

Amendment C309 West Melbourne

Urban Design Expert Evidence
Leanne Hodyl

Instructed by the City of Melbourne
June 2019

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June 2019

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1. Introduction

1.1 Personal details

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Qualifications

2009 Masters of Urban Design
University of Melbourne
2004 Graduate Diploma of Arts (Social Theory)
University of Melbourne
1997 Bachelor of Science (Architecture)
University of Newcastle

Awards and associations

2019 - Senior Industry Fellow
Honorary position
RMIT
2015 - President's Award for Planning
Planning Institute of Australia - Victoria
2014 - Churchill Fellowship
Churchill Memorial Foundation

2017 - Member, VPELA
2016 - Member, Planning Institute of Australia

A full resume is provided in Appendix A.

Professional Experience

- 1 I have 20 years of experience delivering urban design and strategic planning projects working in both the public and private sectors. This includes working on a range of development, planning and public realm design projects in Melbourne, Sydney and Darwin and regional Victoria.
- 2 Since January 2016, I have been the Managing Director of an urban design and planning consultancy, Hodyl + Co.

Area of Expertise in this Case

- 3 I have been leading urban design and strategic planning projects focused on high density mixed-use urban environments in inner Melbourne for the past 9 years. This includes:
 - Preparation of built form strategies for Southbank, Arden-Macaulay, City North and Fishermans Bend and delivery of an Expert Witness Report and attendance at Victorian Planning Panels to support Amendments C171, C190, C196 and GC81 for the above strategies.
 - Authorship of the Central City Built Form Review Synthesis Report (2016) on behalf of the Department of Environment, Land, Water and Planning (DELWP) which informed the preparation of Planning Scheme Amendment C270 and provision of an Expert Witness Report and attendance at Panel to support the Amendment.
 - Authorship of the Urban Design Analysis – Special Character Areas report which informed

the proposed built form controls for the Special Character Areas in Amendment C270 and provision of Expert Witness Report and attendance at Panel to support the Amendment.

- Leading the City of Melbourne’s Housing Strategy, Homes for People 2014-2018 which addressed the challenges of delivering high quality, diverse and affordable housing in the municipality.
- Recipient of a Churchill Fellowship (2014) to investigate planning controls for high-rise, high-density residential developments in international cities comparable to Melbourne. My Churchill Fellowship report received the PIA Victorian President’s Award for Planning in 2015.
- Leading the development of a built form framework for Moonee Ponds Activity Centre as part of the Minister for Planning’s Activity Centres Pilot Program in 2018-2019.
- Authorship of the Sunlight Access to Public Parks Modelling Analysis Report, February 2018, prepared for the City of Melbourne (informing current Planning Scheme Amendment C278)
- Currently leading the development of Urban Design Guidelines for Central Geelong on behalf of the Revitalising Central Geelong Partnership (DELWP and the City of Greater Geelong).

1.2 Instructions

- 4 I have been instructed by the City of Melbourne to:
 - Review the Amendment and exhibited background documents generally.
 - Review the submissions.
 - Review the Amendment provisions updated by Council with recommended changes in response to submissions (attachment 5 to the officers’ report to the FMC meeting of 7 May 2019).
 - Undertake a detailed review of the exhibited controls (as proposed to be amended), particularly the provisions of SUZ6 and the schedules to the Design and Development Overlay, and the relevant background reports.
 - Prepare an expert report setting out my opinion in relation to urban design matters.
- 5 Of the 53 submissions received by Council, 28 submissions were referred to me for review. Of these, 17 related to specific sites.
- 6 I have been assisted in preparing this report by Rebecca Fitzgerald, a Senior Urban Designer at Hodyl + Co.

Reviewed material

- 7 In addition to the full amendment documentation I have reviewed the following material in order to inform my evidence.
- West Melbourne Structure Plan, 2018, City of Melbourne
 - West Melbourne Built Form Strategy, February 2018, City of Melbourne
 - Understanding West Melbourne Baseline Report, December 2016, City of Melbourne
 - West Melbourne Urban Character Study, June, 2017, Claire Scott Planning
 - West Melbourne Employment and Economic Study - Stage 1 Report, November 2016, SGS Economics & Planning
 - West Melbourne Structure Plan - Stage 2 Report, June 2017, SGS Economics & Planning
 - West Melbourne Structure Plan - Stage 1 Report, SGS Economics & Planning
 - Ideas for West Melbourne: A Discussion Paper to Inform a New Structure Plan, February 2017, City of Melbourne
 - West Melbourne Heritage Review, Graeme Butler and Associates
 - West Melbourne Built Form Control Testing, Breathe Architecture
 - West Melbourne Further Modelling - 20 June 2019, Breathe Architecture

There has clearly been a significant body of investigative and strategic work that informs the Structure Plan and Amendment that has been developed through extensive consultation with the broader community.

Involvement in the planning for West Melbourne

- 8 I have had the following involvement in West Melbourne area:
- In 2015, while employed as the Coordinator of the City Plans team at the City of Melbourne, I was responsible for leading the initiation stages of the project - Phase 1: Community engagement - issues, visioning and priorities (March-May 2015).
 - I have had no other involvement in the Structure Plan since I ceased working at the City of Melbourne in December 2015.
 - I provided expert evidence at VCAT on behalf of the City of Melbourne for a proposed development application at 405-421 Spencer Street.
 - Hodyl + Co provided a peer review of the development application at 407-411 King St in November 2017 on behalf of the developer. This site received a planning permit (TP-2017-931) for a hotel development in 2018. The owners of this site have not made a submission to this amendment.
- 9 Bec Fitzgerald, a Senior Urban Designer at Hodyl + Co, was employed as an Urban Designer and Strategic Planner at the City of Melbourne from mid-2015 to September 2017 and contributed to the project through Phases 2: Community engagement - test and review emerging ideas and Phase 3: Community engagement - draft structure plan. Bec has had no involvement in the development of the Structure Plan or Amendment since ceasing employment at the City of Melbourne in September 2017.

Focus of this report

- 10 I have focused in this report on the changes proposed in this amendment which are within the Flagstaff and Spencer precincts. The majority of submissions that have been referred to me are located within these two precincts, including 14 of the 17 specific site referrals (refer Figure 1).

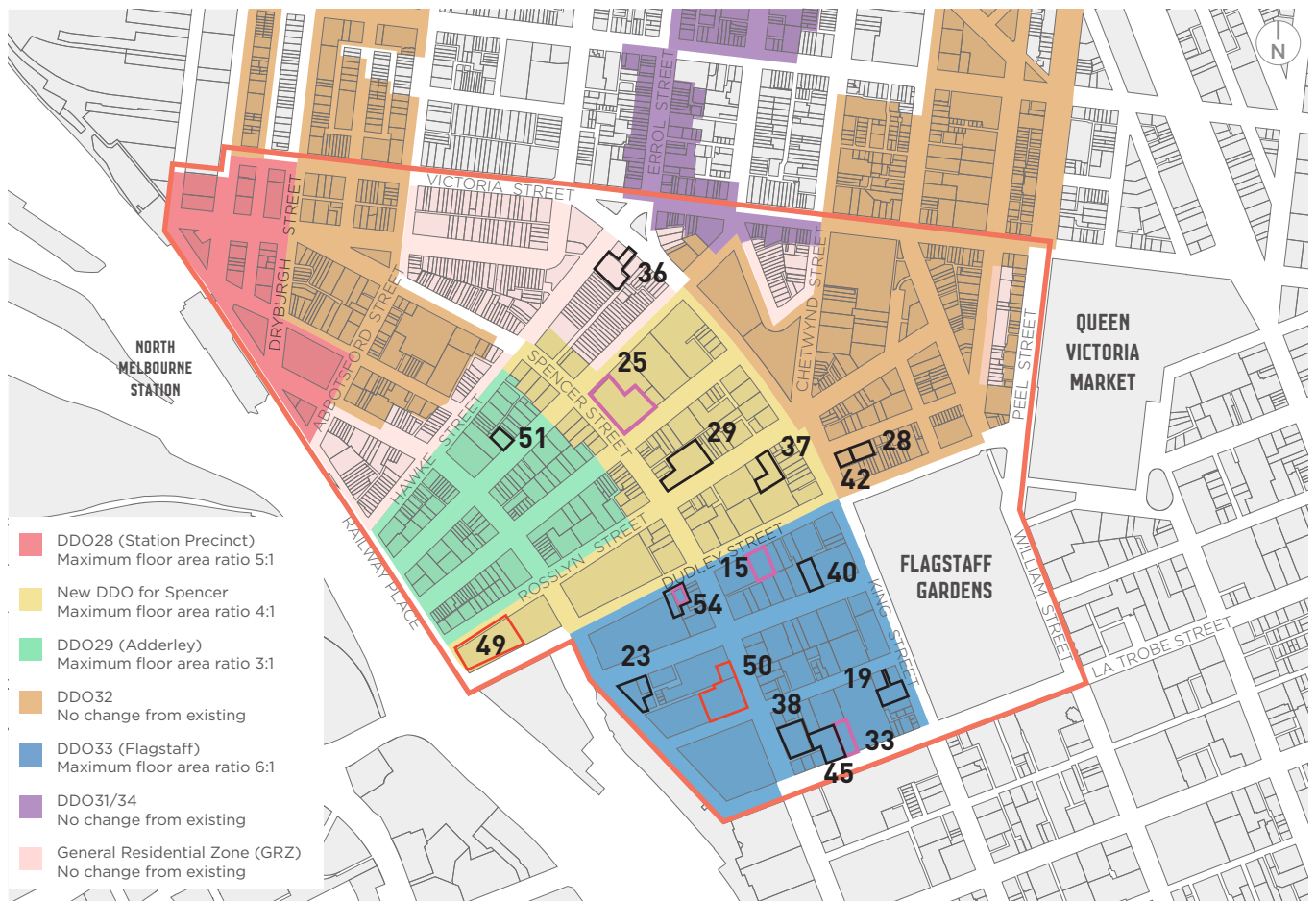


Figure 1. Map of specific sites referred for consideration

Flagstaff (DD033)

15. 45-55 Dudley St
 19. 363 King St
 23. 135 Batman St & 60-80 Adderley St
 33. 488-494 La Trobe St
 38. 328-348 Spencer St
 40. 28 Batman St
 45. 500 La Trobe St & 501-525 King St
 50. 102-108 Jeffcott St, 355-369 & 371-383 Spencer St

Adderley (DD029)

51. 158-160 Roden St

Spencer (DD072)

25. 512 - 544 Spencer St
 29. 474-486 Spencer St
 37. 93-99 Rosslyn St
 49. 272-306 Dudley St & Unit 3, Adderley St

DDO32

28. 55 Walsh St
 42. 342-352 King St

GRZ

36. 599-601 & 605-609 King St & 13-27 Hawke St

- Submitter site with an approved permit
- Submitter site with a current permit application under review
- Submitter site

1.3 Summary of recommendations

Support for the amendment

11 I am largely supportive of the amendment, including the key propositions to:

- Apply a Special Use Zone to support a mixed-use precinct, including the requirement for:
 - » Minimum floor area to be dedicated to employment uses.
 - » Inclusion of an affordable housing requirement of 6%.
- Pair a mandatory maximum Floor Area Ratio (FAR) with preferred maximum building heights, including specific support for:
 - » The proposed Floor Area Ratios in Flagstaff, Spencer, Adderley and Station precincts (with minor modifications proposed on Spencer and King Streets).
 - » The proposed maximum height controls in Flagstaff, Adderley and Station precincts (with minor modifications proposed within the blocks within the Spencer precinct east of Spencer Street).
- Setbacks from side, rear and street boundaries for taller buildings in Flagstaff precinct.
- Use of a density bonus for the retention of special character buildings.
- Overall the shift from controls that support and emphasise podium tower building typologies to more diverse typologies that align with the existing character and the vision.
- Limits to car parking provisions to improve the sustainability of the central city.

Recommended changes to the amendment

12 I have proposed 9 recommendations to the Amendment that are articulated within this report.

Recommendation 1

13 Remove the requirement for a minimum non-residential floor area within the key activity areas identified in the Structure plan and replace this with a requirement to preclude residential uses from the lowest two floors as follows:

- Properties fronting Spencer Streets between Hawke Street and Dudley Street.
- North Melbourne Station precinct (where the SUZ applies).

Recommendation 2

14 The percentage of non-residential development required within each of the remaining precinct areas is appropriate. The mechanism should be converted from a mandatory to a discretionary control.

Recommendation 3

15 Include additional guidance on preferred street wall heights with lower street walls encouraged in podium and tower developments and higher street walls encouraged on mid-rise developments.

Recommendation 4

16 The design objectives should be updated to acknowledge the need to deliver good levels of internal amenity within each DDO (except the Historic Hilltop).

17 Introduce setback controls to apply below the street wall. This will provide useful guidance on the preferred built form outcomes and reflects the assumptions that were undertaken in the built form testing which are focused on the delivery of acceptable levels of internal amenity. Proposed

setbacks are aligned with provisions included in recent inner Melbourne amendments and the proposal for a 6m setback from side and rear boundaries above the street wall within this Amendment. The following setbacks are recommended below the street wall in all precincts (except the Historic Hilltop):

- 4.5m for buildings up to 4 storeys in height
- 6m for buildings over 4 storeys and up to 10 storeys

- 18 Above the street wall a minimum building separation distance of 12m should be introduced into the Flagstaff and Spencer DDOs. This will ensure that adequate amenity is delivered on large sites with multiple buildings.
- 19 The setbacks and building separation controls should be discretionary. Guidance on the application of discretion should be provided and address matters such as internal amenity (access to daylight, privacy and outlook) and development equity.

Recommendation 5

- 20 Introduce a Floor Area Uplift (FAU) for social housing within the Flagstaff Precinct in addition to the minimum requirement for affordable housing that is required via the SUZ.

Recommendation 6

- 21 Increase the 6 storey height limit within the centre of the blocks bounded by Dudley Street, King Street, Spencer Street and Roden Street to 8 storeys. Retain the 4:1 FAR.

Recommendation 7

- 22 Increase the FAR for properties directly fronting Spencer Street and King Street from 4:1 to 5:1. Retain the 8 storey height limit.

Recommendation 8

- 23 Introduce a Floor Area Uplift on the Festival Hall site to incentivise the delivery of a large-scale live music venue on this site if this site is redeveloped. The FAU scheme should operate as per the C270 mechanism.

Recommendation 9

- 24 Recognise 599-601 & 605-609 King Street and 605-609 Hawke Street as a significant site and apply the SUZ zone. Incorporate site specific controls for this site into the Adderley DDO as follows:
- FAR of 1.5:1
 - Discretionary height control of 4 storeys
 - Discretionary 6m rear and side boundary setbacks

Declaration

- 25 I have made all the inquiries that I believe are desirable and appropriate and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.



Leanne Hodyl
June, 2019

2. Review of amendment

2.1 Background Context

The need for the amendment

- 26 West Melbourne is experiencing significant levels of growth. The greatest development pressure is occurring in the Flagstaff, Spencer, Adderley and Station precincts. This is primarily occurring through the development of high-density apartment developments that are replacing low-scale industrial and commercial buildings. It is within these precincts that the most substantial changes within the amendment are proposed.
- 27 This significant development pressure is occurring within a context of minimal policy guidance on the preferred built form outcomes. This is clearly demonstrated by the significant number of applications (15) that have been contested and determined by VCAT since 2010.¹
- 28 This degree of uncertainty is unhelpful for all parties - landowners, developers, the community and Council. This represents an un-coordinated approach to the evolution of the West Melbourne area. It also means that the strategic role that West Melbourne can make in enhancing the sustainability, prosperity and productivity of Central Melbourne is determined on a site by site basis, rather than through a focused, deliberate and more effective strategy.
- 29 This lack of a clear overarching vision and strategy and guidance on site specific outcomes needs to be addressed. The West Melbourne Structure Plan and the subsequent C309 Amendment have been prepared to achieve this.

2.2 Suitability of the proposed approach within the Amendment

- 30 The overarching approach to managing development within the Amendment is supported as it:
- Responds to the existing attributes and specific conditions of West Melbourne.
 - Delivers on the Vision that has been established through extensive community consultation and through significant technical analysis and strategic development within the West Melbourne Structure Plan and background reports.
 - Delivers on the strategic opportunity that West Melbourne provides in the overall growth of the city.
 - Balances the need for certainty and flexibility.

Existing attributes of West Melbourne

- 31 West Melbourne incorporates a varied subdivision pattern (site size, orientation and shape), heritage precincts as well as individual heritage and character buildings.
- 32 It includes a diverse range of architecturally interesting buildings that accommodate a range of uses as noted in the Built Form Strategy:
- '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.'²

¹ City of Melbourne, West Melbourne Built Form Strategy, February 2018, p18

² City of Melbourne, West Melbourne Built Form Strategy, 2018, p44

- 33 While it is immediately adjacent to the CBD, it has developed as a distinctive place with its own attributes and character.
- 34 The proposed controls which incorporate a combination of density and building envelope controls supports the design of site-specific responses that can respond to the varying attributes between and within each precinct. This is demonstrated through the built form testing undertaken by Breathe Architecture.

The Vision

- 35 The Vision for whole of the West Melbourne area is articulated in the West Melbourne Structure Plan:
 - ‘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, 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’.³
- 36 The Vision appropriately recognises that West Melbourne is a distinctive place with its own attributes and character, and that within it, there are diverse precincts that have key characteristics that are highly valued.

- 37 It centres on a ‘place-based’ approach - identifying the distinctive characteristics and qualities of specific places. The five identified places - Flagstaff, Spencer, Adderley, Station Precinct and Historic Hilltop - also each have a separate vision. The Amendment appropriately acknowledges the need to revise the current precinct names and boundaries to support this approach:

Existing precinct name (DDO)	Proposed precinct name (DDO)
CBD Fringe (33)	Flagstaff (33)
West Melbourne (29)	Spencer (72)
	West Melbourne - Adderley (29)
North Melbourne Station (28)	West Melbourne - Station (28)

- 38 A place-based approach inherently requires specific development controls that are focused on the specific character outcomes inherent in each precinct vision. This is the approach adopted in the Amendment.
- 39 This is a transformative improvement on the current controls which focus on West Melbourne as a place of transition rather than successfully identifying and supporting the retention and enhancement of its unique characteristics.

3 West Melbourne Structure Plan, 2018, City of Melbourne, p10.

Strategic context

- 40 West Melbourne is located immediately adjacent to the CBD and provides a strategic opportunity to deliver high-density development, particularly in the Flagstaff and Spencer precincts. This is demonstrated in the recent shift away from industrial uses to commercial uses, and most recently, to high-density residential developments.
- 41 It is not an extension of the CBD, rather it is identified as an 'other local area' of incremental growth within the Municipal Strategic Statement.
- 42 West Melbourne is not identified as an urban renewal area in either the Municipal Strategic Statement nor Plan Melbourne and has therefore not been targeted in these documents as playing a leading role in supporting significant population growth.
- 43 The future role of West Melbourne is also influenced by its proximity to transport. The West Melbourne Employment and Economic Study notes that the area is serviced by 'good, but not great, transport links'⁴. This needs to be taken into account in considering the scale of increased residential densities and in considering the types of employment uses that are likely to be attracted to the area.
- 44 The West Melbourne Structure Plan recognises the opportunity for West Melbourne to accommodate significant population growth. It includes increases in building heights to achieve this in all precincts excluding the Historic Hilltop.

- 45 The application of the SUZ is strategically targeted on delivering three planning outcomes that have been identified as critical to the economic and social sustainability of West Melbourne:

- The delivery of employment opportunities
- The delivery of a mixed-use precinct
- The delivery of affordable housing

Balancing certainty and flexibility

- 46 The Amendment responds appropriately to the need for greater certainty of built form outcomes.
- 47 Recent development permit approvals have demonstrated significant divergence from the current development controls. The greatest divergence from the discretionary height control is evident at 420 Spencer St, a recently completed 38 storey tower within the Flagstaff precinct. I agree with the analysis work undertaken by the City of Melbourne which identifies this sites as anomaly within the surrounding precinct character.
- 48 The West Melbourne Built Form Strategy notes that a 'flexible framework is required to ensure that built form outcomes are responsive to site characteristics and plot sizes ... and are not overly prescriptive'.⁵ I consider that the proposed approach does this successfully as it supports site specific flexible design responses. This is demonstrated through the built form testing undertaken by Breathe Architecture.

⁴ SGS Economics & Planning, West Melbourne Employment and Economic Study, 2016

⁵ City of Melbourne, West Melbourne Built Form Strategy, 2018

2.3 Application of the Special Use Zone (SUZ)

Background

- 49 A key attribute of the West Melbourne Structure Plan is the delivery of a 'genuine mix of uses', 'a greater mix of commercial/retail uses' and employment floorspace to deliver the projected 10,000 jobs in West Melbourne by 2036.⁶ The aim is to arrest the decline in jobs which has resulted in a 20% reduction in employment between 2004 and 2014 (from 7112 to 5667 jobs).⁷
- 50 This is largely the result of the redevelopment of commercial developments to higher density residential uses.
- 51 The Vision for West Melbourne articulates the overall objective to deliver a mixed use neighbourhood. The Schedule to the Special Use Zone designates specific amounts of floor area for uses other than accommodation within all precincts except the Historic Hilltop to achieve this aim. The following minimum non-residential floorspace is required in each precinct:
- Spencer Precinct - 25%
 - Flagstaff and Adderley Precincts - 16.6%
 - Station Precinct - 20%
- 52 These requirements are mandatory and cannot be varied.
- 53 The Structure Plan also identifies two activity areas:
- Spencer Street is identified in the Structure Plan as the preferred location of a local high street, with shops, cafes and restaurants.
 - North Melbourne train station precinct.
- 54 The Schedule to the zone also requires a minimum

amount of affordable (social) housing in the Flagstaff, Spencer and Station Precincts - 6% of the total number of dwellings within a development. If this is not achieved, justification as to the commercial constraints that impede this delivery must be provided by the developer.

Submissions

- 55 Submitters have noted the following key concerns with the use of the Special Use Zone:

Suitability of the zone

- A number of submitters have objected to the use of the Special Use Zone on the grounds that it is not aligned with the Practice Note. Specifically, it is put that the combination of other available zones, overlays and local policies could give effect to the desired objectives or requirements.
- Flagstaff is similar to City North and therefore should be zoned Capital City Zone.
- The SUZ won't encourage revitalisation of underutilised land as it includes no incentive for increases to maximum heights or uplift in FAR for commercial uses which provide employment generating floorspace.

Requirements for non-residential floor area

- The strategic work includes inadequate assessment of the demand for non-residential floor area.
- The minimum requirements for non-residential uses are too onerous and should be discretionary.
- Use of an incentive for non-residential uses will be more effective than a restrictive minimum.

Affordable housing requirements

- Minimum requirements for affordable housing are too onerous.
- Affordable housing targets should be voluntary.

6 City of Melbourne, West Melbourne Structure Plan, 2018, p15

7 City of Melbourne, West Melbourne Baseline Report, 2016, p11

- Greater clarity is required on the application of the minimum affordable housing requirement to better address commercial feasibility.
- Affordable housing should be delivered by a density bonus, not within the FAR.
- The proposed 6% affordable housing requirement is not aligned with the current Planning and Environment Act which only allows for voluntary agreements.

Response to Panel Directions

56 The following requirements are to be included in Council's Part A Submission and have been addressed within this evidence:

- 9.g. Strategic justification for:
 - » iii. The floor area ratios.
 - » iv. The minimum floor areas for non-accommodation uses.
- 9.j. A snapshot of how the Special Use Zone Schedule 6 will deliver the local activity centre along Spencer Street.

Discussion

Does the requirement for minimum non-residential uses deliver appropriate urban design outcomes?

57 The importance of delivering mixed-uses within high density inner city environments is widely accepted and delivers the following urban design outcomes:

- Convenience, where residents and workers have easy access to homes, jobs, shops, services, cultural and recreation activities.
- Safe neighbourhoods, that include activity across the day and night.
- Walkable neighbourhoods with short distances provided between different destinations and uses. This supports healthy communities.
- Social neighbourhoods, where walkability leads to greater levels of street activity and people spend time within parks and streets.

- Environmentally sustainable neighbourhoods with less reliance on vehicular travel.
- Support for public transport as demand for services occurs across a greater part of the day and is in-bound and out-bound.

58 Delivering mixed-use developments or a mix of uses within a neighbourhood is often difficult to achieve, as the highest market value product will be delivered if there are not requirements otherwise. The recent trends in West Melbourne illustrate that this is the case with new developments primarily residential and a decline in employment numbers.

59 Other recent amendments have sought to introduce a minimum commercial requirement within developments to deliver a mixed use outcome and employment generating uses.

60 These instances include Amendment GC81 - Fishermans Bend, Amendment C172 - Chapel Street Activity Centre and Amendment C323 - Arts Precinct. In these instances the requirement was included as:

- Fishermans Bend - A minimum FAR within a local policy (Clause 22.27 within the City of Melbourne which designates a minimum FAR of 1.7 and Clause 22.15 which designates varied minimum FARs ranging 1.6 to 3.7).
- The Arts Precinct - within Schedule 7 to the Capital City Zone. The Amendment proposes that the lowest four levels of buildings should be dedicated to arts uses.
- Activity Centre Zone (Chapel Street) which states that dwellings:
 - » Must be located on third floor or above on land designated for Main Street Uses, other than Sub Precinct Greville Village-6 (GV-6).
 - » Must be located on second floor or above on land designated for Side Street Uses.
 - » Any frontage at ground floor must not exceed 2 metres.

61 Each of these amendments seeks to support the

delivery of a 'vertical' mix of uses. The strategic intent of each was supported through panel reviews for each amendment. These controls are now in place in Fishermans Bend and Chapel Street precinct. The panel report for the Arts Precinct has recommended further work to progress the amendment, however supports in principle this approach.

62 The urban design outcomes sought in West Melbourne include:

- Ensuring an overall mix of uses within each precinct to encourage vibrant and safe precincts that are active across the day and night.
- The creation of activated ground floors which will deliver interesting, safe and vibrant streets.
- The delivery of employment generating floor area, supporting the economic vitality of the precinct.

63 This intent is strongly supported and the inclusion of a minimum non-residential requirement within developments will be important to deliver this aim.

64 The current approach applies a blanket minimum across each precinct and does not respond to the strategy to deliver the key activity areas around North Melbourne Station and Spencer Street. The primary urban design outcome in these areas is the creation of active places that are the hub of commercial and social activity within West Melbourne. This means that it is critical that the lower levels of buildings contribute to this outcome.

65 I consider that the approach taken within the Chapel Street activity centre is therefore more appropriate and more directly focused on delivering the outcome that is sought in these two activity areas. This is because it ensures that the non-residential uses are provided in a location that maximises activation of the street. This same approach should be introduced as a mandatory requirement in these locations to deliver the desired urban design outcome.

66 This also responds to the existing and future traffic conditions of Spencer Street which will make the inclusion of residential uses on the lower levels less desirable.

67 The use of a minimum floor area based on percentages could lead to unintended consequences within developments with 'leftover' commercial space required on upper floors. This could result in inefficient development outcomes. As a mandatory control this cannot be considered and negotiated through the design process.

68 The range of potential non-residential uses is likely to vary considerably within each precinct due to specific site attributes - for example in location, proximity to public transport, site size and existing heritage constraints.

Recommendation 1

69 Remove the requirement for a minimum non-residential floor area within the key activity areas identified in the Structure plan and replace this with a requirement to preclude residential uses from the lowest two floors as follows:

- Properties fronting Spencer Streets between Hawke Street and Dudley Street.
- North Melbourne Station precinct (where the SUZ applies).

Recommendation 2

70 The percentage of non-residential development required within each of the remaining precinct areas is appropriate. The mechanism should be converted from a mandatory to a discretionary control.

Inclusion of affordable housing requirements

71 The need to deliver affordable housing within high density inner city environments is also widely accepted, however its implementation is far more challenging than the delivery of non-residential uses.

- 72 I consider the inclusion of the affordable housing requirement more important to the long-term sustainability of inner Melbourne than the minimum commercial requirements. This is because the market will deliver commercial buildings at some stages within the property cycle without the need for regulation. This is not the case for affordable housing which is highly unlikely to be delivered without government intervention - either an incentive or a requirement.
- 73 The economic analysis demonstrates that the affordable housing requirement is financially feasible. If a developer considers the requirement too onerous the Amendment provides the opportunity for this to be demonstrated and the requirement negotiated.
- 74 I therefore consider that no changes are required to the Amendment in regards to the minimum requirement for affordable housing delivery.

Appropriateness of use of the SUZ

- 75 I consider the SUZ an appropriate planning tool to deliver these strategic outcomes as:
- West Melbourne is not an activity centre therefore the Activity Centre Zone is not an appropriate tool.
 - West Melbourne is not an urban renewal area that is considered an extension to the CBD in the same way that City North and Southbank are. It is not anticipated that it will accommodate the diversity and scale of mixed uses that are encouraged in other Capital City Zones. The public transport provision (existing and proposed) is inadequate to support this scale of development. The Capital City Zone would therefore be inappropriate.
 - Inclusion of the affordable housing requirements in policy would dilute its importance and disconnect the delivery of a required land use outcome from the zoning mechanism.
 - The SUZ provides an opportunity to integrate the specific and unique mix of outcomes that are sought in West Melbourne within a tool that has been established for this purpose.

2.4 Approach to developing built form controls

Background

- 76 The existing controls were put in place following the preparation of the 2005 West Melbourne Structure Plan. There has been significant change in the scale of development pressures in central Melbourne together with significant innovation in the design of built form policy controls since this time.
- 77 This is demonstrated in the planning scheme controls for Arden-Macaulay (which introduced a height bonus for the delivery of community benefit), within the Central City Built Form Review and for Fishermans Bend which introduced density controls and uplifts for the delivery of community benefit.
- 78 These represent a greater degree of sophistication in policy settings that are appropriate for higher density environments. They are aligned with approaches to managing development in other global cities that are experiencing significant growth.
- 79 Within each existing DDO in West Melbourne, guidance on preferred development outcomes is currently guided by:
- Design objectives
 - Building envelope controls (all discretionary)
 - Built form outcomes (which provide guidance on development scale, response to heritage buildings and overshadowing requirements)
- 80 Within the proposed controls, preferred development outcomes are to be guided by:
- Revised design objectives
 - Floor Area Ratio control (with bonus floor area for retention of special character buildings)
 - Discretionary building height & street wall height controls
 - Minimum floor-to-ceiling heights
 - Specific built form outcomes for specific locations

- e.g. Melbourne Assessment Prison, Flagstaff Gardens and open space (Flagstaff) and Eades Park (Adderley)

- Preferred outcomes and requirements for Active Street / Laneway frontages
- Preferred outcomes and requirements for Laneways, pedestrian and cycling connections

81 These have been set to deliver the preferred built form outcomes as outlined in the West Melbourne Built Form Strategy. They have been informed by:

- Community consultation which identified key built form issues⁸:
 - » No centre of activity.
 - » Poor connections due to physical barriers (railway line and arterial roads) and limited access to public transport.
 - » Lack of open space.
 - » Significant development activity which often exceeded the preferred building heights, does not deliver affordable housing and is perceived to deliver insufficient community benefit.
 - » The loss of heritage buildings.
 - » A reduction in mixed-use character.
- A review of identified issues with the current controls, including:
 - » The use of a planning control focused on 'transitional' outcomes - establishing a fluid outcome that is dependent on the scale of development that occurs on the adjacent Hoddle Grid rather than the creation of place-specific outcomes.
 - » Cumulative permit decisions that indicate that the current discretionary height control in the Flagstaff and Spencer precincts are inappropriate.
 - » Ambiguity.
 - » Lack of guidance on acceptable building setbacks.

- The merits of alternative approaches which demonstrated that the provision of a mandatory FAR with discretionary built form controls is most likely to deliver the Built Form Strategy objectives.
- A significant amount of built form testing, including the provision of further iterative sensitivity testing of varying the controls.
- Design review by the Office of the Victorian Government Architect.

82 I consider this approach to be a comprehensive, rigorous and well-considered method.

Submissions

83 Submitters have noted the following key concerns:

- Density controls unsuitable in this context and unnecessary given height and setback controls.
- Density controls should not be mandatory.
- Floor Area uplift should be included to provide affordable housing, protect heritage buildings (as per the approach to retain special character buildings), commercial floor space and other potential public benefits.

Response to Panel Directions

84 The Panel Directions also request the application of density controls to be addressed. Specifically, the following requirements are to be included in Council's Part A and B Submissions and have been addressed within this evidence:

- 9.e Strategic context for the Amendment, including how it fits with Council's broader strategic program and current or recent amendments such as:
 - » i. Amendment C270 (which introduced built form controls for the Central City).
- 9.h. How the proposed built form controls for the West Melbourne Structure Plan area relate

8 West Melbourne Baseline Report, 2016, p6

to those for the Central City and the Arden Macaulay precinct.

- 16.a The relationship between the proposed floor area ratios and the proposed building envelopes in each precinct/place.

Discussion

Benefits of using a density control

85 The pairing of a density control with building envelope controls is a standard planning mechanism that is utilised nationally and internationally in regulating development. This approach is increasingly common in central Melbourne, with recent amendments in the Central City and Fishermans Bend proposing this approach.

86 The key reasons for utilising a density control together with building envelope controls, rather than the traditional use of height and density controls include:

- Managing overall densities that occur within a precinct/area to ensure that they do not lead to adverse amenity outcomes including overcrowding of public spaces and excessive pressure on existing infrastructure.
- Avoid the need to 'borrow' amenity from side or rear boundaries which occurs when development yields are too high.
- Design flexibility where there are varied site conditions including a range of site sizes, orientation, shapes and number of frontages.
- Opportunities for design flexibility to respond to heritage buildings.
- The delivery of diversity in built form outcomes, including housing diversity.
- Clear guidance on potential development yield which avoids speculation and escalating land prices.

87 All of these benefits are explicitly sought in West Melbourne. These benefits can only be provided with certainty if the FAR is a mandatory control.

88 Density controls offer limited value when:

- The site constraints are significant and lead to a high degree of certainty of the preferred development outcome. A good example of this is demonstrated in the current Planning Scheme Amendment C220 - Johnston Street. This main street (retail) corridor directly abuts sensitive residential uses, includes significant heritage fabric, fine-grain narrow frontages, overshadowing/overlooking constraints to adjacent residences and moderate lot depths. These lead to a clearly defined preferred outcome - a mid-rise building with upper level setbacks from heritage fabric and rear boundaries.
- Highly valued, well-protected heritage precincts that are of a high consistent character and design. In these instances, mandatory height controls and other design guidance are commonly proposed which aligns with the existing character. There is minimum allowance for design flexibility as it is not a desirable outcome.
- Low-scale residential suburbs, where the preferred detached housing typology drives the development outcome.

89 None of the above characteristics apply to West Melbourne with the exception of the Historic Hilltop precinct which is a highly valued heritage precinct with consistent valued character. In this location density controls have not been proposed.

90 The degree of design and development flexibility is related to the 'degree of fit'. The 'looser' the fit, the greater the variance in built form typologies that will be delivered.

91 If the degree of fit is 'tighter', then the range of built form typologies will decrease, the potential for site specific responses declines and the pressure on discretionary building envelope controls increases.

92 If the degree of fit is too loose, it can represent an

underdevelopment of the site (or an area).

93 The recent Amendments within central Melbourne have taken a tailored approach to the combination of density controls and built form envelopes which are focused on delivering the strategic and design outcomes sought in each place. This is demonstrated in Figures 2 - 5.

94 The recent Amendment in Arden-Macaulay (C190) proposed an alternative approach which did not include a density control, but rather proposed a preferred height limit in combination with a height bonus if community benefit was delivered. The Amendment was approved but with an expiry date of 30 September 2019. This recognised that the Arden-Macaulay approach was not in alignment with the approach to use a density control being progressed at the time for the Central City and Fishermans Bend.

95 The proposed approach in West Melbourne is directly linked to the Vision and character outcomes sought for each precinct. It provides a 'moderate' fit which I support. The degree of fit is further investigated in the discussions below in regards to the Flagstaff and Spencer precincts.

Guidance on delivering preferred building typologies with good levels of internal amenity

96 The controls are drafted to support diverse typologies including tower and podiums as well as mid-rise buildings. This is effectively demonstrated in the built form testing by Breathe Architecture.

97 The built form testing demonstrates differing characteristics for different built form typologies including variable street wall heights (dependent on typology) and the inclusion of setbacks and building separation below the street wall (generally for mid-rise developments).

98 The architects have adopted assumptions into their built form testing that recognise the importance of

setbacks and building separation to deliver good internal amenity (refer Table 10). They also note that 'a degree of discretion to accept a marginal reduction in these setbacks was deemed to be reasonable and acceptable'.⁹ There is currently no guidance provided in the amendment in the Design Objectives, Built Form Requirement or Built Form Outcomes however to guide this essential outcome.

99 I consider this a gap within the Amendment that should be addressed. The preferred street wall height should be more closely linked to the selected typology – e.g. if a tower form is chosen, then a lower street wall height is preferred. If a mid-rise, perimeter block form is chosen then a higher street wall height is preferred. This is best expressed within the built form outcomes for the Flagstaff precinct and Dudley Street within the Spencer precincts].

100 Requirements for minimum side and rear setbacks should be included in all DDOs to provide clear guidance on what is sought. This should be included as a discretionary control within each DDO. This provides the appropriate balance of certainty and flexibility. The 'moderate' fit of the FARs means that there is not excessive pressure to compromise these preferred setbacks, however within specific sites this may be appropriate.

101 The setbacks generally adopted within the Built Form Testing are however generous compared to other recently proposed minimum setbacks and building separation in similar contexts, for example in Fishermans Bend. Increasing setbacks with increased building heights is an accepted approach and is supported.

Recommendation 3

102 Include additional guidance on preferred street wall heights with lower street walls encouraged on podium and tower developments and higher street walls encouraged on mid-rise developments.

9 Further modelling by Breathe Architecture, 2019, p4

'Tight fit' between FAR and building envelope controls

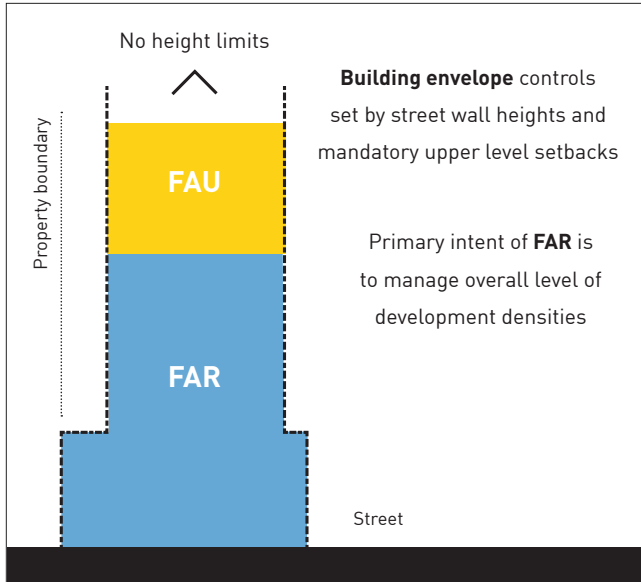


Figure 2. Approach to C270 development controls within General Development Areas (simplified diagram)

'Tight fit' between FAR and building envelope controls

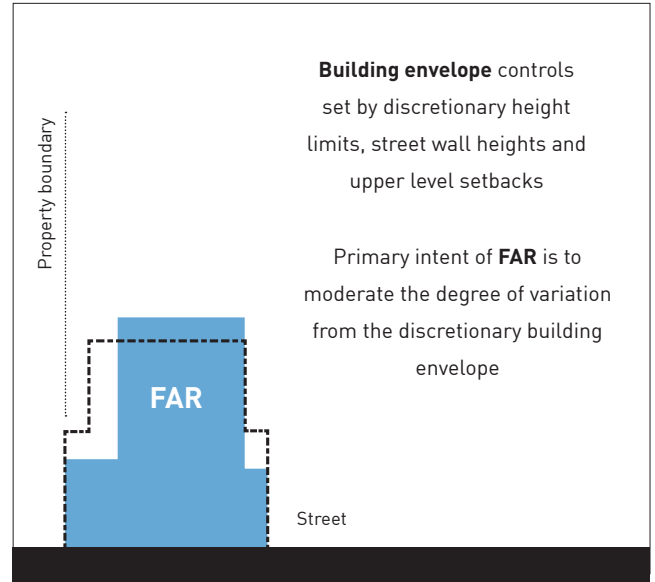


Figure 3. Approach to C270 development controls within Special Character areas (simplified diagram)

'Loose fit' between FAR and building envelope

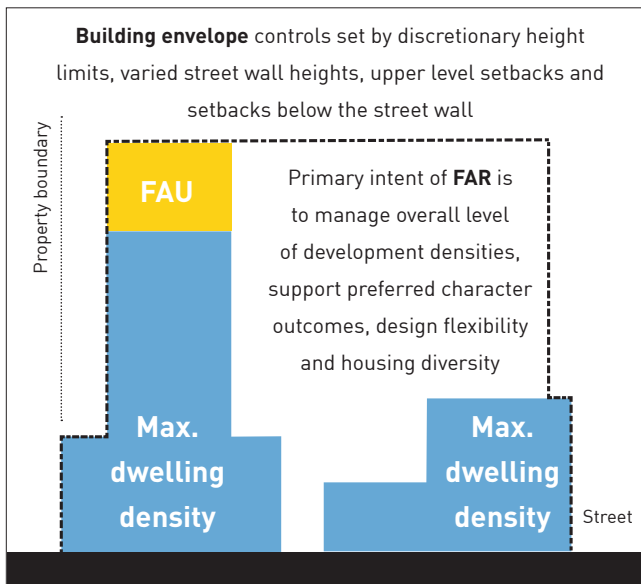


Figure 4. Approach to GC81 Fishermans Bend development controls (simplified diagram - example of hybrid sites)

'Moderate fit' between FAR and building envelope

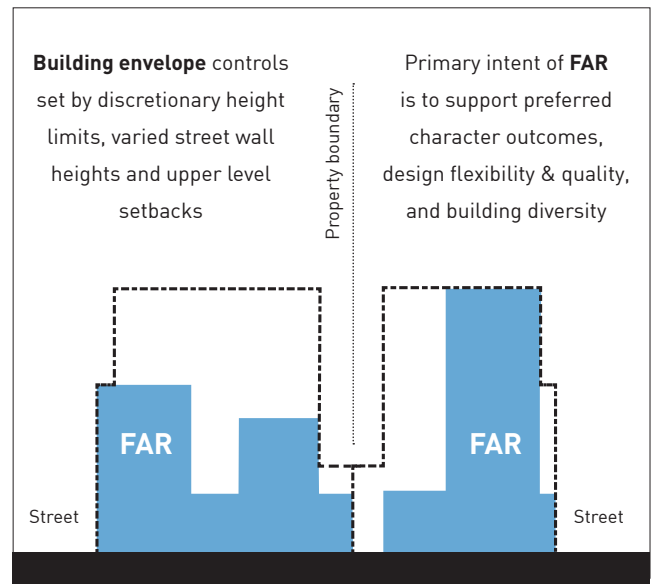


Figure 5. Approach to West Melbourne development controls (simplified diagram)

Minimum building separation (measured from property boundary)		
	Living/Main balcony outlook to boundary line	Bedroom outlook to boundary line
Up to 4 storeys/12 metres	6 metres	3 metres
5-8 storeys/up to 25 metres	9 metres	4.5 metres
9+ storeys/over 25 metres	12 metres	6 metres

Minimum building separation					
	Living/Main balcony outlook to Living/Main balcony outlook	Bedroom outlook to bedroom outlook	Living/Main balcony outlook to bedroom outlook	Living/Main balcony outlook to no outlook	Bedroom outlook to no outlook
Up to 4 storeys/12 metres	12 metres	6 metres	9 metres	6 metres	3 metres
5-8 storeys/up to 25 metres	18 metres	9 metres	13.5 metres	9 metres	4.5 metres
9+ storeys/over 25 metres	24 metres	12 metres	18 metres	12 metres	6 metres

Table 1. Built form assumptions included in the built form testing undertaken by Breathe Architects (Source: Further Testing report, 2019)

Recommendation 4

- 103 The design objectives should be updated to acknowledge the need to deliver good levels of internal amenity within each DDO (except the Historic Hilltop).
- 104 Introduce setback controls to apply below the street wall. This will provide useful guidance on the preferred built form outcomes and reflects the assumptions that were undertaken in the built form testing which are focused on the delivery of acceptable levels of internal amenity. Proposed setbacks are aligned with provisions included in recent inner Melbourne amendments and the proposal for a 6m setback from side and rear boundaries above the street wall within this Amendment. The following setbacks are recommended below the street wall in all precincts (except the Historic Hilltop):
- 4.5m for buildings up to 4 storeys in height
 - 6m for buildings over 4 storeys and up to 10 storeys
- 105 Above the street wall a minimum building separation distance of 12m should be introduced into the Flagstaff and Spencer DDOs. This will ensure that adequate amenity is delivered on large sites with multiple buildings.
- 106 The setbacks and building separation controls should be discretionary. Guidance on the application of discretion should be provided and address matters such as internal amenity (access to daylight, privacy and outlook) and development equity.

Potential for FAU

- 107 A number of submitters have advocated for the inclusion of a Floor Area Uplift to deliver a range of community benefits.
- 108 This includes advocacy for the inclusion of a FAU for commercial development. I do not support this approach. The FAU should be used to incentivise the delivery of demonstrable community benefits that will not otherwise be delivered by the free market. Commercial uses do not meet this criteria. Similarly to Fishermans Bend, the highest priority identified for West Melbourne is the delivery of social housing.
- 109 I consider the inclusion of an 'open' FAU scheme similar to the Hoddle Grid and Southbank would compromise the design and character objectives for West Melbourne by signaling an expectation and encouragement for a significant utilisation of this mechanism.
- 110 Opportunities to include a discrete FAU for the delivery of additional affordable housing (above the minimum requirement) should however be considered in specific locations considering the substantial challenge faced in delivering affordable housing in high amenity locations. This should only occur if it does not compromise other character and design objectives. This is discussed further below and recommended in the Flagstaff precinct.
- 111 Opportunities to include a discrete FAU is also recommended for the Festival Hall site (see page 45).

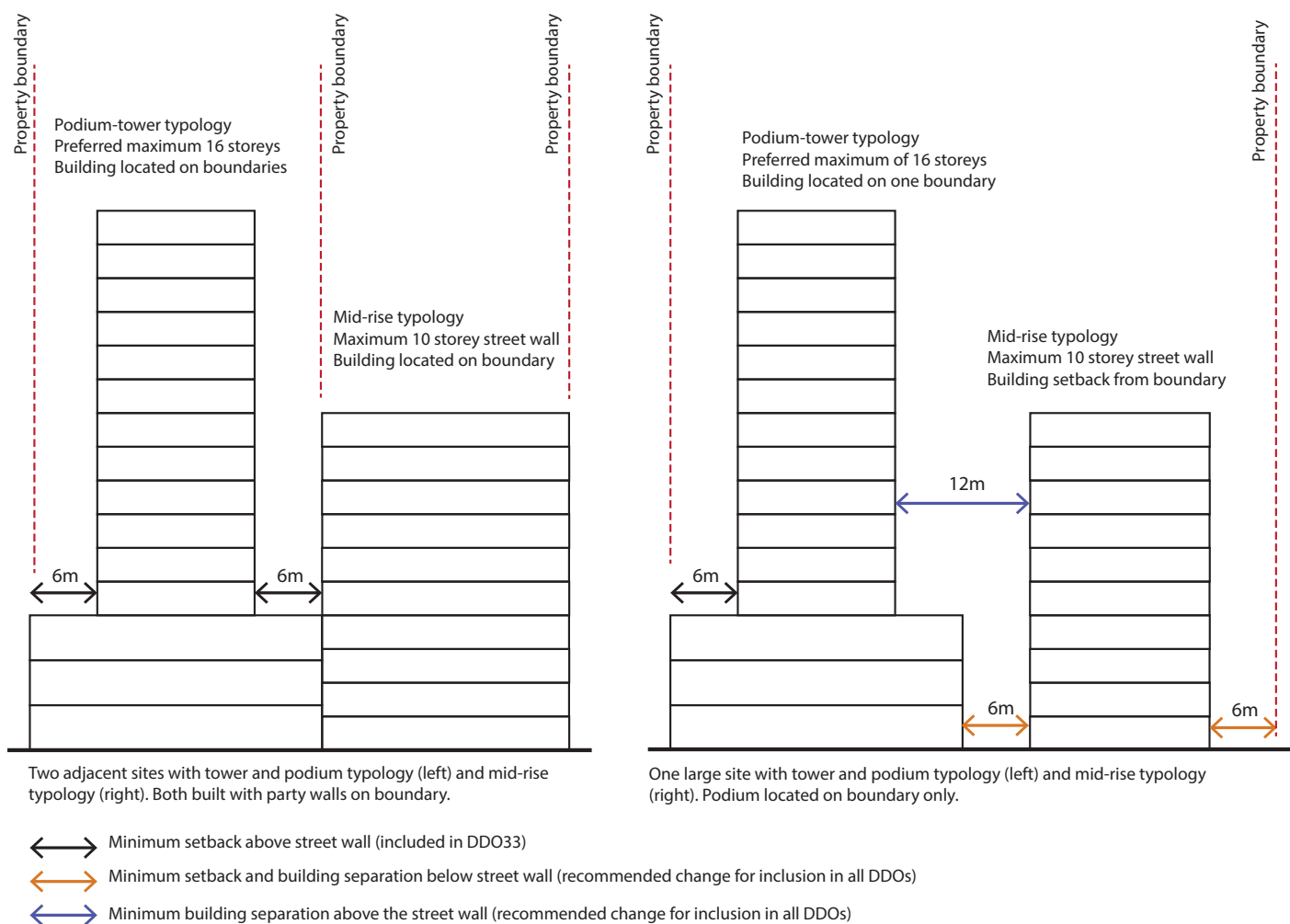


Figure 6. Diagram illustrating Recommendation 4 which addresses the need to provide further guidance on building setback and separation distances to deliver good levels of internal amenity.

2.5 Development controls - Flagstaff precinct

Submissions

112 Submitters have noted the following concerns:

Densities are too low considering strategic location

- Densities in Flagstaff are too low considering access to the CBD, train stations and infrastructure.
- Existing approved development permits exceed the proposed development controls.
- Higher densities can achieve the precinct objectives.
- There is a disconnect between 16 storey preferred building height and FAR on smaller sites.
- Proposed objectives, requirements and outcomes can be achieved without the mandatory FAR.
- FAR needs to be increased.
- FAU should be included to incentivise employment opportunities.
- 6:1 FAR is too onerous and 'winds back the clock'.
- Density are too low and don't support commercial buildings.
- 6:1 too restrictive - halves the development potential of client's land.

Proposed height controls are too low

- Architectural excellence can be achieved with taller and more intensive built form.
- Building height of 16 storeys is too restrictive and arbitrary.

Density and height controls don't work together

- There is a disconnect between 16 storey height and FAR on smaller sites.

Mandatory height controls are needed

- Mandatory heights are needed around St James Cathedral to ensure that the heritage landmark is not dominated by new developments.
- Development on north side of Batman Street should include mandatory controls to prevent overshadowing of the proposed open space.

Other comments

- Outcome to seek mixed-use, tall slender towers is not suitable for non-residential uses.
- 6m laneway setback is too large, 4m is sufficient (and aligned with City North controls).

Discussion

Densities are too low considering strategic location

- 113 The West Melbourne Structure Plan Capacity Modelling Outline report demonstrates that the potential capacity delivered by the FARs exceeds the population forecasts for West Melbourne. The total capacity is estimated to be 23,593 residents which exceeds the population forecast of 18,687 residents. It also notes that the potential capacity is likely to be higher as some sites identified as unlikely to develop now are more likely to be developed over the longer term.
- 114 Further to this, I am recommending a FAU for the delivery of social housing. This will increase both the amount of social housing and market housing.

Proposed height controls are too low

- 115 The existing character of the Flagstaff precinct is highly varied. The Vision and preferred character outcomes recognise that there is a changing character with the inclusion of a greater number of high-rise development. They also recognise that there are a number of low-medium rise sites that contribute to the diverse character which is highly valued.
- 116 A range of tower heights have been approved at 17 - 22 storeys with three exceptions above this height - the 25 storey development at 45-55 Dudley Street, the 21/26 storey development at 83-113 Batman Street and the 38 storey development at 420 Spencer Street. I would agree with the City of Melbourne's position that the approval of a 38 storey development in West Melbourne is an anomaly within the broader context of West

Melbourne. This is a summary of the permits provided by the City of Melbourne (2019).

- 117 The 16 storey maximum height limit (increased from the current 40m height limit) recognises this shift to more podium and tower typologies while establishing a maximum height limit that is compatible with the mix of low and medium rise buildings.
- 118 The 16 storey height control is a discretionary control, therefore potential increases in height can be considered on a site by site basis.

Integration of density and height controls

- 119 The built form testing demonstrates that the height limits paired with a FAR of 6:1 support the delivery of a range of typologies and site specific responses to each location.
- 120 The original built form testing did not provide sensitivity testing - that is, what would the impact be if the FAR controls were increased within the Flagstaff precinct. This has subsequently been provided through the Further Testing work undertaken by Breathe Architecture.
- 121 The built form testing demonstrates that the FAR of 6:1 works effectively on the majority of sites. It creates a 'moderate' fit which strikes the right balance between supporting development intensification and delivering the preferred character outcomes.
- 122 The following pages illustrate the testing outcomes for four types of sites:
- Mid-block (no heritage building)

- Mid-block with heritage building
- Corner site (no heritage building)
- Corner site with heritage building

- 123 This testing demonstrates that as densities increase to 7:1 and 8:1 and the building heights remain the same, the diversity of building typologies diminishes and developments will be predominantly tower and podiums across the precinct. This does not effectively deliver on the Vision or preferred character outcome.
- 124 I consider that the 6:1 FAR is therefore the appropriate setting to deliver the built form strategy for Flagstaff.
- 125 The testing does demonstrate, that on some sites there is an opportunity for a minor further increase in densities within the preferred building envelope. I consider that this provides the opportunity to consider the inclusion of a FAU for the delivery of social housing within the precinct. While the additional numbers of housing will be moderate, paired with the minimum requirement that must also be delivered, this would contribute to an increase in social housing numbers that would not be overly onerous to negotiate as discussions with a housing provider will already be part of the development process.
- 126 Increased yield will only be suitable on some sites. A FAU is therefore recommended rather than an increase to the base FAR as this will ensure that any increased yield is considered on a site-by-site basis and that the overall built form strategy to deliver a diversity of building typologies is not undermined.

Mandatory height controls are needed

- 127 I consider that there is sufficient guidance in the DDO to ensure that development in the immediate surrounds of St James Church will be respectful of this important heritage context.

Recommendation 5

- 128 Introduce a FAU for social housing within the Flagstaff Precinct in addition to the minimum requirement for affordable housing that is required in the SUZ.

Testing mid-block sites in Flagstaff (no heritage controls)

500 Latrobe Street

- 129 500 Latrobe Street is a mid-block L-shaped site that is bound by five different properties. The site adjoins two lanes, one perpendicular laneway to the west and one perpendicular laneway to the north.
- 130 There are no heritage buildings on the site and the building adjoins no identified heritage buildings.
- 131 The site is bound by Latrobe St to the south, a warehouse to the east with an approved 17 storey development (9 storey street wall and 8 storeys at upper levels), a three-storey residential apartment building to the north-east, a seven-storey residential apartment to the north-west, a four-storey office building to the north-west, and a two-storey brick warehouse to the west.
- 132 Submission 45 relates to the redevelopment of this site. Key issues raised were the impact of the mandatory Floor Area Ratio Control on the viability of commercial buildings. This report includes additional testing to consider this issue.



Figure 7. 500 Latrobe Street



Figure 8. Existing conditions as viewed from Latrobe St

Testing mid-block sites in Flagstaff (no heritage controls)

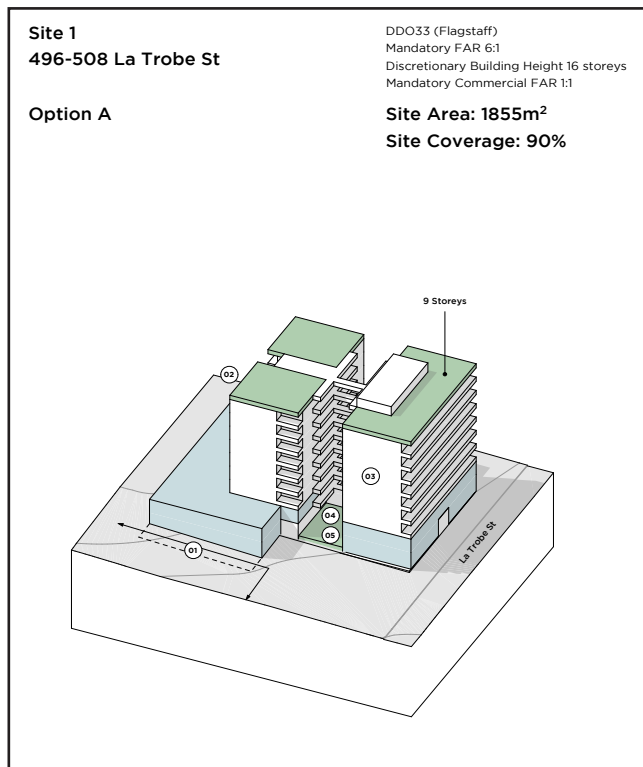


Figure 9. Built form testing on 496-501 La Trobe (Original built form testing by Breathe Architecture, 2018)

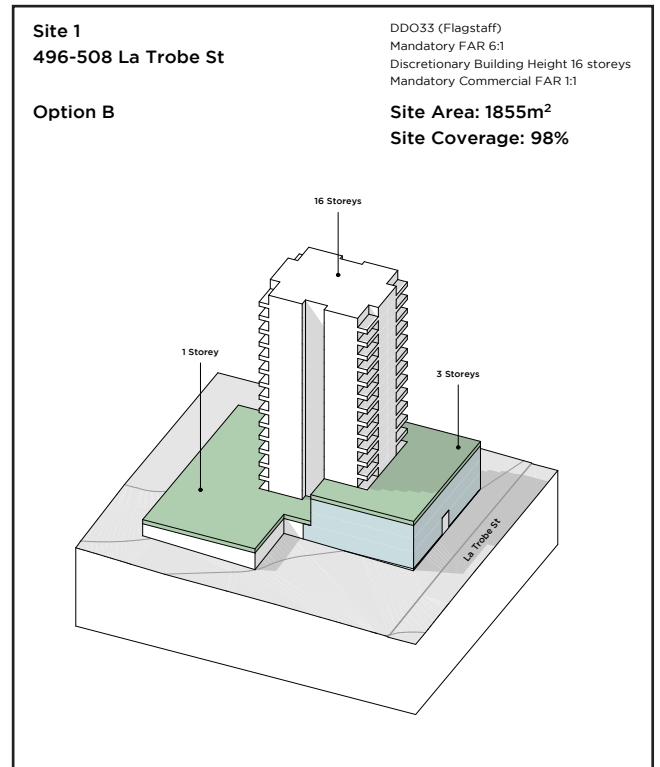


Figure 10. Built form testing on 496-501 La Trobe (Original built form testing by Breathe Architecture, 2018)

Benefits (as noted in Built Form Testing report):

- New activated pedestrian connection created by reducing site coverage, aligns with existing laneway network and creates new commercial interface.
- Flexibility allows design to respond to site characteristics and context - internal outlook directed over existing 3-storey storey strata titled development.
- Borrowed amenity from side party boundaries not required - all amenity secured from street or within site.
- Site coverage reduced and deep soil planting opportunity provided to increase permeability.
- Generous communal open spaces.

Benefits identified:

- Tower form paired with lower street wall which minimises visual impact of tower form.
- Flexibility allows design to respond to site characteristics and context - internal outlook directed over existing 3-storey storey strata titled development.
- Slender tower form that is not visually dominant.
- Generous communal open spaces provided on podium.

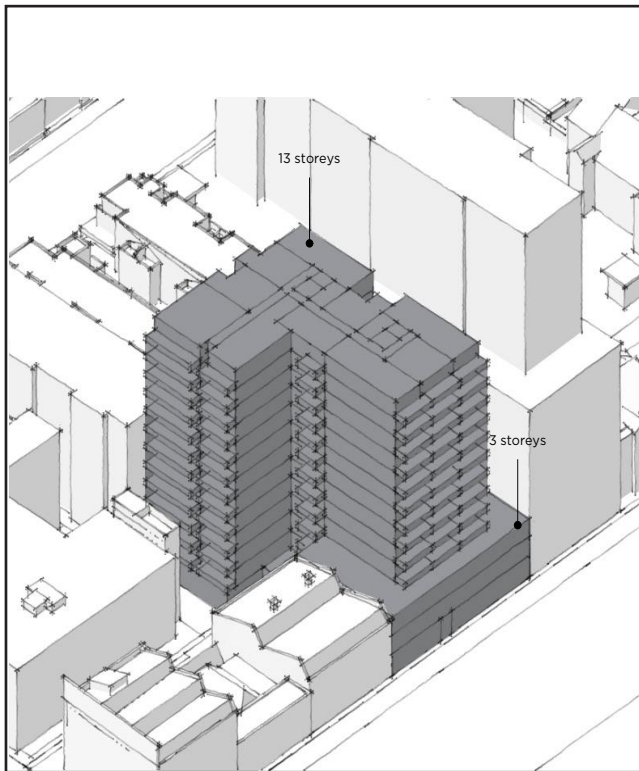


Figure 11. Built form testing on 496-501 La Trobe which increases the FAR to 7:1 (Further Testing by Breathe Architecture, 2019)

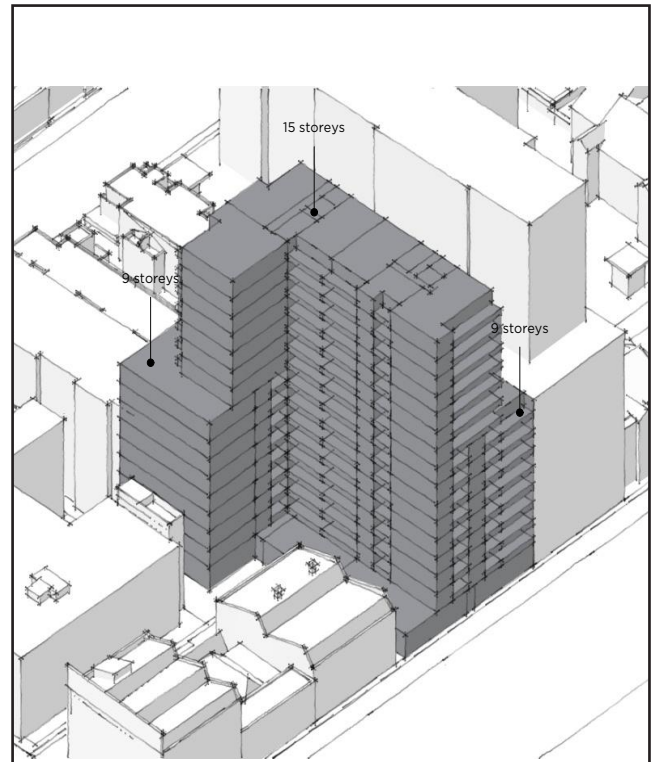


Figure 12. Built form testing on 496-501 La Trobe which increases the FAR to 8:1 (Further Testing by Breathe Architecture, 2019)

Urban design impacts of increasing FAR to 7:1:

- Significant change in overall bulk of development.
- Loss of new pedestrian connection (included in Figure 9).
- Loss of communal open space on podium.

Urban design impacts of increasing FAR to 8:1 (in addition to impact of increasing to 7:1):

- Tower form is paired with high street wall creating a visually dominant development form.
- Less diversity of built form outcome - a mid-rise development is not possible at this density.

Testing mid-block sites in Flagstaff (no heritage controls)

Testing of commercial buildings on this site

- 133 The size of the site is 1,849m². Therefore, 11,094² is the maximum Gross Floor Area to be delivered within a 16 storey envelope and 1,849m² of non-residential floor area is required on the site.
- 134 The testing demonstrates that commercial buildings can be delivered effectively within the proposed development controls. Two examples have been demonstrated:
- 135 Option 1 (refer Figure 13) has the following attributes:
- 81% site coverage with setbacks provided from the rear boundaries
 - 2 storey street wall with an overall height of 16 storeys
 - FAR - 6:1
 - Commercial GFA - 11,040m²
- 136 Option 2 (refer Figure 14) has the following attributes:
- 85% site coverage
 - 2 storey street wall with an overall height of 9 storeys and larger floorplates
 - FAR - 6:1
 - Commercial GFA - 11,413m²
- 137 The testing indicated that it is possible to deliver a Grade A Commercial Building within the proposed built form envelope. No changes to the development controls are therefore required to deliver high-quality commercial buildings.

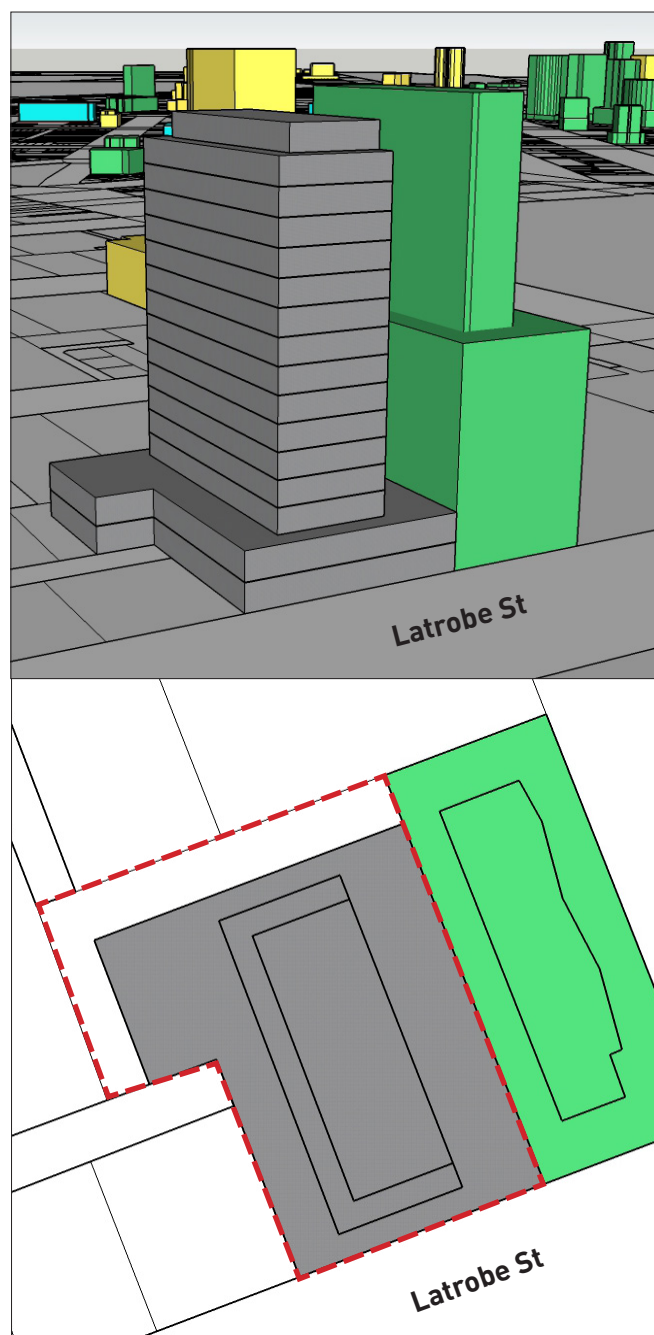


Figure 13. Testing of a commercial building on 500 LaTrobe Street - Option 1

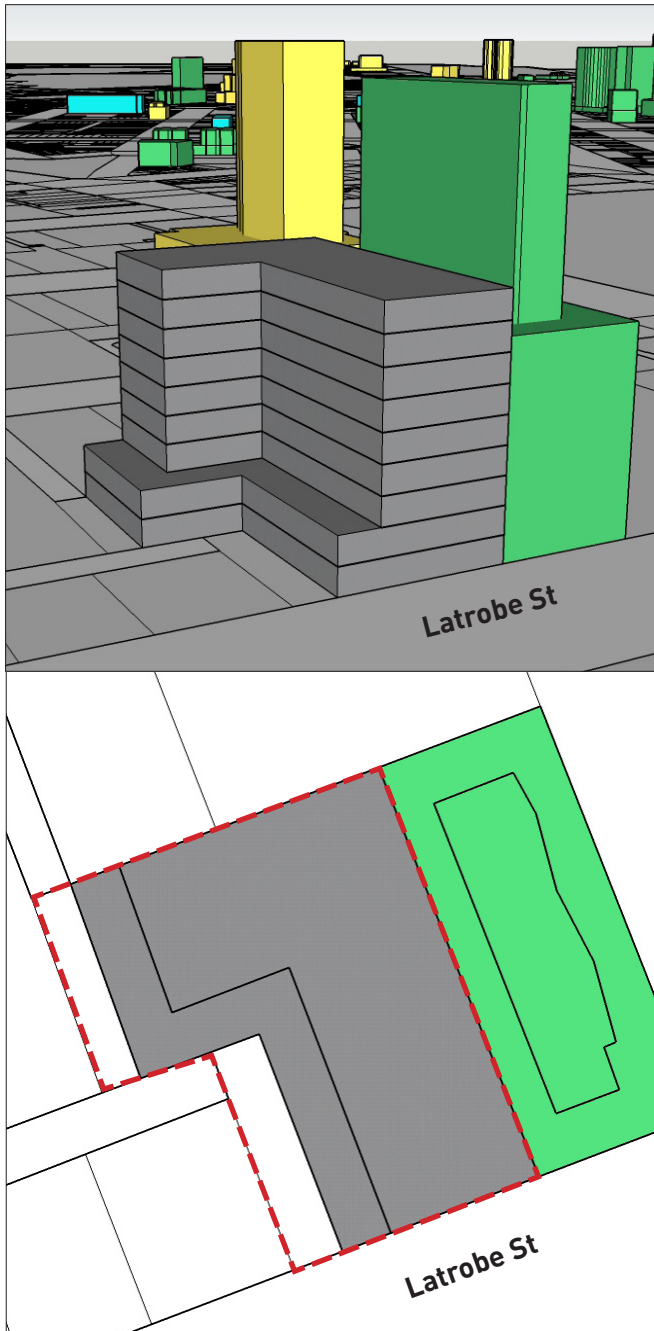


Figure 14. Testing of a commercial building on 500 LaTrobe Street - Option 2

Testing mid-block sites in Flagstaff (with heritage building)

363 King Street

- 138 363 King Street is a mid-block site that is adjacent to Flagstaff Gardens. It has an existing building, NCO House, that is identified as a significant heritage building (see Figure 16).
- 139 The site is located on King St, a busy arterial route. The site itself includes two private laneways, one to the north that runs perpendicular to the site and one that runs along the southern boundary of the site. The laneway at the southern boundary is partially covered by the existing heritage building (see Figure 16).
- 140 The site is bound by King St to the east, a six-storey commercial building to the north, a two-storey heritage building to the north-east, a mixed typology residential building to the west (4 storeys to 14 storeys), and a two-storey bluestone heritage building to the south.
- 141 Submission 45 relates to the redevelopment of this site. The concern has been raised that the proposed built form controls would allow for only a 6-storey building or a 12-storey building with 50 per cent of the site undevelopable.
- 142 The testing demonstrates that this is not the case.
- 143 The size of the site is 1,094m², therefore, 6,564m² is the Maximum Gross Floor Area to be delivered within a 16-storey building envelope. 1,094m² of non-residential floor area is required on the site.



Figure 15. 363 King Street location



Figure 16. NCO House at 363 King is categorised as a Significant Heritage Building.
Image Source: www.realestatesource.com.au

144 Two options have been tested for this site - one residential and one commercial building. For simplicity, the testing makes an assumption that a partial retention of the heritage building is required. This would need further consideration in any permit approval.

145 Option 1 has the following attributes:

- 70% site coverage
- 3 storey street wall with an overall height of 16 storeys
- FAR - 6:1
- GFA - 6,512m²
- Residential GFA - 4,768m²
- Commercial GFA - 1,744m²
- Heritage floorplate retained - 660m²

146 Option 2 has the following attributes:

- 84% site coverage
- 3 storey street wall with an overall height of 10 and 11 storeys
- GFA - 6,561
- FAR - 6:1
- Commercial GFA - 6,561m²
- Heritage floorplate retained - 660m²

147 Note that the site size restricts opportunity to deliver a Grade A Commercial Building.

148 This testing demonstrates that the development controls are appropriate and do not deliver simply 6 storey slab buildings or underdeveloped sites.

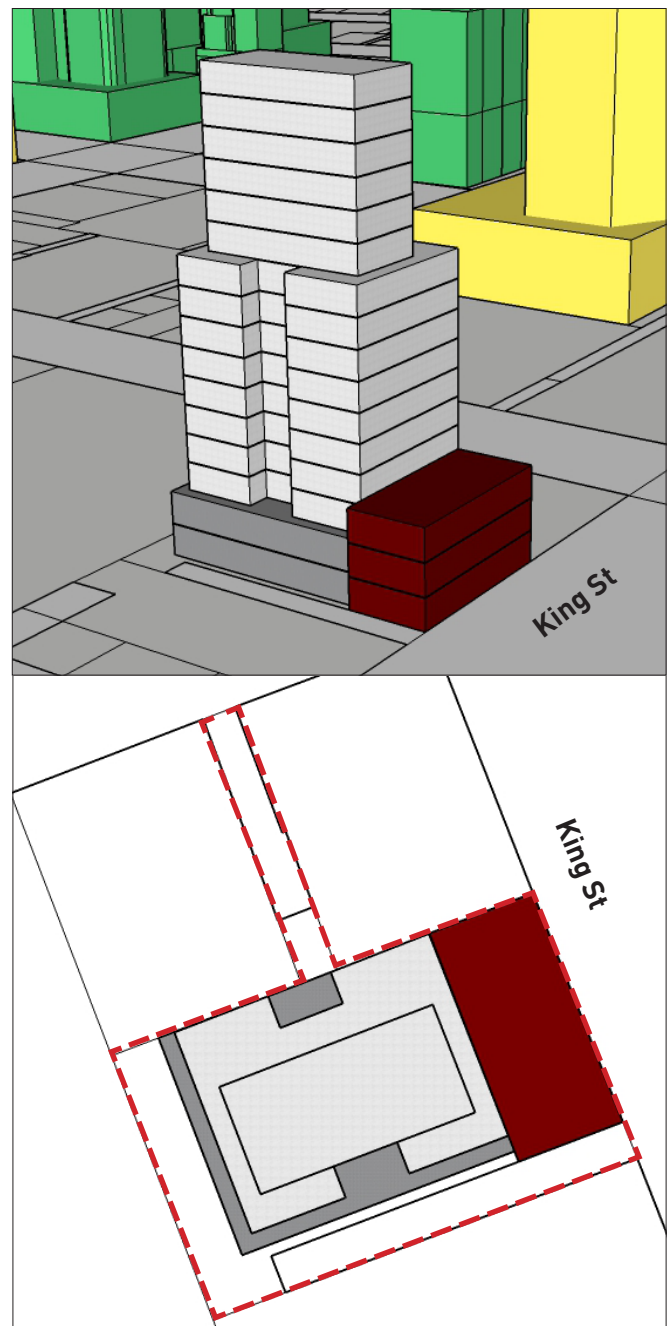


Figure 17. Option 1 - Testing of a residential building on 363 King Street - Option 1

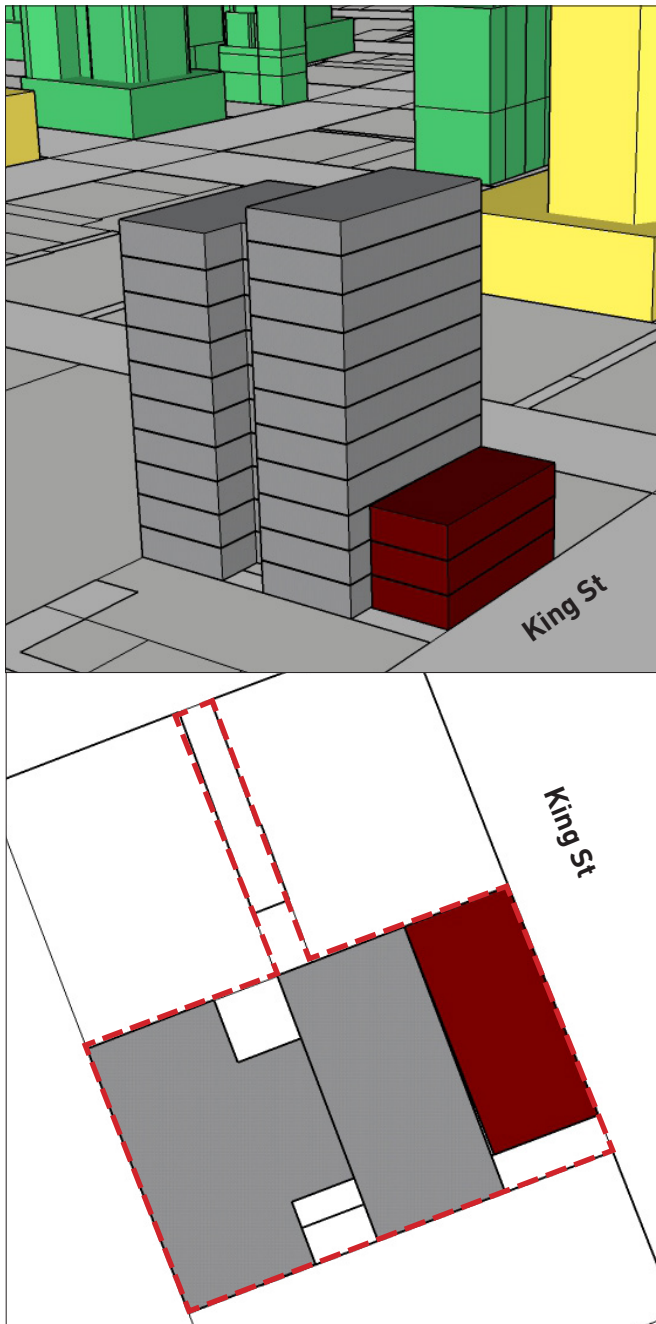


Figure 18. Option 1 - Testing of a commercial building on 363 King Street - Option 1

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Testing corner sites in Flagstaff (no heritage controls)

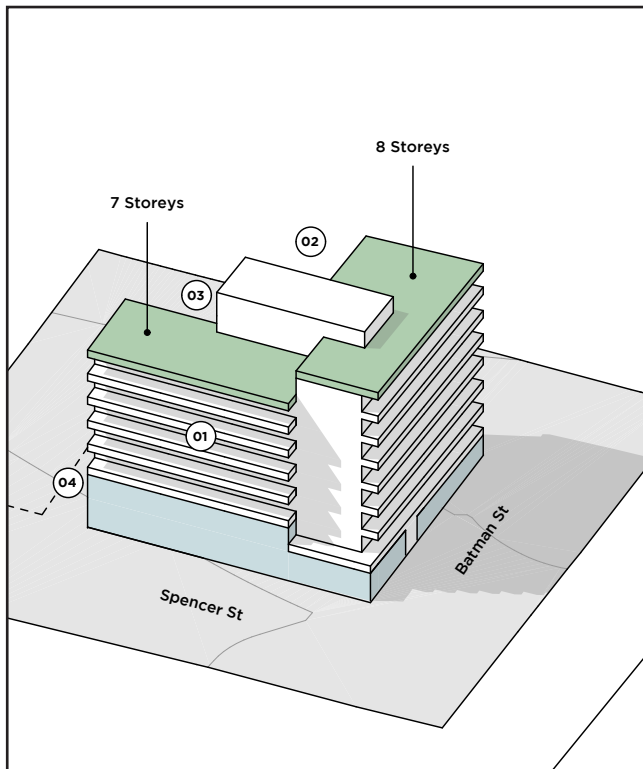


Figure 19. Built form testing on 404-418 Spencer Street (Original built form testing by Breathe Architecture, 2018)

Benefits (as noted in Built Form Testing report):

- Flexibility allows design to respond to site characteristics and context - all apartment outlooks face streets and key views.
- Borrowed amenity from side party boundaries not required - all amenity secured from street or within site.
- Site coverage easily able to be reduced and deep soil planting opportunity provided to increase permeability of private realm.
- Servicing able to be located off laneway allowing street frontage to be entirely active.

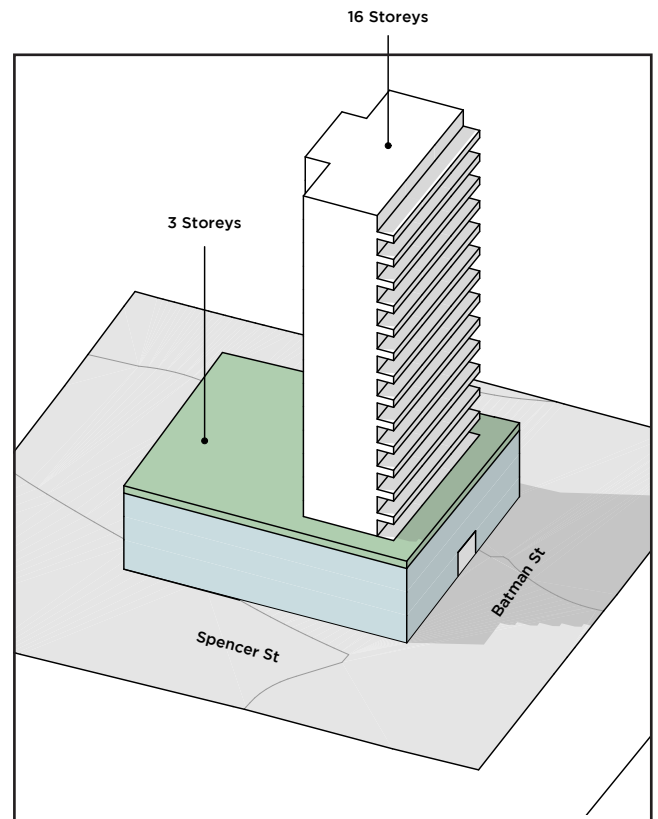


Figure 20. Built form testing on 404-418 Spencer Street (Original built form testing by Breathe Architecture, 2018)

Benefits identified:

- Slender residential tower format with high internal residential amenity and minimal visual bulk.
- Generous amount of communal open space.
- Tower form paired with lower street wall which minimises visual impact of tower form

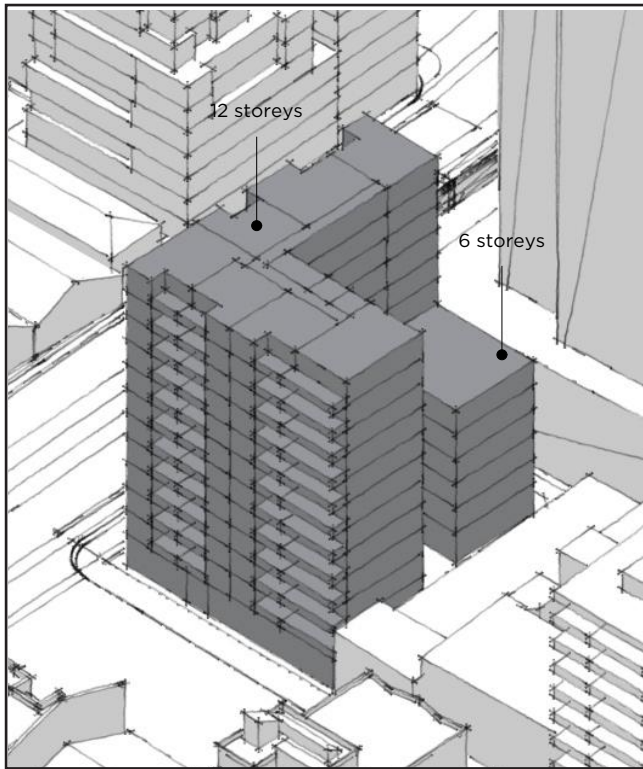


Figure 21. Built form testing on 496-501 La Trobe with FAR increased to 7:1 (Further Testing by Breathe Architecture, 2019)

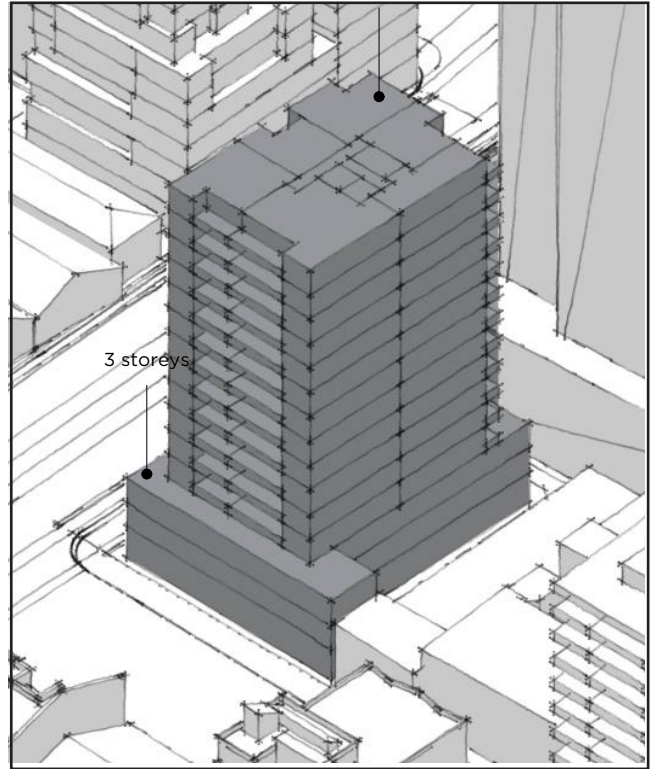


Figure 22. Built form testing on 496-501 La Trobe with FAR increased to 8:1 (Further Testing by Breathe Architecture, 2019)

Urban design impacts of increasing FAR to 7:1:

- Significant change in overall scale of development creating greater visual bulk.
- Loss of communal open space on podium.
- Preferred street wall height must be exceeded in order to achieve FAR. This diminishes the quality of the public realm and compromises the preferred character in the street.

Urban design impacts of increasing FAR to 8:1 (in addition to impact of increasing to 7:1):

- Larger bulkier tower form
- Less diversity of built form outcome - a mid-rise development is not possible at this density

Testing corner sites in Flagstaff (with heritage building)

60-80 Adderley Street and 135 Batman Street

- 149 60-80 Adderley Street and 135 Batman Street are two adjacent sites located on the corner of Adderley Street and Batman Street. These two sites form an irregular shaped corner site .
- 150 135 Batman Street includes a heritage building and is part of the Sands and McDougall Heritage Precinct.
- 151 The site is bound by Adderley St in the west, Batman St in the north, Franklin Place to the north-east, a three-storey residential apartment (adaptive reuse of a warehouse) to the south-east and McDougall Lane to the south-west.
- 152 Key issues raised in Submission 23 were the restrictive nature of the mandatory FAR and the 6m setback from the laneway which is perceived to be unreasonable.
- 153 The size of the site is 1,415m². Therefore, 8,490² is the Maximum Gross Floor Area to be delivered within a 16 storey envelope and 1,415m² of non-residential floor area is required on the site.
- 154 Option 1 has the following attributes:
- 87% site coverage
 - 1 storey, 4 storey and 10 storey street walls with an overall height of 11 storeys
 - GFA - 8,448m²
 - FAR - 6:1
 - Residential GFA - 3,342m²
 - Commercial GFA - 5,106m²
 - Heritage floorplate retained - 194m²



Figure 23. 60-80 Adderley Street and 135 Batman Street



Figure 24. View of the site from Batman Street.

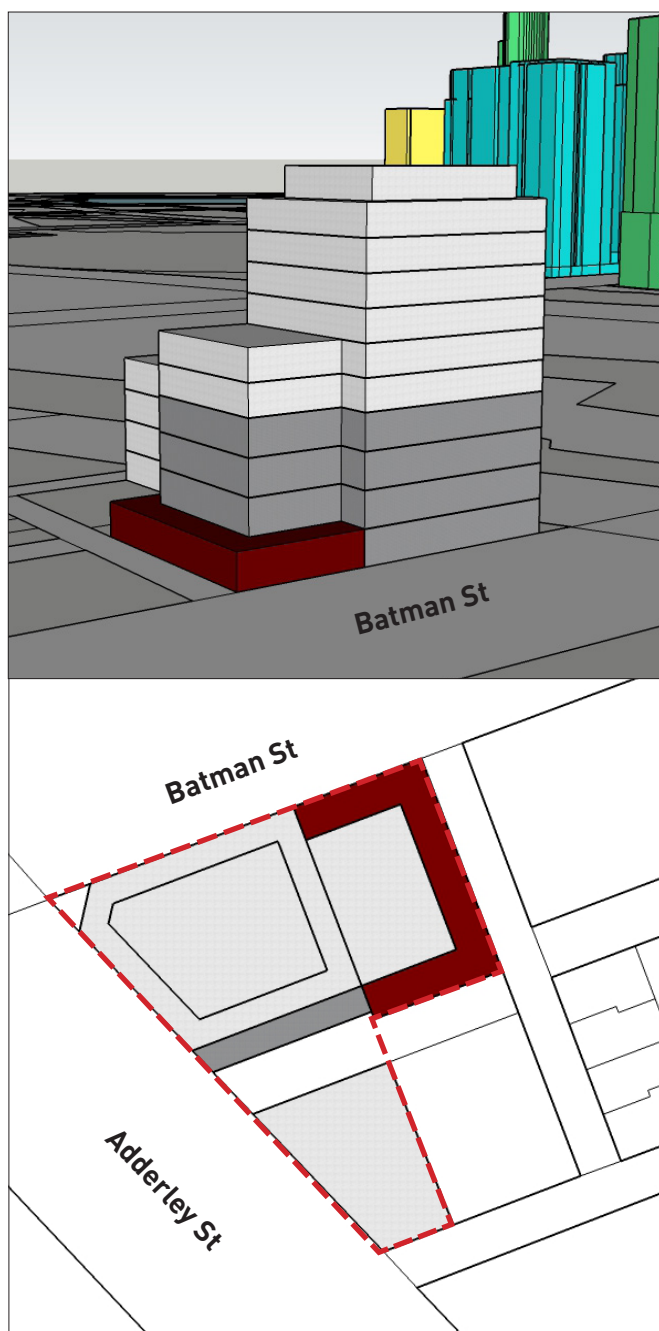


Figure 25. Built form testing of 60-80 Adderley Street and 135 Batman Street

155 Option 2 has the following attributes:

- 94% site coverage
- 1 storey, 9 storey and 4 storey street walls with an overall height of 9 storeys
- GFA - 8,578
- FAR - 6:1
- Residential GFA - 0m²
- Commercial GFA - 8,578m²
- Heritage floorplate retained - 194m²

156 The testing indicates that a range of built form outcomes can be delivered on the subject site. The FAR is of particular benefit to this as it provides flexibility to respond to the irregularity of the site, the existence of a heritage building and the numerous laneway interfaces.

157 The testing indicated that a 6m setback above the laneway is difficult to achieve on sites located at the intersection of two laneways. However, this can be assessed on a site by site basis as the 6m setback is discretionary.

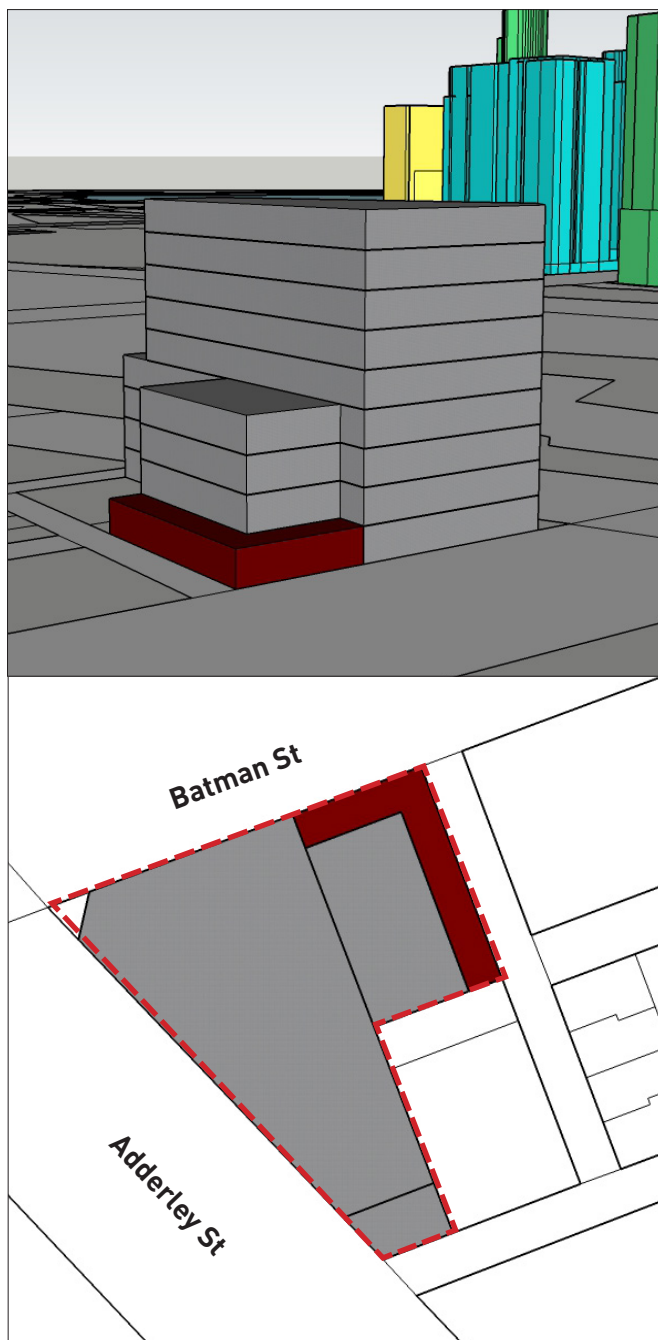


Figure 26. Built form testing of 60-80 Adderley Street and 135 Batman Street and 135 Batman Street

2.6 Development controls - Spencer precinct

Submissions

158 The following submissions have been made:

- The FAR of 4:1 should be increased and be discretionary.
- Difference between FAR and building envelopes is too significant.
- FAU should be introduced for sites that deliver commercial and employment generating uses above the minimum requirements.
- Height limits should be increased from 6 to 8 storeys in the Spencer Precinct.
- Festival Hall site should be located in the Flagstaff Precinct rather than the Spencer Precinct or nominated as a strategic site with higher density allowed.
- Heights should be increased from 10 storeys on Dudley Street to 16 storeys to reflect the height limit allowed on the south side of Dudley Street.
- Spencer Street FAR is too restrictive, an FAR of 6:1 is more appropriate for this site (Festival Hall) FAU should be included for public benefits such as affordable housing, open space and heritage. Unclear how additions would work on existing buildings and could prohibit retrofitting and re-purposing older buildings.

Discussion

Are densities appropriate?

- 159 The Amendment supports an increase in densities above what would be permitted if the current development controls were applied and the preferred height limit of 4 storeys were met.
- 160 The West Melbourne Structure Plan Capacity Modelling Outline report demonstrates that the

potential capacity delivered by the FARs exceeds the population forecasts for West Melbourne. The total capacity is estimated to be 23,593 residents which exceeds the population forecast of 18,687 residents. It also notes that the potential capacity is likely to be higher as some sites identified as unlikely to develop now are more likely to be developed over the longer term.

Integration of density and height controls

- 161 The built form testing for the Spencer precinct undertaken by Breathe Architects demonstrates that the 'fit' between the FAR and the height controls needs to be adjusted marginally to provide a consistent 'moderate' fit between the two.
- 162 The mid-block testing of the site at 62-80 Stanley Street includes building heights that are 7 storeys - this is taller than the proposed six storey height limit. While the heights are discretionary to allow flexibility in the design approach, the built form testing undertaken to support the amendment should not rely on exceeding the discretionary height limit to demonstrate good design outcomes. This represents too 'tight' a fit.
- 163 Increasing the building heights on these mid-block sites to 8 storeys will allow a more 'moderate' fit, provide an appropriate scale of development that is aligned with the preferred character outcomes and improve opportunities for a greater diversity of design responses. This will ensure the benefits provided by the pairing of a FAR and building envelope control are delivered.
- 164 The properties fronting Spencer Street within the proposed activity centre are proposed to have a FAR of 4:1 with an 8 storey height limit. The context includes many narrow sites and party walling is encouraged. A diversity of different building typologies is therefore not a driving urban design outcome. This represents a potential underdevelopment of these sites. The further testing by Breathe Architects demonstrates this (refer Figure 27s Figure 29 and Figure 30). An FAR of 5:1

together with the 8 storey height limit supports the delivery of the preferred typology on these sites.

Are other height limits appropriate?

- 165 The Amendment supports the delivery of taller built form on both sides of Dudley Street (10 storeys to the north and 16 storeys to the south). This provides a compatible character on both sides of the street, while supporting the transition in heights down towards the lower scale areas of the Adderley precinct. I support this approach and consider the height limits appropriate.

Should an FAU be included?

- 166 An FAU within the Spencer precinct is not supported. I consider that this would be likely to compromise the delivery of preferred character outcomes as increases in the overall densities would result in tower and podium forms.

Recommendation 6

- 167 Increase the 6 storey height limit within the centre of the blocks bounded by Dudley Street, King Street, Spencer Street and Roden Street to 8 storeys. Retain the 4:1 FAR.

Recommendation 7

- 168 Increase the FAR for sites along Spencer Street and King Street from 4:1 to 5:1. Retain the 8 storey height limit.

Testing of mid-blocks east of Spencer Street

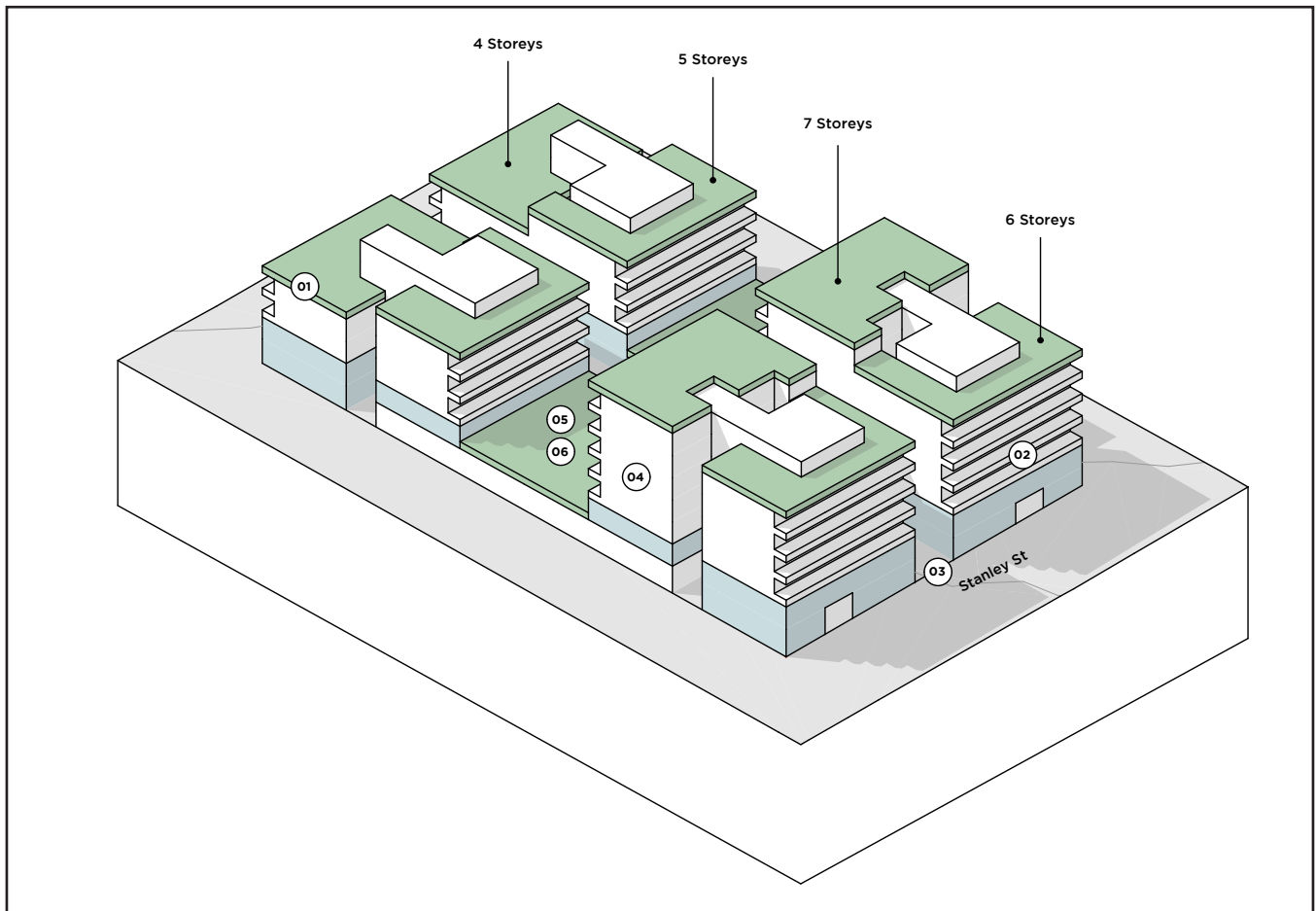


Figure 27. Built form testing on 404-418 Spencer Street
(Original built form testing by Breathe Architecture, 2018)

Benefits noted include:

- Flexibility allows design to respond to site characteristics and context - Building heights respond to low, fine grain single dwellings to the north and to allow for greater solar access to open, ground level landscape areas.
- Built form diversity able to be achieved through breaking site into distinct buildings of different heights with different architectural/material treatment.
- New pedestrian connection created by reducing site coverage to create new open-to-sky through link.
- Borrowed amenity from side party boundaries not required - all amenity secured from street or within site.
- Site coverage reduced and deep soil planting provided through generous building separation to increase permeability of private realm.
- Generous communal open spaces provided for residents.

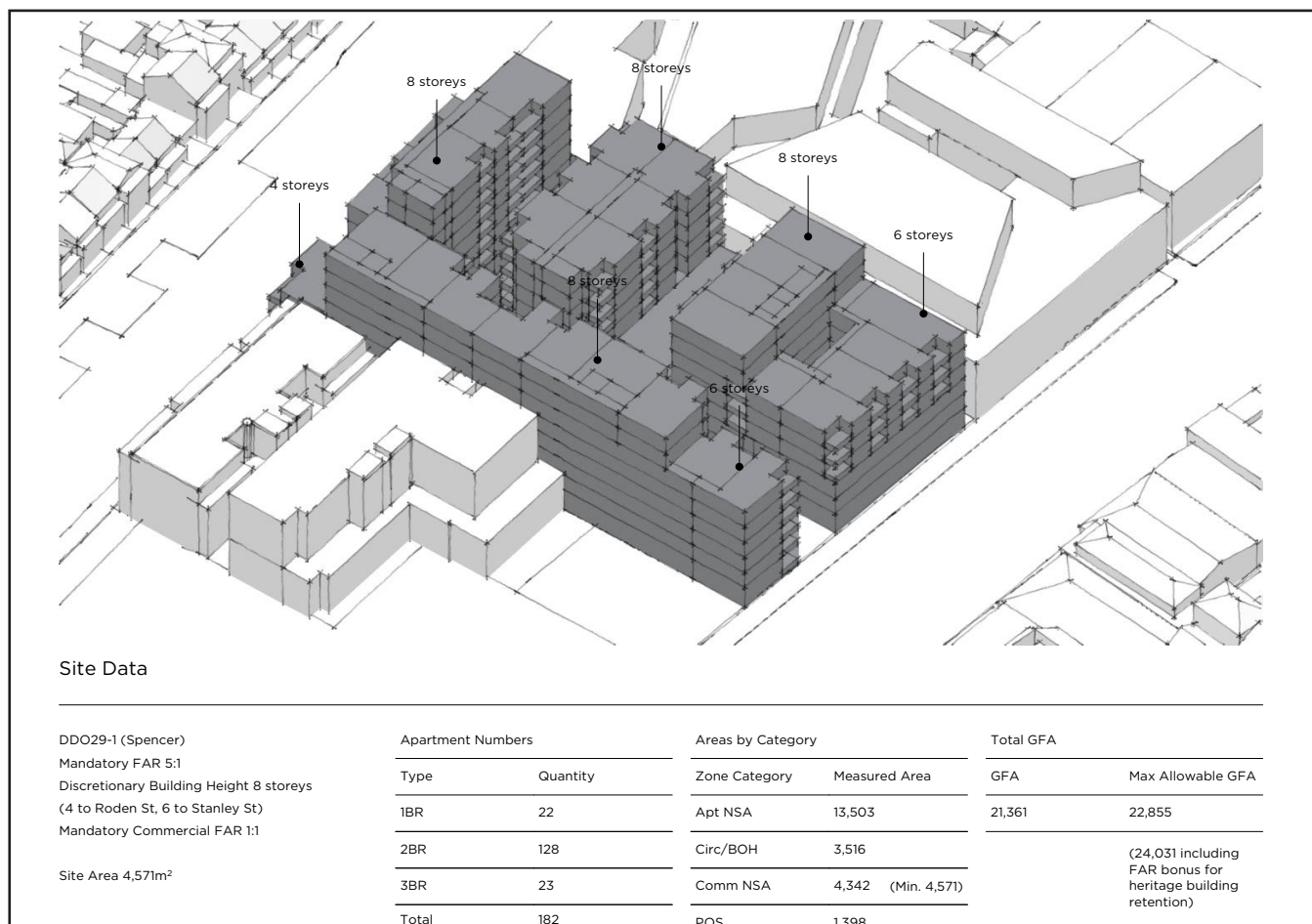


Figure 28. Built form testing on 404-418 Spencer Street (Further built form testing by Breathe Architecture, 2019)

Impact of increasing the FAR to 5:1:

- A 'tight' fit between the height limits and the FAR.
- This leads to poorer built form outcomes including reduced building separation within the site (with a reduction in internal amenity) and a less architecturally diverse scheme.

Spencer Street built form testing

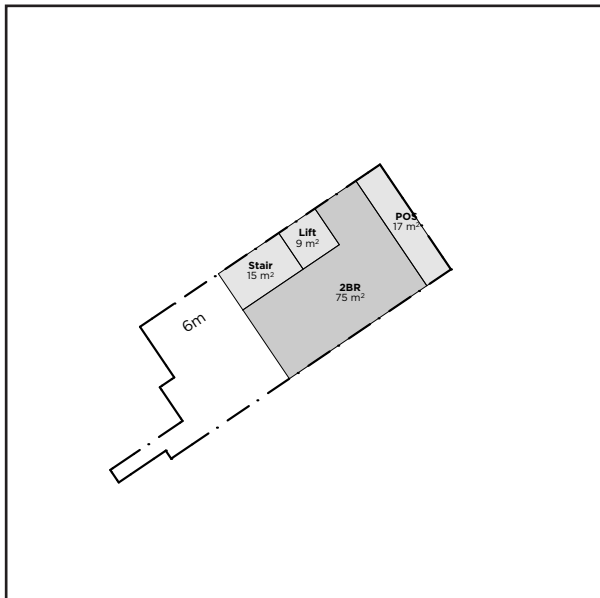
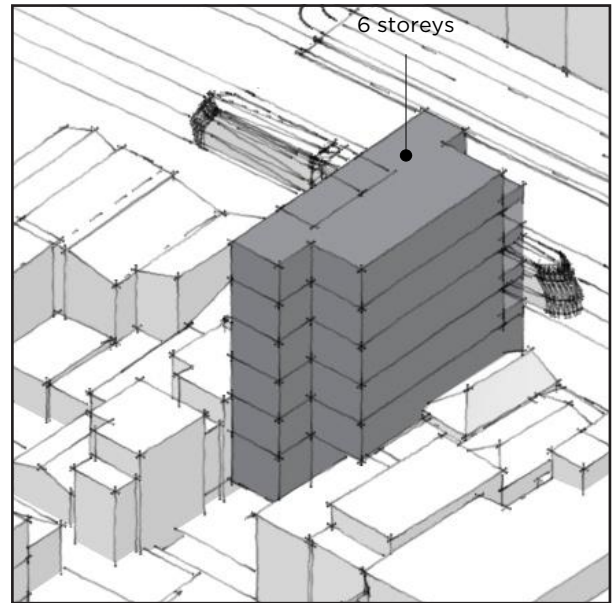
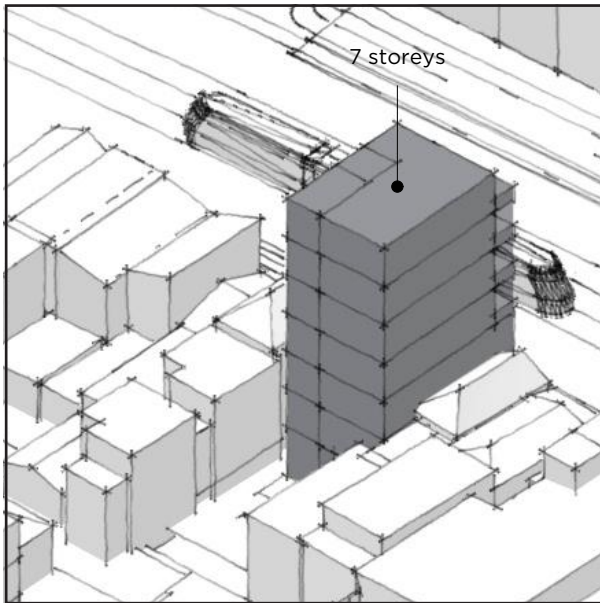


Figure 29. 495 Spencer St 4:1 (Breathe Further Modelling Report, 2019)

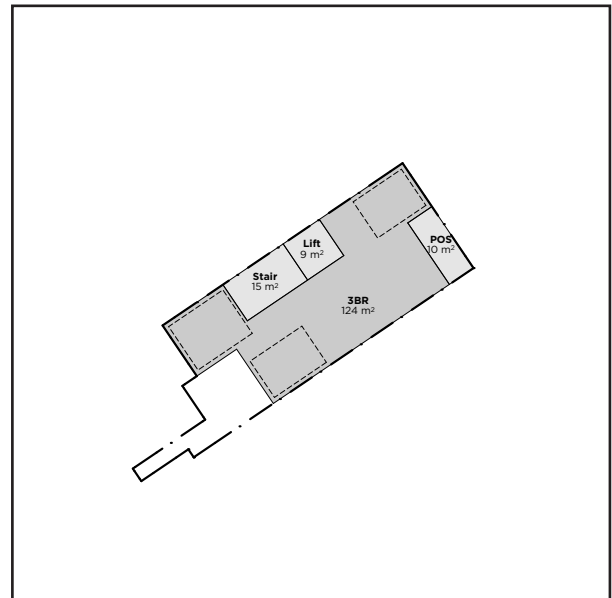


Figure 30. 495 Spencer St 5:1 (Breathe Further Modelling Report, 2019)

Festival Hall Built Form Testing

Festival Hall site

- 169 Festival Hall is a recognised heritage building and has played a pivotal role in the culture of Melbourne. The loss of live music venues in the inner city is a significant concern and impacts the opportunities for people to participate in cultural activities in the city.
- 170 Opportunities to retain or deliver a new music venue on this site should be explored. A continuity of use provides the opportunity to recognise the importance of this venue.
- 171 Built form testing has been undertaken to consider how the retention of this important cultural use could be incentivised.
- 172 The proposed height limit of 10 storeys to Dudley Street is supported. Considering the lack of sensitive uses to the south-west. This should transition to the preferred 6 storey height limit towards the north-east corner of the site.
- 173 The size of the site is 4,135m² therefore under the proposed controls 16,540m² is the maximum Gross Floor Area that can be delivered within a 10 storey envelope. 4,135m² of non-residential floor area is required on the site.
- 174 The built form testing demonstrates the following outcomes:
- 93% site coverage, which assumes a large scale performance venue is included within the podium.
 - 2 storey street wall with an overall height of 10 storeys.
 - GFA - 24,654m²

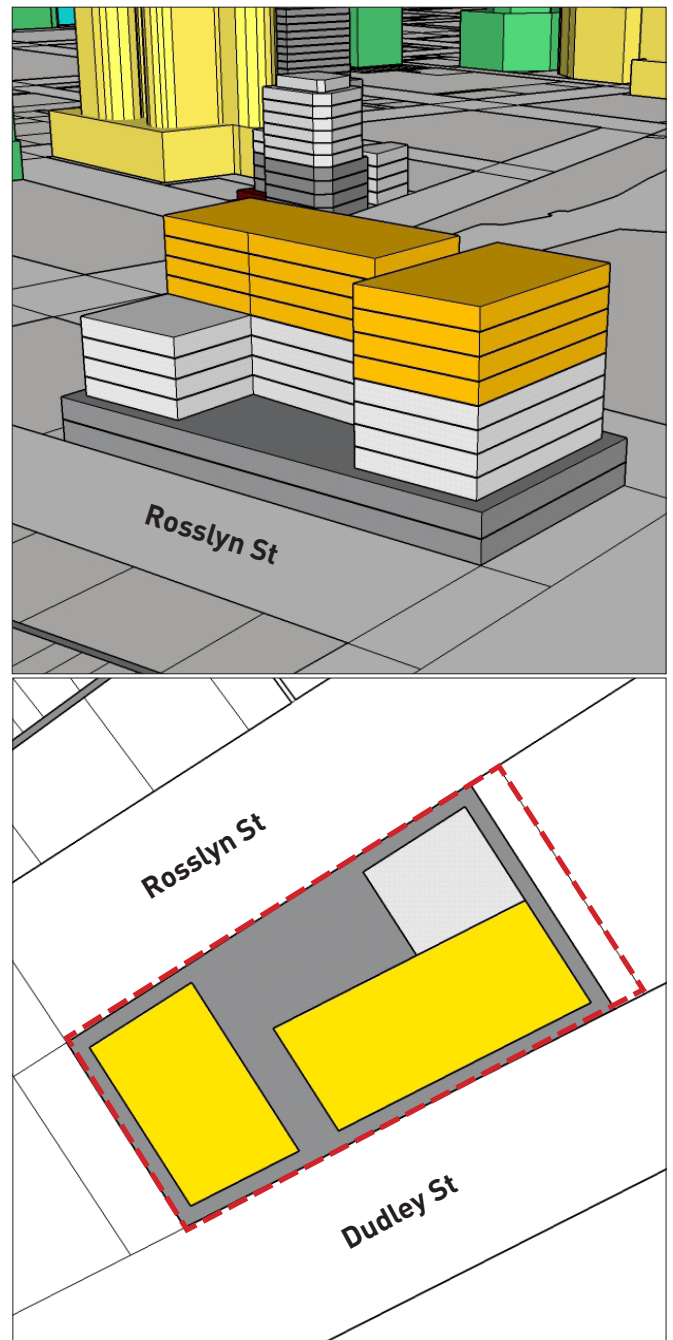


Figure 31. Built form testing on the Festival Hall site.

- Resultant FAR of 6:1 (this would incorporate a density uplift of 2:1)
- Residential GFA - 16,940m²
- Commercial GFA - 7,714m²
- Heritage floorplate retained - 0m²

175 This assumes that the original building fabric is replaced, however this would need to be assessed through an appropriate heritage review.

176 This demonstrates that additional yield could be possible on this significant site and represents an opportunity to deliver a site-specific FAU that could incentivise the delivery of a large-scale music venue.

Recommendation 8

177 Introduce a Floor Area Uplift on the Festival Hall site to incentivise the delivery of a large-scale live music venue on this site.

3. Other precincts

Submission 51: 158-160 Roden Street

- 178 The submitter is concerned that a mandated 0.5:1 FAR of non-residential floor area is unrealistic when a 4-storey preferred maximum height applies as this would inhibit the delivery of semi-detached dwelling/townhouses.
- 179 Submitter proposes to increase the height to 6 storeys to support mixed-use development or the exclusion of the 0.5:1 on-residential floor area requirement in the Adderley precinct.
- 180 I consider that the introduction of a mandatory non-residential floor area requirement would be onerous for semi-detached dwellings/townhouses.
- 181 However, semi-detached dwellings/townhouses, are not the preferred outcome within the Adderley precinct. Converting the control from discretionary to mandatory would ensure that exemptions could be made in discrete circumstances where it is deemed appropriate.
- 182 I consider 6 storeys too high in this low-scale precinct. It would compromise the overall preferred character outcomes for this area.
- 183 Recommendation 2 addresses these issues as it proposes that the non-residential floor area requirement is converted to a discretionary control.

Submission 36: Hotel Miami 599-601 & 605-609 King Street and 605-609 Hawke Street

- 184 Amendment C309 proposes to retain the subject site in the General Residential Zone (GRZ), which has an 11 metre mandatory height and a 35 per cent garden area requirement. The application of the GRZ means that a future development would be unable to achieve the same scale of development and yield as the existing building.
- 185 The submitter contends that the GRZ doesn't promote active ground floors which is a lost opportunity for strategic sites along Hawke Street given the subject sites proximity to Errol Street and the proposed upgrades to Hawke Street in the West Melbourne Structure Plan.
- 186 The subject site includes several contiguous sites and has frontages to Hawke St and King St, the consolidation of these sites would create a site that is approximately 2,600m².
- 187 I agree that this site represents an opportunity for greater development intensification than the GRZ allows. A 6-storey building has been recently developed on the opposite side of the street. The site is also in direct proximity to Errol Street.
- 188 It is also bounded by low-scale development and any intensification would need to respond appropriately to these sensitive uses.
- 189 Site specific testing was undertaken to determine whether the application of an FAR would be suitable on the site and whether increased heights would be appropriate.

- 190 The testing indicated that the application of an FAR would be appropriate and would assist in delivering higher amenity outcomes on the irregular site which is located in a sensitive heritage context.
- 191 This demonstrates the following attributes:
- 93% site coverage
 - 4 storey street wall with an overall height of 4 storeys
 - GFA - 4,135m², resulting in a FAR of 1.5:1
 - This development typology could support a hotel or residential use.
- 192 The application of an FAR of 1.5:1 would allow for 6m setbacks to the southern, northern and eastern boundary of the site. This would effectively extend the existing laneway network and allow for ground floor setbacks from sensitive neighbouring heritage sites.

Recommendation 9

- 193 Recognise 599-601 & 605-609 King Street as a significant site and apply the SUZ zone. Incorporate site specific controls for this site into the Adderley DDO as follows:
- FAR of 1.5:1
 - Discretionary height control of 4 storeys
 - Discretionary 6m rear and side boundary setbacks



Figure 32. Aerial image of the subject site



Figure 33. Subject site as viewed from Hawke Street

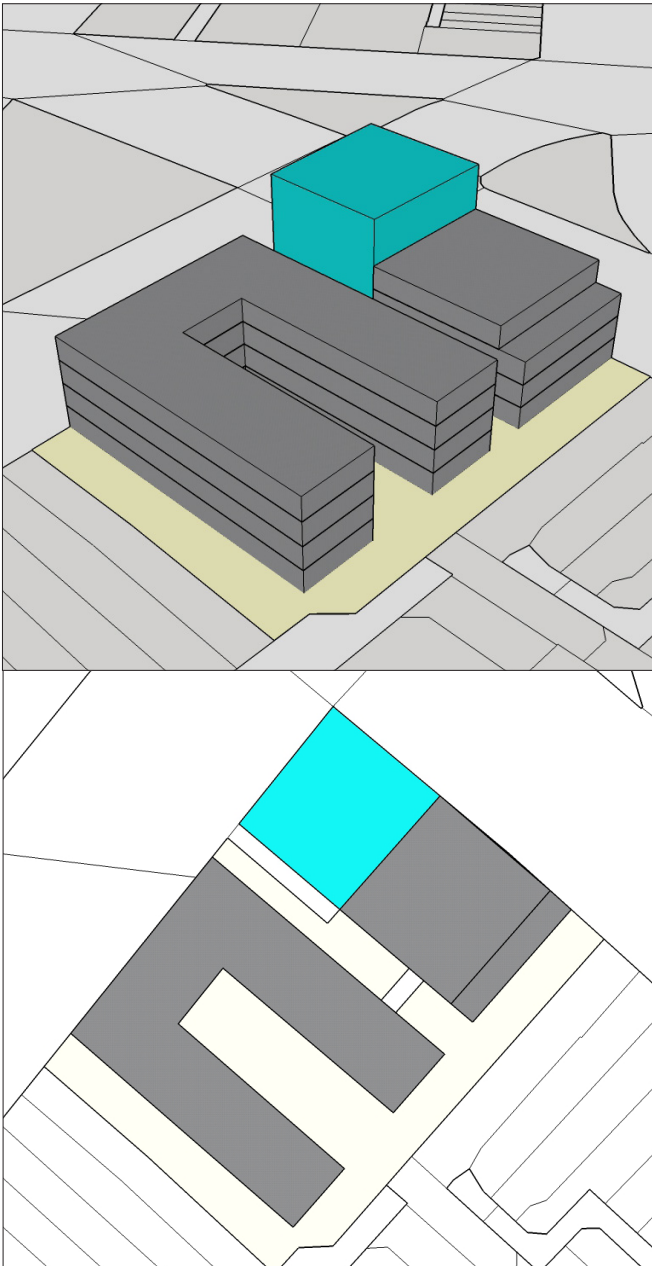


Figure 34. This illustrates a development with a height of 4 storeys and an FAR of 1.5:1.

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