were:

- People are concerned about increased building heights, particularly above the maximum heights outlined in the Design and Development Overlays (DDOs).
- There is support for appropriate redevelopment in certain areas.
- People would like to see more certainty from the planning process (particularly in relation to the scale and height of buildings).
- There is a lack of confidence around planning and the planning system given recent decisions and developments in West Melbourne.

These key messages helped inform the next stage of the project, a discussion paper called 'Ideas for West Melbourne' to test emerging ideas and proposals for the area. The community's top priorities for the structure plan related to issues around built form, land use and the quality of new development.

Phase two engagement

The second phase of engagement was on the *Ideas for West Melbourne* Discussion Paper and involved three workshops as well as opportunities for people to input at pop-up park events and online via the interactive plan on the Participate Melbourne page.

Strategy two in the discussion paper was about supporting good growth, with greater recognition of West Melbourne as a place of value in its own right and that responds positively to the area's valued characteristics, diversity, heritage and mix of uses. The key messages from this strategy were:

- General support for the built form strategy [which identified two 'Growth opportunity areas'], but more detail required to properly respond.
- A strong desire for mandatory building heights.
- Strong support for mixed use and sustainable development.
- Some confusion/lack of support about proposed ways to deliver community benefit [largely due to confusion around the idea for floor area uplifts].

These key messages helped inform the development of the draft structure plan and the proposed controls outlined in the following sections.

Community feedback on the draft structure plan, and subsequent changes that followed in the final structure plan, are outlined in Chapter Three.



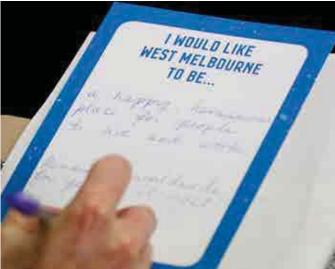




Figure 2.1: Community workshop during the second phase of engagement on the Ideas for West Melbourne discussion paper (top and bottom right) and a visioning exercise in the first phase (bottom left).

2.2 THE ISSUES WITH THE CURRENT CONTROLS

Introduction

There are five Design and Development Overlays (DDOs) that apply to the land in West Melbourne (see figure 2.2 opposite), along with the General Residential Zone which has a mandatory 11m height control.

The areas covered by Design and Development Overlays 28, 29 and 33 experience the most development pressure as the built form controls in these areas are discretionary. This means that development can, and as a rule does, exceed the prescribed controls where a proposed development is perceived to have achieved the design objectives and built form outcomes specified in the schedule to the DDO. This uncoordinated development on individual sites in West Melbourne is having a significant cumulative impact on the character of West Melbourne and the amenity of its buildings and streets. Levels of supporting infrastructure, such as open space, is not keeping pace with this level of growth.

There is also a reference in the Municipal Strategic Statement (Clause 21.16 - Other local areas) for North and West Melbourne that states 'Maintain the predominantly low scale of the Mixed Use Zone in West Melbourne, south of Hawke and Roden Streets'. However, this is rarely considered over the requirements of DDO29.

There are many instances in West Melbourne where development is not respecting the valued and established built form character of the area and is distracting from the overall quality of the urban environment, contrary to Clause 22.17 - Urban Design outside the Capital City Zone in the Melbourne Planning Scheme.

There are common issues with built form outcomes that occur across West Melbourne. These outcomes relate to broader development trends but are also a result of outdated and insufficient policy to guide development.

The following is a summary of the key findings based on an extensive analysis of existing policy and built form outcomes in West Melbourne. The current policy is providing neither clarity nor certainty to landowners, applicants or the community.

The current Design and Development Overlays

The current strategic approach to development in West Melbourne refers to a clear distinction in scale from the central city, with higher scales of development located at the fringe of the central city and around North Melbourne Station. DDO 33 'CBD Fringe' includes a design objective 'to provide a transition between the taller built form of the central city and the lower scale built form of West Melbourne'.

However, since these controls were introduced, the scale of development in the central city has increased significantly. This has had major impact on the interpretation of 'clear distinction' when considering development in West Melbourne and how it 'transitions' from the central city.

DDO29 refers to 'higher buildings and new built form character' without defining what is meant by higher buildings or explaining what the new built form character is. The DDOs do not give any real guidance as to what tests should be applied when considering height about the maximum height specified in the schedule. This lack of clarity makes it easier to justify a significant departure from built from controls.

DDO28 also uses the word 'transitional' in the design objective 'To acknowledge the transitional nature of the area', encourages the development of a new built form character and acknowledges the potential for higher density development without any definition of what constitutes higher density development.

A key issue that has been raised consistently by the community are building heights. The tables in the schedules in the DDOs refer to 'maximum building heights', above which it states 'Buildings or works should [emphasis added] not exceed the maximum building height specified in the table to this schedule'.

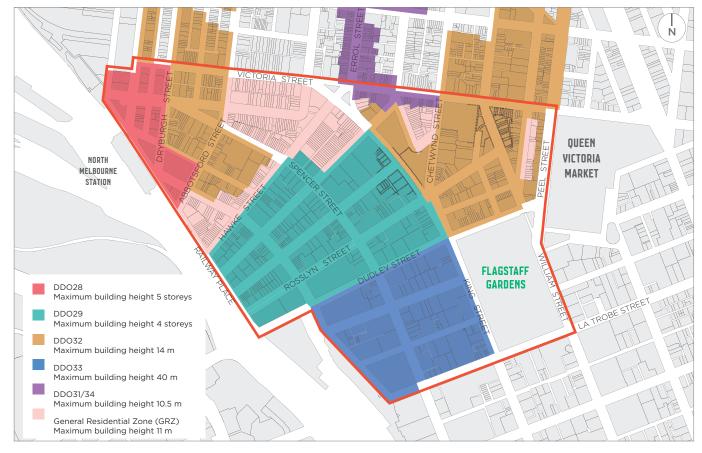
The community interprets this as maximum building heights that should not be exceeded. However, in planning legal terms, the word 'should' is seen as introducing discretion, whereas 'must' describes a mandatory provision. This confusion is compounded by the regular use of the work discretionary which is not written in any of the DDOs.



Figure 2.2: Building interfaces on narrow sites with minimal active frontage due to dominance of servicing.



Figure 2.3: Recent development with primary outlook secured to neighbouring property with minimal setbacks from the boundary.



 $Figure \ 2.4: Existing \ Design \ and \ Development \ Overlays \ in \ West \ Melbourne \ and \ the \ area \ covered \ by \ the \ General \ Residential \ Zone.$

Concerns with the 'broad brush' approach

The urban character of West Melbourne is diverse and architecturally interesting. Layers of history are evident in the mix of housing, including rows of old workers' cottages, Victorian terraces and contemporary apartments in re-purposed buildings.

A variety of uses, including industrial uses, offices and large institutions, provide a mix of styles and eras that creates visually interesting and contrasting streetscapes. Former industrial buildings, particularly large warehouses, along with a mix of plot sizes and laneways contribute to the varied character of West Melbourne.

However, the current built form controls, derived from the 2005 West Melbourne Structure Plan, provide 'broad brush' blanket controls over relatively large areas. These do not respond to this varied character of West Melbourne.

Discretionary height controls are intended to provide an indication of the height that can be accommodate on a site, with some able to accommodate less or more depending on their characteristics. However, in the current development context, discretionary heights appear to treated as the starting point for height negotiations.

Development often just 'fills up' and then exceeds or 'overflows' the discretionary building envelopes in the DDOs. This often results in the repetition of the podium tower typology usually associated with the central city and urban renewal areas and a lack of diverse built form outcomes. It also results in significant built form amenity outcomes

In the absence of controls that guide development above four storeys in DDO29, setback requirements and heights are being negotiated on a site by site basis.

A flexible framework is required to ensure that built form outcomes are responsive to site characteristics and plot sizes (see figure 2.5) and are not overly prescriptive.

Lack of commercial development

The redevelopment of many sites in West Melbourne from industry to predominantly residential development is also having a significant impact on the mixed use character of West Melbourne and on employment levels, which have reduced by around 25 per cent over the last decade.

This is compromising the delivery of the vision for West Melbourne of a true mixed-use, walkable and vibrant neighbourhood and the economic prosperity of the city. It results in a lost opportunity to help deliver employment space and respond to future need.

Density of development

The current development trends in West Melbourne are delivering extremely high residential densities that are more comparable with the densest parts of Melbourne and other relative global cities. Figure 2.7 shows the densities (through floor area ratio's and dwellings per hectare) of recent developments and proposals in West Melbourne.

Some of the FARs are over 10:1 which often constitutes very high densities, some in excess of over 1000 dwellings per hectare. 420 Spencer Street has an FAR of 18:1 which is more akin to the central city and Southbank than West Melbourne. For comparison, the urban renewal area of Green Square in Sydney has a maximum FAR of 6.2:1 and the highest density figure in the London Plan's Density Matrix is 405 dwellings per hectare.

In London, housing density has been measured and monitored in London over recent years in units per hectare (u/ha, the same as dwellings/hectare). Average density across London of new housing approvals in the monitoring year 2015/16 was 154 u/ha, with the highest average density being recorded in Tower Hamlets (a local authority area of London) at 488 u/ha.

The UK report *Superdensity* shows, through a series of essays and case studies, that it is possible to create successful places based around streets and a variety of urban typologies, including medium-rise apartment blocks and careful integrated taller buildings at densities up to around 350 dwellings per hectare. In the follow up report *Superdensity the Sequel* many of the densities we are currently seeing in West Melbourne at above 350 dwellings per hectare would be defined as 'hyperdensity'. The report calls for a presumption against 'hyperdense' developments which should be confined to exceptional locations and subject to exceptional justification. The higher the density of a development the greater the scrutiny should be of the proposed built form, massing, site layout, external spaces, internal design and ongoing management.

A review of exemplar projects in Australia by Hodyl + Co (*Urban Design Strategy Fishermans Bend*, September 2017, p63) demonstrated that residential densities associated with mixed-use, mid-rise developments with sufficient open space (and thereby more akin to the vision for West Melbourne) are typically in the order of 150-400 dwellings per hectare. Tower forms were associated with much higher residential densities of 1100-1200 dwellings per hectare.

If these densities continue, it will not deliver the vision for West Melbourne and it will result in the continuation of the podium and tower typology - which, cumulatively, would have a significant impact on the character of West Melbourne. It is likely to lead to poor outlook and amenity, poor quality public realm and streets, congestion and a lack of infrastructure and services to support this scale of growth.



Figure 2.5: The variety of plot sizes in West Melbourne



Figure 2.6: The 149m tower at 420 Spencer Street with its surrounding context

West Melbourne development density (October 2017)

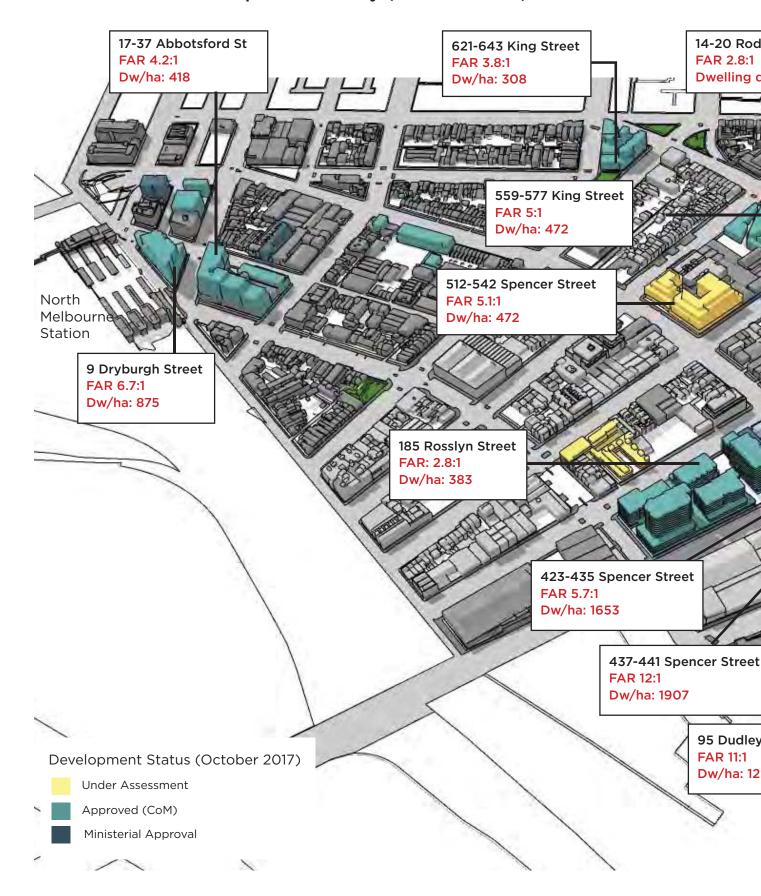
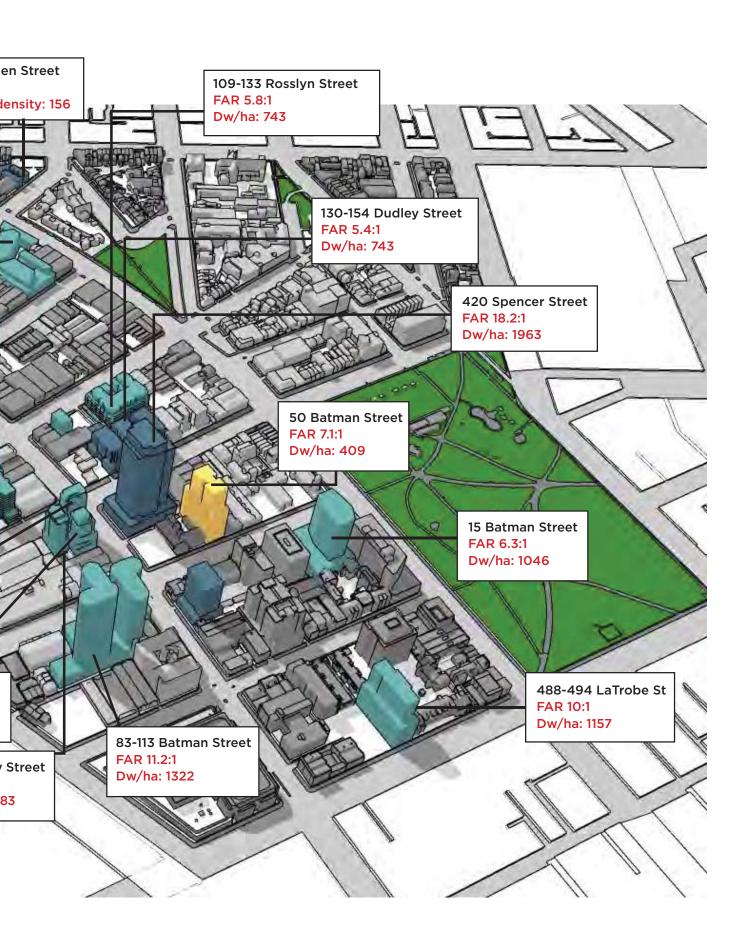


Figure 2.7: The approximate densities of development (approved and under assessment as of October 2017) in West Melbourne.

Note: The floor area ratio (FAR) figures only reflect the development above ground (i.e. it excludes floor areas associated with below ground basements, consistent with the FAR definition for the central city)



Development pressure

Permit applications approved at heights well in excess of those prescribed in the policy has an impact on development expectations. This creates land speculation and can escalate land values. Once land is purchased at an inflated value, there is increased pressure to compromise built form outcomes in order to meet the development yield targets to make developments financially viable.

Building services

The level of development intensity that occurs on a site requires a commensurate level of services. These servicing requirement can dominate street frontages (particularly those with narrow street frontages) and deteriorate the quality of the street. Historically, the street network hierarchy ensured that services were concentrated on laneways rather than placed on primary street frontages. However, old and narrow laneways are often unsuitable for modern service provision requirements.

Building separation

Primary outlook is sometimes being secured to neighbouring properties without adequate setbacks from the property boundary. This has an impact on apartment amenity, particularly in relation to privacy, sufficient daylight and sunlight and outlook when neighbouring sites are redeveloped. When insufficient setbacks are provided this places a burden on neighbouring site owners and compromises the amenity of future developments. Setbacks of less than the specified 6m are often provided in Flagstaff, for buildings that are often well in excess of the discretionary maximum building height. It is even more important that setbacks are achieved if development is higher and denser than that initially envisaged. This also raises the issue of development equity. In some instances, developers are required to provide increased setbacks on their own sites to ensure sufficient amenity.

Site coverage

Industrial buildings often require large floorplates and secure sunlight access through sawtooth rooftops rather than through windows. A legacy of industrial uses in West Melbourne has resulted in a high proportion of private land with a high proportion of site coverage.

Many new developments also have a high proportion of site coverage. This is driven by the desire to maximise the floor area allowable within the built form envelope. This reduces the permeability of sites, ground floor open space and opportunities for deep soil planting.

Having a permeable site is beneficial as it reduces water runoff by allowing water to be absorbed into the soil. West Melbourne is known to be affected by flooding particularly during periods of high rain. Deep soil planting is important for the establishment of large canopy trees which help to create comfortable urban environments and manage Urban Heat Island effect.

Impact on the public realm

It is important that the scale, height and any setbacks of new development help create a high quality public realm, with good access to daylight and sunlight, along with balancing appropriate levels of enclosure with openness and views. Some recent developments in West Melbourne, however, are compromising the quality of the public realm of West Melbourne. This is particularly the case when considering their cumulative impact.

Other issues

Other issues in West Melbourne include:

- Some smaller sites are being consolidated into single ownership, creating larger sites and altering the urban grain and local character of the area.
- Recent developments have not managed laneway interfaces adequately.
- There is insufficient policy to guide the development of sites with on-site heritage buildings and adjacent heritage buildings (in part due to the scale of development currently occurring in this area relative to the to the discretionary four storey height control).
- There are poor design outcomes for heritage buildings with only facades retained.
- There is inadequate privacy management in developments with ground floor residential apartments.



Figure 2.8: An aerial image of West Melbourne looking north-east (before the construction of 420 Spencer Street), with the higher rise central city to the south and south-east of West Melbourne and the lower rise North Melbourne to the north. Image © Google Earth

2.3 CONSIDERING NEW CONTROLS

Introduction

This section sets out how we considered new built form controls for West Melbourne. It builds upon the findings outlined in the previous sections. This ensured that there was a comprehensive understanding of the issues and opportunities before considering any new built form controls for West Melbourne.

The aim of the new controls is to support well-designed growth that makes the best use of inner city land for new residential and commercial development, while responding positively to West Melbourne's valued characteristics. These include diversity of built form, heritage, a mix of uses and how these elements combine to create a high quality public realm and street network.

This growth will help deliver the vision for West Melbourne by providing alternative, highly sustainable forms of development and a range of different building types that will continue to support a diverse community and thriving economy. Development in West Melbourne should be of the highest design and environmental standards and be adaptable to change, providing a range of housing and employment opportunities over time.

Heritage buildings need to be better protected, reused and celebrated and retained to enhance West Melbourne's character. Existing buildings that are no longer required for their original use can present good opportunities for adaptation and maintaining a diversity of activities and uses in the area. Often these buildings are valued by the local community and are highly adaptable.

The key challenge of the structure plan is to develop tools and policy for West Melbourne that embrace change and development, but retain aspects of character. They should give greater certainty to the community but still support flexibility on a site by site basis. The policy framework must be strong enough to defend and protect the existing character and also allow for an evolving, complimentary and contemporary future for West Melbourne and its different places.

Objectives of new controls

The key findings from the background work and the community engagement has helped inform the following objectives for new built form controls for West Melbourne:

- The ability to successfully plan for a growing population, including supporting infrastructure.
- 2. Provide greater certainty around development outcomes on sites in West Melbourne.
- 3. Offer flexibility to facilitate good design outcomes and respond to diverse characteristics of sites and places within West Melbourne.
- 4. Support a range of building typologies to support a diverse population.
- 5. Help deliver a true mix of uses and a vibrant, distinct neighbourhood.
- 6. Provide a clear, simple and consistent measure to support efficient decision making.

Considering different controls

Combining density controls and built form controls together is common practice in cities across the world, such as Sydney, London, Vancouver and New York. This approach manages population densities and provision of supporting infrastructure and ensures that the overall character desired and high levels of public amenity can be achieved.

This approach is proposed in West Melbourne after careful consideration of other planning mechanisms as it will translate the vision for West Melbourne into reality.

Density controls

Density controls define the density, or intensity, of development on a site. It is the relationship between the number of people or amount of built form to a given area. A good understanding of density is crucial to realising the optimum potential of sites. Two primary density controls relating to the density of built form have been considered for West Melbourne:

Floor Area Ratio controls (FARs)

A floor area ratio sets a specific level of development that can occur on a site. The floor area ratio is the ratio of a new building's total floor area (irrespective of its use) in relation to the size of site it is being built on (see figures 2.11 and 2.12)

Floor area ratios (FARs) can often be aligned to the overall population or employment target for an area and must be aligned with the preferred types of built form and character sought in a particular place. Given there is no specific strategic population target for West Melbourne, an FAR for West Melbourne would focus on preferred built form and character. An FAR enables the redistribution of mass on a site to achieve more successful design outcomes on adjacent sites.

The FAR is fundamental to producing a good urban design outcome. FARs enables flexibility for a developer to choose how they organise their building layout and form on their site within a preferred built form envelope. They are key to delivering a range of building typologies, which not only offers choice to the community, but also provides visual interest and avoids the compounding adverse effects of the tower podium typology.

FARs also relatively easy to communicate. They offer the opportunity for the community and applicants to gain a quick understanding of built form possibilities for a site given it is directly associated with the size of the site. For example, a FAR of 4:1 can be easily considered to be a 4 storey development if it covers the whole site or an 8 storey development if it covers half the site (dependent on any associated built form controls).

Planning controls in the Central City have utilised FARs, which has assisted the community in understanding the objectives and benefits of this approach.

Dwellings per hectare

This density calculation relates to the number of dwellings on a site rather than the floor area. It is calculated by dividing the number of dwellings by the area of the site. This density calculation is often used in density ranges, such as in the Sustainable Residential Quality Density Matrix in the London Plan. The range was included as the Density Matrix was only meant to be an indicative tool of what could be developed on a site.

Concerns around using this density measure in West Melbourne are that it is only a measure of residential density and not suitable for other uses, such as offices, hotel, coliving or student accommodation. Issues have also been raised around inconsistencies in measuring dwellings per hectare, with variations in where a site boundary is drawn hampering meaningful comparisons of site densities.

Built form controls

Working alongside density controls, built form controls help ensure the overall character desired for an area can be achieved and ensure that the vision can be realised. In West Melbourne, it is important that built form controls are responsive to the local context and characteristics of West Melbourne, while providing opportunities for innovation and great design on a site-by-site basis.

Built form controls usually involve height controls and setback controls. Height controls stipulate the desired height of buildings, while setback controls stipulate the distance a building should be set back from front, rear or side boundaries to ensure good levels of outlook, privacy, daylight and sunlight.

The Better Apartment Design Standards identify the importance of building separation in delivering good internal amenity. This is to achieve adequate daylight into new dwellings, to limit views into habitable room windows and private open space of new and existing dwellings, to provide a reasonable outlook from new dwellings and to generally ensure that building setbacks provide appropriate internal amenity to meet the needs of residents.

Built form controls also help to respond to interfaces. Interfaces are the relationship of buildings to the site, street, neighbouring buildings and open spaces that surround it. There are many varied interfaces in West Melbourne which reflect the varied character of the neighbourhood.

Interfaces require careful consideration to ensure that new buildings in West Melbourne give positive definition to the streets and spaces and respond positively to the existing buildings in the neighbourhood.

As a guide, a street enclosure and definition is achieved through a building height to street width ratio of between around 1:2 (the street height is half of the street width) and 1:1 (the street height is the same as the street width). This also enables sunlight and daylight to reach into the streets and lower levels of buildings.

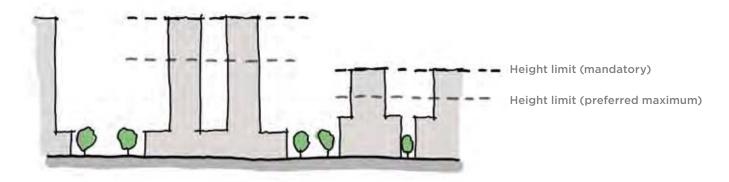


Figure 2.9: By only using height limits (mandatory or preferred maximum) and setbacks to guide built form, there is less control over the density, or intensity, of a development - the development will often be built to the maximum height limit allowed, irrespective of the size of a site. This sometimes results in less diverse buildings that are not responsive to the surrounding context and character of an area.

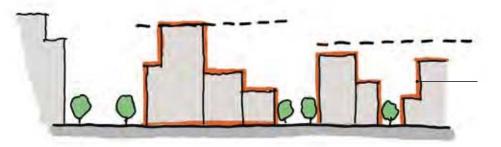


Figure 2.10: Floor area ratios help to control the density, or intensity, of the development in relation to the size of a site. The orange outline above highlights a potential allowed density of a site according to a floor area ratio control. When used in combination with design objectives such as setbacks, floor area ratios can enable a better response to the surrounding context and character of a site, allowing for a greater diversity of buildings while placing a natural cap on height.

Height limit (preferred maximum)

Floor area ratio - orange outline (Mandatory)

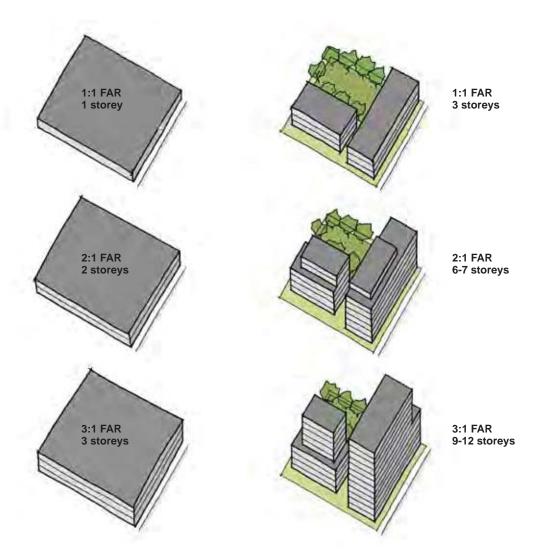


Figure 2.11: Indicative built form massing showing potential different built form outcomes for FARs of 1:1, 2:1 and 3:1. (Adapted from the Apartment Design Guide, NSW Department of Planning and Environment, 2015)

Understanding floor area ratio controls

A floor area ratio sets a specific level of development that can occur on a site. The floor area ratio is the ratio of a new building's total floor area in relation to the size of site it is being built on.

The diagrams to the right explain the concept of floor area ratios and how it can result in different building types. For example, a floor area ratio of 4:1 allows for total floor area up to four times the size of the site itself. This could be up to four storeys if 100 per cent of the site is developed or eight storeys if only half the site is developed.

Floor area ratios will allow for a variety of building types in certain areas. When combined with built form controls, floor area ratio controls will create a flexible framework in which multiple successful building forms can be achieved.

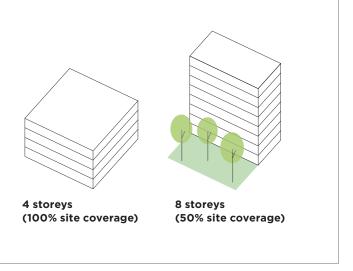


Figure 2.12: An example of a floor area ratio of 4:1. The total floorspace is equivalent to four storeys with 100 per cent site coverage (left) or eight storeys with 50 per cent site coverage (right).

The interfaces of new development with existing and proposed open space is important in West Melbourne to ensure that development limits the impact on the amenity and outlook of these spaces, particularly Flagstaff Gardens given the scale of development proposed in the Flagstaff area. New buildings fronting existing or proposed open spaces should offer positive definition to the space and offer active interfaces to help ensure a safe and attractive public realm.

While five distinct places have been identified in West Melbourne, the interfaces between the streets that join them is crucial and has been considered in the development of the built form controls.

Discretionary or mandatory controls?

While the Victorian Planning System is performance based, meaning there is often a high degree of flexibility on how to achieve specified objectives, mandatory controls can be justified in particular circumstances with a strong evidence base and reasoning.

The approval of mandatory height controls in Macaulay indicates that they can be supported in certain areas.

Throughout the community engagement on the development of the structure plan, the community has consistently expressed a desire for mandatory height controls. This is a reflection on recent planning decisions which have approved developments well in excess of the current discretionary height and setback controls.

Given the infill and incremental type of growth in West Melbourne, as opposed to large scale urban renewal in areas such as parts of Arden and Fishermans Bend, the contextual issues are more prevalent and influential. Mandatory controls, therefore, could be more appropriate as long as they are not aimed at unreasonably restricting built form but at facilitating a good design outcome.

Mandatory controls, however, need to be balanced with the need for development to respond to diverse and varied characteristics on a site by site basis. Mandatory heights may not create a varied and interesting urban environment that has a strong identity. They might also not respond well to good urban design principles such as responding to a hierarchy of streets and spaces and having taller development on corners to aid legibility.

More information and guidance is contained in *Planning Practice Note 59: The role of mandatory provisions in planning schemes* (June 2015).

Scenario testing

A number of scenario's were considered during the development of new built form controls for West Melbourne in relation to achieving the six objectives for new controls.

In all the scenarios, FARs is the preferred density tool that can help in delivering a range of building typologies and ensure a mix of uses for West Melbourne. The following five scenario's were considered:

- 1. Discretionary FAR and built form controls.
- 2. Mandatory FAR and built form controls.
- Mandatory FAR with development bonus with discretionary built form controls.
- Discretionary FAR with mandatory built form controls.
- 5. Mandatory FAR with discretionary built form controls.

These scenarios are tested against the six objectives of the new controls in figure 2.13 opposite. The testing come to the following conclusions:

- Discretionary FARs may help to plan for a growing population (Objective 1), however they would not provide the certainty desired by Objective 2.
- Mandatory FARs would help to successfully plan for a growing population (Objective 1) and provide the certainty desired by Objective 2.
- Mandatory FARs would also help to provide a clear, simple and consistent measure to support efficient decision making (Objective 6). Discretionary FAR controls may not help resolve divergent opinions regarding the accepted intensity of development on a site. This may result in the continuation of many permit applications being decided by VCAT, with significant time and cost implications.
- Mandatory built form controls may not respond well to the varied and diverse character of West Melbourne or result in the best urban design outcomes.
- Mandatory height controls often result in the same podium tower typology, with development simply 'filling' up a site to the maximum height allowed. They can provide less flexibility to respond to site specific issues.
- Development bonuses (part of Scenario 3) are not considered appropriate given the need to respond to the existing character of West Melbourne (unlike in some urban renewal areas). They could also add a significant element of uncertainty and thereby not respond well to the objectives of successfully planning for a growing population (Objective 1), providing certainty (Objective 2) and providing a clear, simple and consistent measure for decision making (Objective 6). Development bonuses were discussed with the community and were not supported given they may lead to what has already occurred.

Is the scenario likely to achieve the objective? Partially/potentially No **SCENARIO 1: SCENARIO 2: SCENARIO 3: SCENARIO 4: SCENARIO 5:** Discretionary **Mandatory FAR Mandatory FAR** Mandatory Discretionary FAR and built and built form with development FAR with FAR with form controls controls. bonus with discretionary mandatory built discretionary built form form controls. built form controls. controls. Objective 1 The ability to successfully plan for a growing population, including supporting infrastructure. Objective 2 Provide greater certainty around development outcomes on sites in West Melbourne. Objective 3 Offer flexibility to facilitate good design outcomes and respond to diverse characteristics of sites and places within West Melbourne. Objective 4 Support a range of building typologies to support a diverse population. Objective 5 Help deliver a true mix of uses and a vibrant, distinct neighbourhood. Objective 6 Provide a clear, simple and consistent measure to support efficient decision making. **TOTAL**

Figure 2.13: An overview of the likelihood of the considered scenarios achieving the objectives of new built form controls in West Melbourne. (Indicative only and dependent on the detail and specific application of any new built form controls)

Proposed approach

Floor area ratio controls, along with accompanying built form controls, will respond to the spatial characteristics of West Melbourne, where the subdivision pattern is not uniform and site attributes vary significantly throughout the neighbourhood and from site to site.

This pattern reflects the history of land uses in West Melbourne, with larger industrial sites interspersed with smaller residential and commercial sites and forms a fundamental element of the area's character.

The benefits of floor area ratio controls in West Melbourne are that they:

- Respond better to the varying characteristics of specific sites in West Melbourne compared to the blanket height controls which have no relationship to the size of a site or existing character.
- Provide a clear and consistent measure to support efficient decision making.
- Ensure that the future development of a site is proportionate to its size.
- Deliver a range of different building typologies, rather than just developing each site to its maximum allowed height.
- Provide greater certainty about the level of population growth to occur in West Melbourne to determine the need for supporting infrastructure such as open space, public transport, services and community facilities.
- Set realistic and clear expectations about the potential development yield on each site - effectively minimises land speculation and avoids escalation of land values.
- Enable flexibility for an architect/design teams to design buildings within the built form envelope of the floor area ratio control (and the accompanying built form controls) to better respond to the varied characteristics and context of each site.
- Can support additional benefits to an area, such as new laneways, retention of heritage buildings and additional open space, by allowing flexibility for how the floor area ratio is achieved on each site, without reducing the total amount of development on a site.
- Improve the amenity of streets and spaces in West Melbourne and help ensure they are comfortable, attractive and welcoming places.
- Can be used to set minimum floor areas for nonresidential uses to help deliver commercial and retail development and support West Melbourne retaining its mix of uses (see Objective 4 on page 52).

Considering a mandatory control for Floor Area Ratios

We have considered whether it was appropriate for the floor area ratio control to be mandatory and have reviewed *Planning Practice Note 59: The role of mandatory provisions in planning schemes* (June 2015). The practice note states (p2) that mandatory provisions can relate to such matters as plot ratio (otherwise referred to as floor area ratio). We consider the proposed mandatory controls to be justified based on the following:

- The mandatory provision is strategically supported having regard that West Melbourne is not specifically an area designated for significant growth or urban renewal in *Plan Melbourne*.
- West Melbourne is an area of high heritage value, as shown in the recent West Melbourne heritage review.
- West Melbourne has strong and consistent character themes within the identified places of the structure plan area.
- The proposed mandatory floor area ratio clearly helps to implement the vision for West Melbourne, the visions for the Flagstaff, Spencer, Adderley and Station Precinct areas of West Melbourne and the design recommendations to achieve a variety of building types.
- There is clear, real evidence of development exceeding the current built form controls and the proposed controls.
- If the majority of development did not accord with the requirement there could continue to be unacceptable planning outcomes in terms of the existing and future character of West Melbourne.
- If the majority of development did not accord with the requirement there could continue to be unacceptable planning outcomes in terms the population of West Melbourne well exceeding forecasts and the subsequent lack of supporting infrastructure.
- Adopting a mandatory control is appropriate in the vast majority of cases given the extensive testing that has been carried out. It does not limit the unnecessary loss of flexibility and opportunity available in a performance based system given that the majority of the built form controls are discretionary.
- Throughout the development of the structure plan, the community requested greater certainty in the new planning controls.
- The requirement will help deliver efficient outcomes and reduce costs imposed on applicants, the City of Melbourne and the community (compared to if the requirement was discretionary and able to be reviewed in VCAT), particularly given the number of recent VCAT decisions in West Melbourne (see section 1.3).

It will avoid the risk of adverse outcomes in such a location where there is likely to be constant pressure for development inconsistent with planning policy.

Given the above, it is considered that the benefits of a mandatory Floor Area Ratio significantly outweigh the benefit of a performance based provision for West Melbourne. It is considered that mandatory floor area ratio's coupled with discretionary built form controls is the right balance for West Melbourne to provide certainty while also offering for flexibility and innovation on a site by site

Mandatory employment requirement

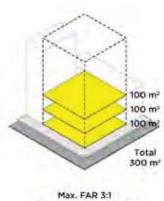
The mix of employment and residential activity contributes to the innate environmental quality of West Melbourne. There is also strong support in the community for West Melbourne to continue to support a mix of uses.

Current market trends, however, are delivering predominantly residential developments, altering the character of West Melbourne and compromising the economic role the neighbourhood plays in the city. If the current market trends continue, it is likely to deliver only around 600 jobs which wouldn't meet the projected total of 10,000 jobs in West Melbourne.

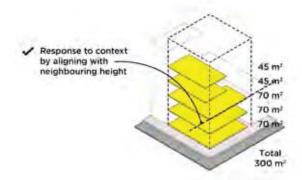
The proposed Special Use Zone for West Melbourne would enable the requirement for a minimum proportion of the maximum floor area ratio to be dedicated to a nonresidential use (commercial and, where appropriate, retail uses) in the areas of Spencer, Flagstaff, Station Precinct and Adderley. The viability of providing a mix of uses in these areas has been tested and is feasible (Economic and Employment Study Part 2, SGS Economics and Planning, 2017). This minimum proportion would help deliver around 4000 new jobs in West Melbourne, significantly contributing to the demand of between around 4500 (the base case) to 7000 new jobs (depending on employment type) by 2036.

This will help retain and attract the types of businesses appropriate to West Melbourne, supporting the delivery of the projected new jobs and employment floor space. It would help ensure that West Melbourne as a true mixed-use neighbourhood, helping to implement the State Planning Policy Framework and policies in Plan Melbourne.

It is considered that mandating a non-residential floorspace FAR within the total FAR is necessary to deliver the vision and future employment projections for West Melbourne ensure the opportunity is not lost.



Max. Height 6 storeys



Max. FAR 3:1 Max. Height 6 storeys

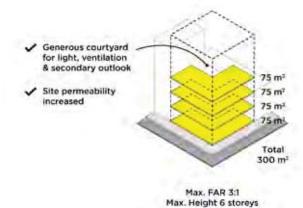


Figure 2.14: The benefits of an FAR control working with built form controls to help respond to the context of a site and deliver good design outcomes. Images courtesy of Breathe Architecture.

2.4 DESIGNING NEW CONTROLS

Introduction

The analysis in the previous section demonstrates why mandatory floor area ratios, coupled with largely discretionary built form controls, is the most beneficial approach to help achieve the vision for West Melbourne and its distinct places.

The floor area ratio controls and built form controls have been devised from a design-led, iterative process with independent expert review and testing that has considered the existing character and preferred future character for Spencer, Flagstaff, Adderley (not including the part of Adderley that is General Residential Zone) and the Station Precinct (not part of Station Precinct that is covered by DDO32). This process is shown on figure 2.15.

This section explains the two-way process of initial **Design Work** (the yellow circle in figure 2.15) in order to achieve the **Draft Proposals** (orange circle) that were then subject to testing (see section 2.5), before being tested in the draft structure plan (see section 3.1).

Design Work

Block level analysis

Initial testing occurred at the scale of a single block in West Melbourne in the Spencer area. This formed the basis for draft design objectives and parameters for more extensive precinct scale testing within Spencer and the other areas of West Melbourne.

To understand the different site characteristics, a detailed block level analysis was undertaken. This 2D and 3D analysis mapped the various characteristics of sites within the block and their relationship to context.

Figure 2.16 indicates the block that was selected for detailed analysis. This block was selected as it exhibited some typical attributes of blocks in West Melbourne such as:

- High level of site coverage reflecting the industrial past of West Melbourne.
- Diverse mix of site sizes and the majority of sites with multiple street frontages.
- Disjointed and narrow laneway network that provides rear access to dwellings and industrial sites.
- A mix of arterial street frontages (Spencer Street and King Street) and local street frontages (Stanley Street and Rosslyn Street).
- A mix of heritage and non-heritage protected sites.

The key findings from the analysis were:

- High level of site coverage has negative environmental impacts due to contribution to limited permeable surface and contribution to Urban Heat Island Effect.
- Laneway network historically allowed servicing to occur from the rear of sites. This ensured that primary street frontages weren't dominated by vehicle access and servicing requirements.
- Diverse site sizes require built form controls that are related to the size of the site.
- Each site has a number of different interfaces with varying characteristics. For example, rear laneway, neighbouring heritage terrace house, arterial street frontage.
- Flexible built form controls are required to allow sites to respond to these different interfaces and provide an adequate site-specific design response.
- The predominant 30m wide streets of West Melbourne create natural separation between buildings. This allows internal spaces with primary outlook to the street to achieve a high level of amenity.
- Existing laneways are often not wide enough to provide servicing access for new developments. This results in servicing being located on the primary street frontage.
- Laneway widths provide limited separation between buildings and these interfaces need to be carefully managed.
- Managing interfaces with neighbouring properties is sensitive and requires a tailored response. Flexible built form controls are required to allow mass to be displaced to allow for a sensitive design response.

Testing existing built form controls

The next step involved modelling the potential outcome if no changes were made to the current controls (see figure 2.17). This exercise took the characteristics of a recently constructed development in the relevant Design and Development Overlay (DDO29). The attributes of this development were then applied to each of the sites in the block. These were the built form parameters:

- 9 storey maximum building height
- 100 per cent site coverage
- 4 storey street wall height to the street and laneway
- 4m laneway setback above the podium
- 3.5m street setback above the podium
- 3m setback above the podium from neighbouring properties

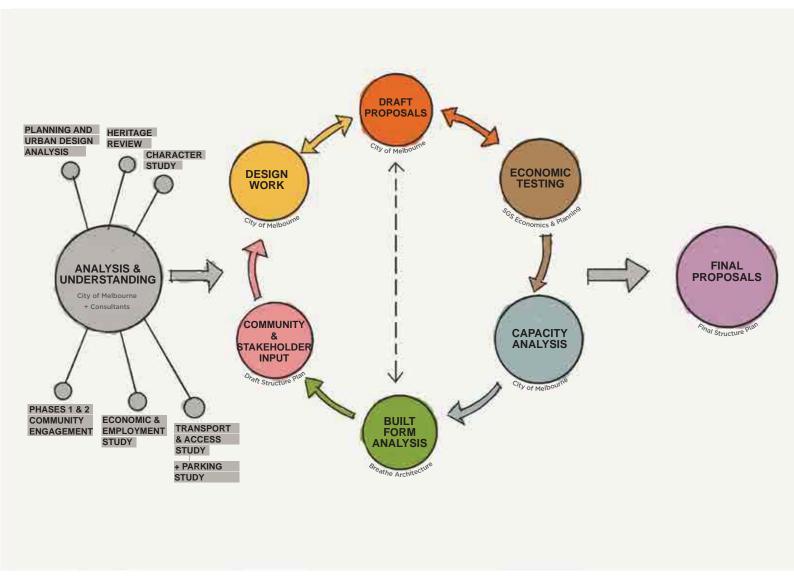


Figure 2.15: The design-led process of developing the structure plan, with an extensive evidence base feeding into an iterative design testing process to ensure economic feasibility, short, medium and long term. This section of the report explains the process of the *Design Work* and *Draft Proposals* in the diagram.

The key findings from this modelling were:

- Repetition of the podium tower built form typology regardless of site characteristics.
- Inadequate setbacks from neighbouring properties.
- Insufficient setbacks from the laneway interface.
- Street wall height of four storeys inappropriate to the laneway interface (a ratio of approximately 7:1 street wall height:laneway width at points).
- Property pooling is encouraged in order to achieve minimum setback requirements.
- Primary outlook to neighbouring properties has an impact on development equity.

Testing preferred built form outcomes

The testing of potential outcomes was the starting point for establishing design recommendations for built form outcomes. These principles were then applied to each of the sites in the block (see figure 2.18). Sites with heritage protection were not modelled. The urban design principles that guided the modelling, based on the findings from the baseline analysis (see section 2.2) and the good planning and urban design principles (see section 1.4) were the following:

- Primary outlook secured to the street frontage, laneway frontage or within the block.
- Opportunities to expand the laneway network, improve walkability and allow servicing to occur off the primary street frontage.
- Reduced site coverage with ground level open space.
- Reduced street wall at the laneway frontages to respond to proportions of the laneway.
- Higher street wall heights along the 30m streets and main streets of Spencer Street and King Street.
- Heights and street wall heights that respond to context and site characteristics.
- Sensitive response to neighbouring heritage buildings and other low-scale buildings.
- Developments on larger sites should have a series of smaller buildings to reduce the massing and bulk of large developments.

Precinct-wide testing

The 3D model of West Melbourne was then used for extensive built form testing at a precinct scale, similar to that for the original block level testing in Spencer.

The model included existing buildings and development applications for context. A detailed mapping exercise was undertaken to identify potential development sites on which to model. The visions for each area helped guide the modelling, particularly in relation to mass, bulk, building typology and building heights.

This site by site testing and modelling formed the basis for developing draft proposals. This process was iterative and supported by several rounds of testing and analysis with the project team and independent experts.

Draft Proposals

Design objectives/recommendations

Design objectives/recommendations (to help inform the revised/new Design and Development Overlays) were established based on the precinct-wide testing. Building heights, street wall heights and setbacks were modelled to respond to the spatial characteristics of West Melbourne, where the subdivision pattern is not uniform and site attributes vary significantly throughout the neighbourhood and from site to site.

Design objectives were developed for the whole of West Melbourne in order to help deliver the vision for the area. Place-specific design objectives were also identified for each of the four places of Spencer, Flagstaff, Adderley and Station Precinct. These draft design objectives can be found in the draft West Melbourne Structure Plan (July-August 2017) that was subject to community and stakeholder engagement.

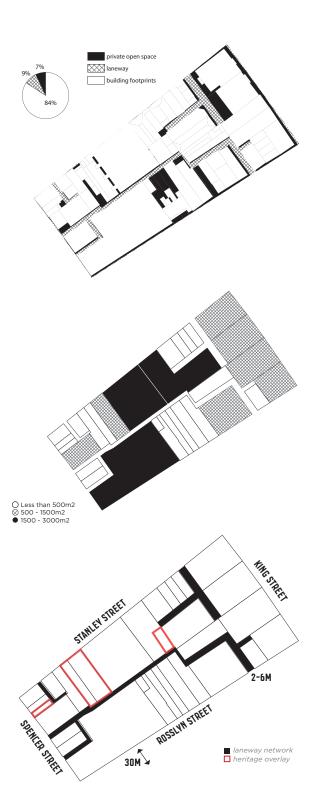


Figure 2.16: Initial block level analysis.

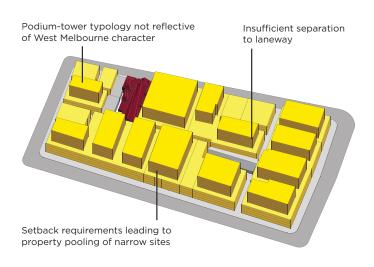
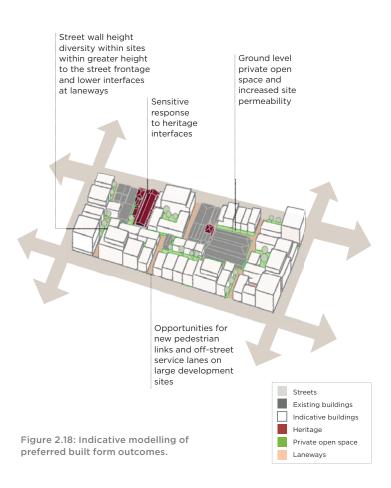


Figure 2.17: Indicative modelling of potential built form outcomes using the existing controls.



Floor Area Ratio controls and built form controls

This precinct-wide site by site testing also enabled the floor area ratio of each of the modelled sites to be calculated and then used to determine the proposed draft FAR controls for the different places of West Melbourne. A differential FAR between the different areas of West Melbourne is considered appropriate to the extent that different characters are desirable throughout West Melbourne.

The modelling resulted in the following FAR ranges being subject to feasibility testing by SGS Economics & Planning:

Spencer (was DDO29): 2:1 FAR - 4:1 FAR
 Flagstaff (DDO33): 3:1 FAR - 6:1 FAR
 Adderley* (DDO29): 2:1 FAR - 3:1 FAR
 Station Precinct (DDO28): 4:1 FAR - 5:1 FAR

(*not including the area of Adderley zoned General Residential Zone)

To help ensure that development makes the best use of sites within west Melbourne and is feasible with affordable housing requirements and development contributions, the following FARs were proposed in the draft Structure Plan:

Spencer (was DDO29): Maximum 4:1 FAR

The application of a maximum floor area ratio of 4:1 in combination with height and set back controls will support an attractive mid-rise precinct of between 3 to 8 storeys in a range of built form typologies that respond to the varied site characteristics across the Spencer area, including courtyard and perimeter block developments. The tower and podium typology is not considered appropriate in this neighbourhood, except for well designed developments fronting Dudley Street.

A minimum employment floor area ratio of 1:1 (25 per cent of the total floorspace of a development with a 4:1 FAR) will ensure that this precinct continues to incorporate a mix of uses and employment opportunities, taking advantage of Spencer's proximity to the central city and improvements to public transport on Spencer Street.

The following built form controls were proposed in Spencer:

- A preferred maximum building height of 8 storeys fronting Spencer Street, King Street and Dudley Street.
- A preferred maximum building height of 6 storeys on other streets.
- Street wall height range between 3 to 6 storeys, or up to 8 storeys on Spencer and King Streets.
- Ground floor setback of 3 m from the laneway centre line.

Flagstaff (DDO33): Maximum 6:1 FAR

A maximum floor area ratio of 6:1 will provide certainty for the development community around the yield that can be expected on a site, while also allowing flexibility to deliver high quality built form outcomes.

A street wall height range will allow for appropriate sites to be developed at a higher intensity while retaining a lower overall height when appropriate. The proposed controls will allow for different built form typologies rather than the typical podium tower common in Flagstaff.

A minimum employment floor area ratio of 1:1 will ensure that this precinct continues to offer employment opportunities, taking advantage of its proximity to the central city and improvements to public transport on Spencer Street.

The following built form controls were proposed in Flagstaff:

- Preferred maximum building height of 16 storeys.
- Street wall height range between 3 and 10 storeys.
- Ground floor setback of 3 m from the laneway centre line.
- Minimum 6 m setback above the podium from laneways and all side and rear boundaries (mandatory considering the importance of the setback for outlook, privacy, daylight and sunlight).
- Minimum 3 m setback above the podium from front boundary.

Adderley (DDO29, not including the General Residential Zone area of Adderley): Maximum 3:1 FAR

The proposed built form controls for Adderley seek to achieve high quality development that responds to site characteristics and context. It is expected that qualitative design recommendations will be met within these development envelopes.

A minimum employment floor area ratio of 0.5:1 will ensure that Adderley continues to incorporate a mix of uses and offer employment opportunities.

The following built form controls are proposed in Adderley through a revised DDO29:

- Maximum building height 4 storeys (discretionary).
- Minimum floor-to-floor height of 4 m for non-residential uses.



Figure 2.19: Precinct-wide design-led modelling and testing throughout Spencer, Flagstaff, Adderley and Station Precinct

Station Precinct (DDO28, not including the area covered by DDO32): Maximum 5:1 FAR

Proposed built form controls for Station Precinct seek to achieve high quality development outcomes that respond to site characteristics and context. It is expected that qualitative design objectives will be met within these development envelopes.

Developments will be required to adequately transition in height to neighbouring 14 m DDO32 area. A maximum floor area ratio of 5:1 will create a mid-rise precinct around the station. The FAR control will create certainty for the community and reduce speculative development in the precinct.

A minimum employment floor area ratio of 1:1 will ensure that this precinct continues to offer employment opportunities, taking advantage of its excellent connections to public transport and relationship to the Arden-Macaulay employment precinct.

The following built form controls are proposed in Station Precinct DDO28:

- Maximum building height 8 storeys (discretionary).
- · Street wall height range between 4 and 8 storeys.
- Ground floor setback of 3 m from the laneway centre line

There are no proposed changes to the built form controls that apply to DDO32.

Comparing the floor area ratio controls

The FARs proposed for Adderley, Spencer and Station Precinct will help deliver a range of typologies which are supported by FAR controls in the order of 2:1 to 5:1 (Figure 36, *Urban Design Strategy, Fishermans Bend*, Hodyl + Co, September 2017), although it is acknowledged that this will be partly dependent on the size of the site. The *Fishermans Bend Urban Design Strategy* also stated:

'Importantly, to achieve a diversity of housing across precincts and within large sites, the FAR controls should not be set too high or predominantly tower developments will be delivered'.

The proposed FAR of 6:1 for Flagstaff will allow for a range of typologies, including towers where appropriate, and is comparable to the highest FAR of Green Square urban renewal project in Sydney.

The proposed floor area ratios are comparable to those in other cities, including Barcelona (a floor area ratio of 2.65:1), New York (a standard floor area ratio of 4:1 in a zoning district comparable to West Melbourne), Vancouver (a base floor area ratio of 3:1 in Downtown South which can increase to 5:1 if greater than 60 per cent of a development is social housing) and Sydney (Green Square, with a floor area ratio range of 2.16-6.55:1). It is also interesting to note that the overall FAR required in the urban renewal area of Fishermans Bend to deliver the population is 3.4:1 (*Urban Design Strategy, Fishermans Bend*, Hodyl + Co, September 2017).

The floor area ratios proposed in West Melbourne give a density range of around 150-350 dwellings per hectare, or around 250-500 persons per hectare. This corresponds to the UK report *Superdensity* and their findings that it is possible to create successful places based around streets and a variety of urban typologies, including medium-rise apartment blocks and careful integrated taller buildings at densities up to around 350 dwellings per hectare.

This is also comparable with Barcelona at around 360 persons per hectare, Manhattan Island in New York at 300-600 persons per hectare and the *Transforming Australian Cities* report which recommended a density range of 180-400 persons per hectare (Victorian Department of Transport and City of Melbourne, 2009).



Figure 2.20: Artist's impression of potential changes on Spencer Street looking south-east towards Dudley Street (indicative only). (Existing view shown to the right)



2.5 TESTING THE NEW CONTROLS

The proposed floor area ratios and built form controls have been set through an iterative process involving independent commercial and architectural testing. The feasibility testing, undertaken by SGS Economics & Planning, and the built form testing undertaken by Breathe Architecture, assessed all of the proposed requirements applying in combination.

The built form testing included the employment floor space requirements and all the built form and density controls, while the feasibility testing included the built form and density requirements, along with affordable housing and potential DCP requirements. Both sets of work was iterative and was developed in combination as the structure plan was drafted and finalised.

The draft controls were also subject to independent peer review testing as the draft Structure Plan was presented to the Office of the Victorian Government's Design Review Panel. The capacity of the proposed controls has also been tested against the existing controls. This work is briefly summarised below.

Feasibility testing - SGS Economics and Planning

The feasibility testing used the residual land value methodology to determine the underlying land value once the costs of the development (including developer's profit) are deducted from the gross development value. Three different land use mixes were considered, along with different floor area ratio (FAR controls) before finalising proposals that are feasible and would enable development.

The testing identified that, based on average land values in the area, development is likely to be feasible using the proposed floor area ratios for each area.

The feasibility analysis found:

- Based on average land values, residential development is likely to be feasible in all character areas based on the nominated FARs.
- New stand-alone commercial developments are unlikely to be feasible.
- A mixed use development (with retail, commercial and residential floor space) is feasible in three character areas (South, Central and Station) but marginal in the West character area.
- The mixed use development with a higher proportion of commercial floor space provides a lower RLV but the ratio of RLV to existing land value is still in the feasible range.
- The residential and both mixed-used development scenarios are feasibility in the South, Central and Station character areas, at the nominated densities.
- The modest changes to the findings as a result of the various sensitivity tests suggest the findings of the base feasibility analysis are relatively robust.

Built form control testing - Breathe Architecture

Breathe Architecture were engaged to independently test the experience of working with the proposed built form controls for designers and developers, and to determine potential outcomes on actual sites in West Melbourne.

The built form control testing identified that the proposed floor area ratio controls, accompanied by the built form controls and design recommendations, help to achieve commercially deliverable, well-designed buildings that achieve the proposed design recommendations.

The testing identified that the proposed FAR controls offer significantly greater design flexibility and freedom to respond to each site and context. The conventional approach of covering as much of a site as possible and building to a maximum allowable building envelope, often with poor outcomes, becomes redundant, as it is to the advantage of a developer to seek higher quality outcomes by investigating creative massing approaches to secure outlook, provide amenity etc as this results in a greater financial return.

Design Review Panel - Office of the Victorian Government Architect

On the 18th October 2017 the Victorian Design Review Panel reviewed the draft West Melbourne Structure Plan.

The Office of the Victorian Government Architect's Design Review Panel commended the robust and design-led process undertaken by the City of Melbourne which 'articulated an alternative vision and place-based approach to urban renewal' and that 'it prioritises innovative models of densification that work hard to reinforce and extend the diversity and character of the area whilst generating new and alternative built form possibilities'.

The panel suggested strengthening the vision of West Melbourne in the context of the city, as a 'counterpoint' to the adjacent high growth areas of the Central City and Arden. Specific comments regarding the density and built form controls included:

- As part of a suite of controls we consider that the floor area ratios (FARs) are robust and we support their use.
- Given the mandatory nature of the FAR and the clear direction around a strong street wall relationship, the maximum building heights may be considered superfluous. However, it was noted that there is potential for a consolidated site size where the FAR may enable significantly scaled development on larger sites. As such, the use of maximum building heights as a protection against these outliers is supported.
- Consideration should be given to the consistency of the proposed built form controls between precincts.
 The difference is sometimes marginal and sometimes heightened in the draft structure plan. How do the proposed built form controls play out on the streetscape? There is a need for contextual information and modelling on a range of sites and streets to avoid 'cliffs' of marked difference in built form between precincts. We also consider that the definition of precincts could be clarified and consolidated and could tie into FARs.
- While concerns were raised that street wall heights will be sheer on small sites, it may be that the floor area ratio approach will result in smaller form on small sites by definition

Population capacities and forecasts

The proposed design recommendations, floor area ratios controls and accompanying built form controls help to deliver a residential capacity of over 5500 additional dwellings in West Melbourne (in addition to the existing 2600 dwellings in the area and the 3250 dwellings in approved development applications). This is ample capacity to meet the projected population of between around 8000-9000 residents by 2037.

The residential capacity from the proposed controls is greater than the capacity provided by the current controls (without discretion) or similar to the current controls (when 30 per cent discretion is added on to the current height controls).

The employment capacity from the proposed controls (through the floor area ratio requirement for retail and commercial uses) of around 4000 new jobs is significantly higher than the capacity likely to be delivered with the current controls of around 600 jobs (based on current trends of largely residential development). This will help to achieve the projected 10,000 jobs in West Melbourne by 2036.

Capacities are often higher than population projections as they look at the total built floor space that could theoretically be built in a given area, based on proposed built form controls. Population projections follow a wellestablished method which take the latest known population and project forward based on historic growth trends, birth, death and net migration rates. This is combined with other analysis including household size and dwelling construction rates and adjusted accordingly to forecast the population.

3. FINALISING THE NEW CONTROLS

This chapter helps explains how the proposed new built form controls for West Melbourne were finalised. It comprises the following sections:

- 3.1 Refining the controls
- 3.2 The proposed controls





3.1 REFINING THE CONTROLS

Engagement on the draft structure plan

The third phase of engagement sought feedback on the draft West Melbourne Structure Plan (the draft plan). Similar to earlier phases of engagement, this phase included pop ups, two community workshops and an industry workshop. It also offered the opportunity for people to input online via the Participate Melbourne page.

The draft plan was well received by resident, worker and visitor respondents. Of the 157 respondents who answered the engagement questions, 111 supported all or most parts of the plan. Another 36 supported some parts, but not others, while only 10 respondents did not support most parts or all of the draft plan.

The key messages from respondents who identified as resident, worker and visitors were:

- Support for new open and green spaces.
- Support for additional walking, cycling and public transport infrastructure.
- Support for the proposed floor area ratios appropriate ratios that respond to their context.
- Support for a greater mix of uses and services in West Melbourne
- Concern that discretionary maximum building heights do not provide enough certainty - belief that development will still exceed these limits.
- Concern over the implementation of the final plan

 desire for the State Government to support the
 implementation of the draft plan proposals, particularly
 those relating to Planning Scheme controls.
- Concern that the West Gate Tunnel project may impact the street and movement proposals.

The key messages from respondents who identified as developers, land owners and consultants were:

- Concern that floor area ratios are too low in Flagstaff, Adderley and Spencer.
- Concern that maximum heights are too low for some sites.
- Concern that minimum employment floor area ratios are too restrictive.

The findings from this phase of engagement have helped shape the final plan.

Changes to the final structure plan

The proposed changes to the final structure plan take into account the comments received on the draft plan. These include:

Vision statements strengthened

Following feedback from the community and from the Victorian Design Review Panel, the overall vision for West Melbourne was updated to strengthen the understanding of West Melbourne as a distinct neighbourhood with its own identity as distinct from the Hoddle Grid and future renewal area of Arden.

West Melbourne has five identified areas of character and the visions for each of the five places in West Melbourne have also been strengthened to reflect this and the specific qualities of each place.

Floor area ratio calculation changed

The floor area ratio calculation in the draft plan proposed to include underground basements. As basement parking would have be included in the floor area ratio calculation, it was seen as a possible way of discouraging significant offstreet parking from being provided.

The calculation has been changed in the final plan to be consistent with the floor area ratio calculation in the central city. The outcome of this will be more floorspace available for higher order uses. Off-street parking will be discouraged by a proposed maximum parking rate for off-street parking.

Additional built form testing was carried out by Breathe Architecture to test the impact of this change. The testing found that development could achieve excellent design outcomes and was unlikely to exceed the preferred maximum heights on the majority of sites. There is no change to the proposed floor area ratios for the different areas of West Melbourne.

Preferred maximum heights on Dudley Street and Adderley Street increased

As a result of further testing of built form outcomes in the Spencer and Adderley areas of West Melbourne, and as a result of stakeholder feedback on the draft plan, the proposed preferred maximum height controls along Adderley Street (from Dudley Street to Hawke Street) have increased from 4 to 6 storeys and fronting Dudley Street (the northern side, in the Spencer area) from 8 to 10 storeys.

It is considered that the increased height controls can provide a better urban design outcome along these streets and help ensure that development can respond better to a site's context (for example, by stepping down building heights closer to existing lower scale or heritage buildings).

While the preferred maximum height controls have increased in these locations, there is no change to the floor area ratio controls as proposed in the draft plan.

Character buildings celebrated

Along with identified heritage buildings, there are some 'character' buildings that are not protected through the planning scheme but which contribute to West Melbourne's visual identity. An action has been included in the final plan to investigate the use of the floor area ratio controls to help incentivise the retention of character buildings to ensure that the distinctive visual identity of West Melbourne is celebrated and retained.

Other changes

Other changes to the final structure plan include:

- The maximum parking rates for off-street parking made more definitive.
- An illustrative masterplan was included following feedback from the community to see all the proposals on one plan.
- The affordable housing requirement was strengthened.
- Employment evidence has been strengthened.
- Stronger references to Plan Melbourne.

3.2 THE PROPOSED CONTROLS

Design recommendations

The following design recommendations are proposed for the Spencer, Flagstaff, Adderley (part of) and Station Precinct (part of) areas of West Melbourne in order to help deliver the vision. Additional design recommendations specific to each place are also proposed.

The recommendations, including the guidance on interfaces, will help inform the proposed *Design and Development Overlays* for West Melbourne in the planning scheme amendment.

Design recommendations

To ensure development responds to the valued attributes of West Melbourne and contributes positively to the existing and future vision and character of each of the five identified places within West Melbourne - Spencer, Flagstaff, Adderley, Station Precinct and Historic Hilltop.

To provide for a largely mid-rise, human-scaled neighbourhood with a diverse range of building types with some higher built form in specified areas.

To maintain and enhance the valued built and social heritage characteristics of West Melbourne and to ensure buildings retain their three dimensional form as viewed from the public realm to avoid 'facadism'.

To ensure development responds appropriately to the hierarchy of main streets (Spencer Street, King Street, Dudley Street and La Trobe Street), local streets and laneways in its address, activation and management of services.

To achieve variable building heights, including street wall heights, that contribute positively to the specific character of each site.

To encourage larger sites to be broken up into a series of smaller building forms that relate and contribute positively to their context and their historic urban grain.

To ensure development appropriately considers the amenity impacts on neighbouring development and achieves a high standard of internal amenity within the development.

To ensure that new development respects the scale of adjoining residential and heritage buildings and does not overwhelm the existing building.

To ensure the consideration to minimise the impact of development on solar access to adjacent solar panels.

To encourage the retention of existing buildings of character (including non-heritage) and the reuse of existing materials in new developments.

To require developments to be set back from side and rear boundaries to ensure internal spaces receive adequate levels of daylight and privacy.

To support equitable development by ensuring primary outlook is secured to the street or within development sites.

To provide for fine grain adaptable tenancies within the lower levels of buildings.

To provide a highly walkable neighbourhood with increased permeability and laneways through blocks.

To ensure development is adaptable to changes in future land use by requiring adequate floor to ceiling heights (above and below ground).

To encourage deep soil planting that increases permeability and supports tree planting in the private realm.

Interfaces

Interfaces are the relationship of buildings to the site, street, neighbouring buildings and open spaces that surround it. There are many varied interfaces in West Melbourne which reflect the varied character of the neighbourhood.

Interfaces require careful consideration to ensure that new buildings in West Melbourne give positive definition to the streets and spaces and respond positively to the existing buildings in the neighbourhood.

The main types of interfaces are discussed below. More information and guidance on specific interfaces in West Melbourne is provided for each place in Part Three. The site analysis and urban context report accompanying a planning application will be important to set out the rationale and understanding of the various interfaces for specific sites in West Melbourne.

Interfaces with heritage and low rise buildings

New development must respect the scale of adjoining heritage, character and residential buildings and not overwhelm existing buildings and streetscapes. Changes of building height between existing buildings and new buildings in West Melbourne should be graduated, particularly for those developments adjacent to the General Residential Zone area.

Interfaces with different uses

Most of the different uses and activities envisaged in West Melbourne can live harmoniously side-by-side (or above or below), with any potential conflict designed out at the detailed level at the pre-application stage.

Street interfaces

Generally, the proposed new built form controls in West Melbourne support flexibility in street wall heights which will help respond to the varied character in the neighbourhood and support different building typologies.

Supporting taller forms of development in appropriate locations also helps to create well-defined and enclosed streets while also enabling different forms of development.

For example, allowing taller built form along a street in appropriate locations supports courtyard or perimeter block building types, which can have a range of advantages such as helping to attract a diversity of people (particularly families) and providing additional open space and trees to help support West Melbourne's climate resilience.

While five distinct places have been identified in West Melbourne, the interfaces between the streets that join them is crucial and has been considered in the development of the floor area ratios and preferred maximum height controls.

For example, while Dudley Street falls in both Spencer (the north side) and Flagstaff (the south side), the preferred maximum height of 10 storeys fronting Dudley Street in the Spencer area positively relates to the taller built form in Flagstaff to ensure that Dudley Street will become a coherent, well-designed and high quality street.

As a guide, a street enclosure and definition is achieved through a building height to street width ratio of between around 1:2 (the street height is half of the street width) and 1:1 (the street height is the same as the street width). This also enables sunlight and daylight to reach into the streets and lower levels of buildings.

The maximum height to street width ratio of 1:1 will be more suitable on the primary streets of Spencer Street, King Street, Dudley Street and La Trobe, where maximum height on the street edge is generally no greater than the street width (30 m).

Active frontages are crucial to help add interest, life and vitality to streets within West Melbourne, while helping to encourage walking. This means having frequent doors and windows with few or no blank walls, articulation of facades and lively internal uses visible from the street. Any vehicle access and services should be provided off existing or proposed laneways rather than main streets in West Melbourne and no car parking within buildings should be visible from the street.

Many of the different uses in West Melbourne can help contribute to creating active interfaces on all streets between buildings and the public realm, particularly along the new local centre along Spencer Street and around North Melbourne train station.

Interfaces with open spaces

The interfaces of new development with existing and proposed open space is important in West Melbourne to ensure that development limits the impact on the amenity and outlook of these spaces, particularly Flagstaff Gardens given the scale of development proposed in the Flagstaff area.

New buildings fronting existing or proposed open spaces should offer positive definition to the space and offer active interfaces to help ensure a safe and attractive public realm.

Design and Development Overlays (DDOs)

It is proposed to introduce one new Design and Development Overlay in West Melbourne for the Spencer area, while amending the existing DDO29 to only relate to a part of the Adderley area. The controls in DDO28 which cover part of the Station Precinct area will be amended, as will the controls for DDO33 which covers the Flagstaff area.

There are no proposed changes to the built form controls to DDO32 which covers parts of the Station Precinct, Adderley and Historic Hilltop, or to the General Residential Zone which covers parts of Adderley and the Historic Hilltop. It is considered that the built form controls in DDO32 respond well to the context of the area and particularly the heritage

buildings and overlay, while the maximum mandatory building height of 11 m in the General Residential Zone is appropriate given its largely fine grain character, low-rise buildings and that it is covered by Heritage Overlay 3.

The existing and proposed controls are shown in the table opposite (figure 3.2).

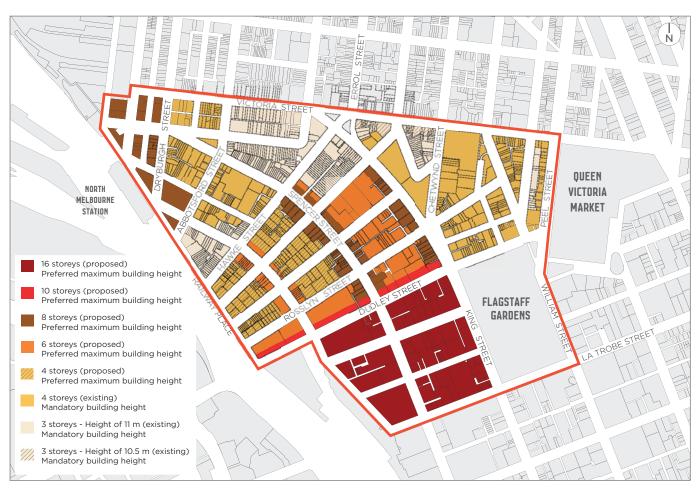


Figure 3.1: Proposed and existing building heights in West Melbourne.

	EXISTING CONTROL	PROPOSED floor area ratio* AND HEIGHT CONTROLS All floor area ratio controls are proposed to be mandatory and all height controls are proposed to be preferred maximum (discretionary) in the planning scheme amendment.
DDO28 (Station Precinct)	Maximum building height 5 storeys (preferred maximum)	 Maximum floor area ratio of 5:1 Preferred maximum building height 8 storeys
New DDO (Spencer)	Maximum building height 4 storeys (preferred maximum)	 Maximum floor area ratio of 4:1 Preferred maximum building height of 10 storeys fronting Dudley Street Preferred maximum building height of 8 storeys fronting Spencer Street and King Street Preferred maximum building height of 6 storeys elsewhere
DDO29 (Adderley)	Maximum building height 4 storeys (preferred maximum)	 Maximum floor area ratio of 3:1 Preferred maximum building height of 4 storeys Preferred maximum building height of 6 storeys fronting Adderley Street between Hawke Street and Dudley Street
DDO32 (parts of Station Precinct, Adderley and Historic Hilltop)	 Maximum building height 14 metres (mandatory) 	No change from existing
DDO33 (Flagstaff)	Maximum building height 40 metres (around 12 storeys) (preferred maximum)	 Maximum floor area ratio of 6:1 Preferred maximum building height 16 storeys Minimum front, side and rear setbacks above podiums of 6 metres (mandatory)
DDO31/34 (parts of Historic Hilltop)	Maximum building height 10.5 metres (mandatory)	No change from existing
General Residential Zone (parts of Historic Hilltop and Adderley)	 Maximum building height 11 metres (mandatory)** 	No change from existing

^{*} Floor area ratio means the gross floor area above ground of all buildings on a site, including all enclosed areas, services, lifts, car stackers and covered balconies, divided by the site area. Voids associated with lifts, car stackers and similar service elements should be considered as multiple floors of the same height as adjacent floors or 3.0 metres if there is no adjacent floor. Gross Floor Area is 'The total floor area of a building, measured from the outside of external walls' as defined as a General Term in the planning scheme. The floor area ratio control in Spencer, Flagstaff, Adderley and Station Precinct includes a specific requirement for a proportion of development for retail/commercial uses (see Objective 4 on page 52).

Figure 3.2: Proposed changes to the Design and Development Overlays in West Melbourne.

^{**} The maximum building height in the General Residential Zone was introduced by the Victorian Government when the reformed residential zones were introduced to the Victoria Planning Provisions and all planning schemes by Amendment VC110 on 27 March 2017.

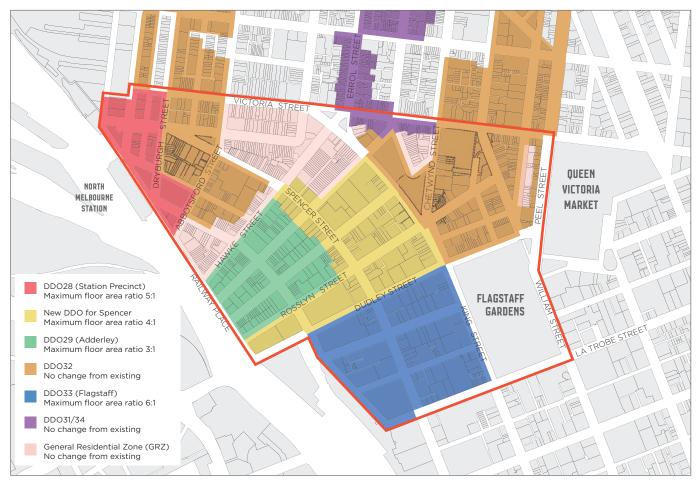


Figure 3.3: Proposed changes to the Design and Development Overlays in West Melbourne.

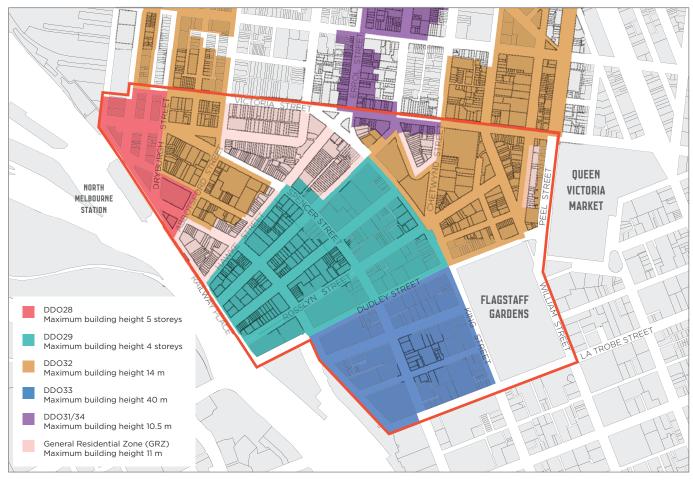


Figure 3.4: Existing Design and Development Overlays in West Melbourne along with the area covered by the General Residential Zone.

Place-specific design recommendations - Spencer

High quality design will be at the forefront of new developments in Spencer. In contrast to the central city, tower and podium developments will not be supported. Instead, alternative typologies that respond to the characteristics of individual sites will be expected. Some larger sites in Spencer will enable courtyard and perimeter block developments.

Former warehouses and other character and / or heritage buildings will be reused or sensitively redeveloped to retain integrity and a sense of history. There will be an expectation of exceptional architectural quality for any contemporary addition to the heritage fabric. Spencer will be a mid-rise area with new buildings a preferred maximum height of eight storeys along Spencer and King Streets, and 10 storeys along Dudley Street to respond positively to Flagstaff and help create a coherent street. Elsewhere a preferred maximum height of 6 storey buildings will respond to the different character of the local streets and interfaces with existing buildings while ensuring good levels of sunlight to the streets.

Interfaces

The proposed built form and density controls for Spencer will support new development to respond positively to important interfaces in the area. They include:

- The interfaces of the main streets with taller built form along Spencer, King and Dudley Streets to help define these streets.
- The interfaces of local east-west streets with lower built form heights of around 4-6 storeys.
- Development along King Street should address the interface with Eades Park in terms of positively framing the open space.
- The interfaces of Spencer with surrounding areas, particularly the lower rise heritage buildings along Roden Street and along Rosslyn Street (west of Spencer Street).
- The interfaces of the heritage and brick warehouses that help characterise the Spencer area.
- The need for active frontages throughout Spencer with a focus of active retail uses along Spencer Street and active uses (including some retail) along King and Dudley Streets.
- The interface with the railway bridge over Dudley Street at the western edge of Spencer and the need to improve the quality and safety of the pedestrian and cycle connections to Docklands.

Design recommendations for a new DDO:

- To create a mid-rise precinct (largely of between three and eight storeys) of the highest design quality. Taller built form fronting the main streets of Spencer Street, King Street and Dudley Street. Development respects the scale of existing low rise residential and heritage buildings and its site layout, massing and built form.
- To reinforce the role of Spencer Street as the active, safe and well-designed local high street of West Melbourne
- To reference the industrial history of the precinct through the adaptive reuse of heritage and character buildings and contemporary use of common materials such as red brick.
- To expand the laneway network and ensure development frames the laneways to be positive additions to the public realm network.
- To ensure developments are adaptable to different uses by providing adequate floor to ceiling heights.
- To create an active interface along Dudley Street and improve its amenity and connections with Docklands.

Place-specific design recommendations - Flagstaff

Flagstaff will continue to evolve with a mix of building typologies. New laneways will be introduced through large sites. The tallest buildings will be around 16 storeys with smaller sites and mid-block sites accommodating a lower built form, helping ensure that Flagstaff remains part of West Melbourne and distinct from the central city. Development on the north side of Batman Street will allow for solar access to new open spaces.

Interfaces

The proposed built form and density controls for Flagstaff will support new development to respond positively to important interfaces in the area. They include:

- The need to ensure that an open, broad outlook to open sky is retained from Flagstaff Gardens, particularly the eastern edge. Glimpses of the historic vista to the west towards Swanston Dock are still significant and should be retained. Development must not overshadow Flagstaff Gardens between 11am and 2pm on 22 September and 22 June.
- New development must respect and not dominate St James' Old Cathedral (on the corner of King Street and Batman Street), allowing the cathedral to continue to be a landmark and focus in the skyline, particularly when viewed from Flagstaff Gardens and along Batman Street and King Street.
- While Dudley Street falls in both Spencer (the north side) and Flagstaff (the south side), the preferred maximum height of 10 storeys fronting Dudley Street in the Spencer area relates positively to the maximum street wall height of 10 storeys in Flagstaff to ensure that Dudley street will become a coherent, well-designed and high quality street
- The interfaces with the heritage buildings in Flagstaff, particularly the Sands and McDougall building, the Australian Red Cross building, St James' Old Cathedral and the office building designed by Yuncken Freeman architects on the corner of King and Batman streets.
- The need for active frontages throughout Flagstaff with a focus of active uses along the main streets of Spencer, King, Dudley and La Trobe Streets.
- Development adjacent to the Melbourne Assessment Prison must consider any potential lines of sight, privacy and security issues.

Design recommendations for the revised DDO33 overlay:

- To create a precinct with variable building heights between six and 16 storeys.
- To ensure new development adequately responds to heritage buildings through materiality, scale and form.
- To ensure development contributes to the amenity of, and outlook from, Flagstaff Gardens and St James' Old Cathedral
- To deliver a lower scale of development to the laneways and the activation of the laneway interface.
- To ensure developments are adaptable to different uses by providing adequate / generous floor to ceiling heights.

Place-specific design recommendations - Adderley

Adderley will retain its mix of lot sizes that support a range of different land uses. Where older buildings have been re-used and incorporated into new developments, their three dimensional form will be maintained, and innovative and contemporary architectural responses will be clearly distinguishable.

New development in Adderley will be respectful of the existing built form and the heritage overlay that applies to a large part of the area. Predominant building heights of between two and four storeys, with up to six storeys along Adderley Street, will create a low to mid-rise precinct that responds positively to adjacent low-scale heritage buildings.

Interfaces

The proposed built form and density controls for Adderley will support new development to respond positively to important interfaces in the area. They include:

- The interfaces along Adderley Street with taller built form of up to a preferred maximum of six storeys to help define the street.
- The interfaces of Adderley with surrounding areas, with buildings stepping down from Adderley Street particularly the lower rise heritage buildings along Hawke Street (west of Spencer Street).
- The interfaces of the heritage and brick warehouses that help characterise the Spencer area.
- The need for some active frontages along Adderley Street to help enliven the street.
- Development along Hawke Street should address the interface with the proposed new linear park in terms of positively framing the open space and providing it with some active uses.

Design recommendations

- To create a low-mid scale precinct (between two and six storeys) of the highest design quality with taller (six storey) development fronting Adderley Street between Hawke Street and Dudley Street.
- To ensure new development adequately responds to heritage through form, scale and materiality.
- To enforce a lower scale of development to the laneways and the activation of the laneway interface.
- To reinforce the role of Railway Place as an important pedestrian link between North Melbourne (future West Melbourne) station and Docklands, Arden and the Central City.
- To ensure developments can accommodate different uses over time by providing adequate floor to ceiling heights and active ground floor uses.

Place-specific design recommendations - Spencer Precinct

The built form of Station Precinct will be a mix of warehouse conversions, contemporary developments, heritage cottages and terraces of a preferred maximum height of eight storeys. The significant variation in site sizes and eras of development will provide an interesting and varied pedestrian environment, and will require sensitive development responses on larger sites.

Interfaces

The proposed built form and density controls for Station Precinct will support new development to respond positively to important interfaces in the area. They include:

- Taller built form immediately adjacent to the station and then stepping down further away from this focal point.
- Development should positively frame the open space outside the station and create a welcoming, welldesigned arrival point.
- The interface between the area of Station Precinct covered by the 14 metre (4 storey) height control and that covered by the proposed maximum FAR of 5:1 and 8 storey discretionary height control.
- The need for active frontages on streets leading to the station, particularly along Dryburgh Street and Adderley Street
- Development along Anderson Street should address the interface with Railway Place and Miller Street Reserve in terms of positively framing the open space with active uses and interfaces.
- Development should step down to the interfaces of lower rise buildings and heritage buildings, particularly those to the south of Abbotsford Street.

Design recommendations

- To create a medium density precinct (between four and eight storeys) of the highest design quality.
- To generate activity around North Melbourne (future West Melbourne) Station by including non-residential
- To encourage the adaptation of former industrial buildings.
- To provide adequate floor-to-floor heights to ensure developments can be adapted to different uses.
- To maximise passive surveillance around North Melbourne (future West Melbourne) Station and Railway and Miller Reserve.



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