Hi planning.implementation@delwp.vic.gov.au

There has been a submission on Planning for Melbourne’s Industrial and Commercial Land through Engage Victoria.

A copy of the submission is provided as below:

Planning principles and strategies for employment land.

The draft Melbourne industrial and commercial land use plan includes principles and strategies to guide planning for industrial and commercial land. (page 32).

Do you think the principles and strategies provide enough clarity and guidance to assist planning for industrial and commercial land?

No

If no, please let us know why and how they could be improved.

Please refer to attached submission.
Criteria to identify regionally-significant industrial precincts.

Plan Melbourne identifies state-significant industrial precincts. The draft Melbourne industrial and commercial land use plan identifies regionally-significant industrial precincts and includes criteria used as the basis to identify these locations (page 34).

Do you support the criteria developed to identify regionally-significant industrial precincts?
No

If no, please let us know why and how they could be improved.
Please refer to attached submission.

Purpose for regionally-significant industrial precincts and local industrial precincts.

Plan Melbourne outlines a purpose for state-significant industrial precincts. The draft Melbourne industrial and commercial land use plan identifies a purpose for regionally-significant industrial precincts and local industrial precincts (page 35).

Do you support the purpose developed for regionally-significant industrial precincts and local industrial precincts?
Yes
If no, please let us know why and how they could be improved.
Please refer to attached submission.

Developing local industrial land use strategies.

Appendix 2 of the draft Melbourne industrial and commercial land use plan proposes guidance for developing local industrial land use strategies.

Do you have any comments or suggestions to improve the guidance for developing local industrial land use strategies?
Please refer to attached submission.

Key industrial and commercial areas.

The draft Melbourne industrial and commercial land use plan identifies and describes key industrial and commercial areas for each of the six metropolitan regions (refer to Part B of the plan).

Have the key industrial and commercial areas been adequately identified and described across the regions?
No

If no, please let us know which other area we should identify or how the areas can be better described.
Please refer to attached submission.
Would you like to comment on any other aspects of the plan?

Please refer to attached submission.

If you would like to upload a submission, please do so here.

I am making this submission:

on behalf of a land owner

Email address (Optional)

I agree to receive emails about my submission if required or project updates.

Yes

Privacy Statement - Draft Melbourne Industrial and Commercial Land Use Plan

What we will do with your submission

The Department of Environment, Land, Water and Planning (DELWP) is committed to protecting personal information provided by you in accordance with the principles of the Victorian privacy
laws. The submission you provide to DELWP will be used to inform the finalisation of the Melbourne Industrial and Commercial Land Use Plan.

The information you provide will be made available to DELWP to develop a consultation report. This report will be uploaded to the Melbourne Industrial and Commercial Land Use Plan page on the DELWP website.

The contact information you provide may be used to contact you should we need to clarify your submission or to provide you with project updates.

The submission you provide will be published on the DELWP website. To protect individual privacy, DELWP will remove your name and address from your submission when we receive it.

If you do not wish to be identified, please ensure there is no other information in your submission that could identify you or other individuals.

If you are making comment as an organisation, then your comments may be published, including the name of your organisation.

De-identified submissions may be used by DELWP, or its contracted service providers under confidentiality agreements, in preparing its recommendations to government.

Please note, if you do not provide your name/email address we will not be able to identify your submission if you wish to access it, make a correction, or require technical support.

Should you need to correct the information you provided or gain access to your submission, please contact us via email at planning.implementation@delwp.vic.gov.au

I agree to the privacy statement

yes

To view all of the form’s submissions, visit:

Regards,

The Engage Victoria Team

This is not SPAM. You are receiving this message because you have submitted feedback or signed up to Engage Victoria. If you think you have been sent this by mistake please contact us at contact@engage.vic.gov.au.
20 December 2019

Department of Environment, Land, Water & Planning
8 Nicholson Street
East Melbourne
VIC 3002

Via: Online Portal

Dear Sir/Madam,

PROURBAN SUBMISSION TO DELWP – DRAFT MELBOURNE INDUSTRIAL AND COMMERCIAL LAND USE PLAN

proUrban welcomes the opportunity to comment on the draft *Melbourne Industrial and Commercial Land Use Plan* ("the plan") on behalf of Incore Development Group. We commend the Department of Environment, Land, Water and Planning (DELWP) for this work, which builds off Plan Melbourne and Plan Melbourne Refresh 2017, to create greater certainty in planning for industrial and commercial land in metropolitan Melbourne.

proUrban is a specialist property consultancy providing urban advisory, planning, and management services to landowners and developers across metropolitan Melbourne. We seek to achieve better development outcomes on a range of commercial and industrial planning projects.

We consider an adequate industrial and commercial land supply to be critical economic infrastructure to Victoria’s productivity and liveability. The affordability of industrial and commercial land must be considered in the context of both national and international investment markets.

We encourage DELWP to consider and implement recommendations that increase the efficiency and productivity of land use planning in metropolitan Melbourne.

Broader Observations

proUrban supports the following elements of the draft plan:

- The overall direction of the plan.
- The provision of guidance for Councils to develop industrial land use strategies which will assist the identification of, and planning for, relevant industrial land and transport corridors, as well as ensuring industrial land is sufficiently protected or zoned where relevant.
- The consideration to develop and implement a process for ongoing monitoring of commercial land use and development.
The four principles and strategies to guide planning for industrial and commercial land.

proUrban’s response

The table below sets out responses to relevant components of the plan for DELWP’s consideration.

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<th>No.</th>
<th>MiCLUP Plan</th>
<th>proUrban response</th>
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<tbody>
<tr>
<td>1</td>
<td>Retain regionally-significant industrial precincts as identified on the future directions map for the region and protect them from encroachment of sensitive uses that may compromise development and efficient operation of businesses in these locations (page 58, part B).</td>
<td>We believe the plan needs more detail and discussion on the flexibility and interchangeability of industrial and commercial zones and uses, and clarify where one would be preferred over the other (i.e. where commercial zoning is favoured over industrial land and vice versa, and whether industrial land is retained for the sake of retention) in ensuring efficient operation of businesses in these locations. For example, areas of industrial land would benefit from a mix of office and industrial uses which are permitted by the more flexible Commercial 2 Zone however limited by the less flexible Industrial 3 Zone. Consideration of zoning which would protect employment land from encroachment from sensitive uses.</td>
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<tr>
<td>2</td>
<td>The plan states ‘Investigate industrial areas that could support other employment uses that support or are well connected to adjacent employment uses or transport connections (page 58, part B).</td>
<td>We strongly support transit-oriented development. Flexible zoning controls which support intensification of uses at higher density around transport nodes should be considered to maximise development opportunities.</td>
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<td>3</td>
<td>The plan states ‘Review the commercial zones to better understand how they are applied and operating. In particular consideration should be given to the role and function of dwellings as a section 1 use in the Commercial 1 Zone and the role and purpose of the Commercial 2 Zone and how it applies and operates, particularly in industrial locations.</td>
<td>Areas of industrial land would benefit from a mix of office and industrial uses which are permitted by the more flexible Commercial 2 Zone. The C2Z also has strong potential to maximise opportunities for business development given that many industrial zoned areas have lower relative job densities and will not be locations for jobs growth. We support the consideration to the interchangeability in industrial and commercial zoning. We believe more detail on the timeframe, scope and potential outcome/s of a review of the zones is required.</td>
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One of the plan’s objectives is “Ensuring there is enough industrial and commercial land to meet future demand for economic activity and employment purposes, will help to support Victoria’s competitive advantage in attracting investment.”

In this regard, we believe this should be expanded to ensure there is both sufficient land supply and that available land is used to its full capacity.

This plan should be amended to include a greater emphasis on encouraging transit-oriented development (TOD). Policy makers need to consider the capacity of industrial precincts served by public transport to accommodate higher intensity commercial development such as vertical office. An example of this is the Williams Landing development, which is currently home to Target Australia’s Headquarters. Other examples of precinct that would be appropriate for higher and better use outcomes would be industrial land around train stations such as Caroline Springs and Spotswood train station.

This supports our view that Industrial and Commercial Zones should be as flexible as possible. Uses such as industry and warehouse are compatible with office. It is important that maintaining the status quo or facilitating further intensification of office development within industrial precincts well served by key transport infrastructure (such as train stations).

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<th>4</th>
<th>Methodology of calculation of industrial land</th>
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<td>We are concerned about the method of calculation and reference to “available or developable industrial land”. Land zoned for industrial development does not ensure its availability to the market for development in line with its intended purpose. Land banking is occurring in several key industrial precincts within Melbourne. This land should not be listed as available or developable industrial land. In other instances, land may be zoned to accommodate industrial development, however necessary infrastructure and utilities have not expanded to that precinct. This effectively results in the land being financially unviable for development. Appropriate supply of industrial land to meet ever increasing demand is critical to ensuring industrial land prices remain competitive compared to other national and international industrial investment markets.</td>
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<th>5</th>
<th>Appendix 2 - Developing local industrial land use strategies</th>
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<td></td>
<td>We support empowering and providing guidance to Councils to create industrial land use strategies and activity centre strategies. However, the plan should detail the level of support and guidance Councils will receive from DELWP in preparing local industrial and commercial land use strategies.</td>
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We note that Councils typically have limited budget and staffing resources and such strategic work might be delayed at a time when industrial and commercial land supply have been identified to be rapidly reaching capacity.

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<th>Risk of duplication, overlap, or contradiction with existing strategies and plans</th>
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<td></td>
<td>The purpose of the plan appears vague. At several points the plan identifies the need for strategic work that either should have been done to inform the draft plan or has already been initiated or completed. For example, industrial and commercial land has already been identified and planned for in Precinct Structure Plans and Growth Corridor Plans. Although we acknowledge the importance of guiding strategic documents, care must be taken to avoid duplication, overlap or contradiction with existing strategic documents which adds to the already complex planning system. The plan also does not contain actionable items or significant strategic direction. For this reason, the plan needs to have a clearer overall objective, or risks being a guiding yet weightless document which may cause confusion for practitioners and landowners.</td>
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<th>8</th>
<th>Document layout and formatting</th>
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<td></td>
<td>The document is large and at times difficult to navigate. We suggest reformatting the plan so that the strategic approach to planning for industrial and commercial land (and its guiding principles and strategies) are the primary focus, and the current and future land supply commentary and statistics (which currently make up the bulk of the document) are a supporting appendix.</td>
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**Conclusion**

In summary the objectives of our submission are to:

- Maintain flexibility within industrial and commercial zoning provisions;
- Enable Councils to prepare local industrial and commercial land management strategies to guide well considered development in industrial and commercial areas.
- Encourage transit-oriented development by facilitating commercial development of intensity and scale in industrial and commercial locations well serviced by public transport infrastructure (such as train stations);
- Encourage better integration between industrial and commercial development.
- Ensure appropriate supply of industrial and commercial land. A failure to do this may lead to higher rent and land prices. This may make Melbourne less competitive compared to other national and international industrial investment opportunities.
Our services

proUrban is a specialist consultancy that provides urban advisory, planning and management services to developers and landowners.

We specialise in providing advice and services that lead to both increased commercial returns for our clients and projects that have a positive impact on the local community. We achieve this by working closely with our clients to create and implement strategies that are directly linked to their objectives.

Drawing from our broad-based experience across the public and private sectors, we pride ourselves on providing advice that is accurate, pragmatic, and commercially focused. Our strong working relationships within State and local governments provide us with improved access to key decision makers and influencers, which we can leverage to benefit our projects and clients.

At proUrban our five guiding principles are communication, creativity, professionalism, trust and partnership. We are committed to demonstrating these values on every project.

Should you have any further questions, please don’t hesitate to contact the undersigned on

Yours sincerely,

Director