374-380 Lonsdale Street, Melbourne
Planning Permit Application No. 2011/013331A
# Table of contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Summary</td>
<td>2</td>
</tr>
<tr>
<td>2 Recommendation</td>
<td>2</td>
</tr>
<tr>
<td>3 Application Details</td>
<td>3</td>
</tr>
<tr>
<td>4 Proposal description</td>
<td>5</td>
</tr>
<tr>
<td>5 Site and surrounds</td>
<td>5</td>
</tr>
<tr>
<td>6 Policy context</td>
<td>6</td>
</tr>
<tr>
<td>6.1 State Planning Policy Framework</td>
<td>6</td>
</tr>
<tr>
<td>6.2 Local Planning Policy Framework</td>
<td>7</td>
</tr>
<tr>
<td>6.3 Plan Melbourne (May 2014)</td>
<td>7</td>
</tr>
<tr>
<td>7 Statutory Controls</td>
<td>8</td>
</tr>
<tr>
<td>8 Notification</td>
<td>10</td>
</tr>
<tr>
<td>9 Referrals</td>
<td>10</td>
</tr>
<tr>
<td>10 Assessment</td>
<td>10</td>
</tr>
<tr>
<td>10.1 Consistency with Planning Policy</td>
<td>10</td>
</tr>
<tr>
<td>10.2 Land Use</td>
<td>12</td>
</tr>
<tr>
<td>10.3 Built Form</td>
<td>12</td>
</tr>
<tr>
<td>10.4 Wind</td>
<td>15</td>
</tr>
<tr>
<td>10.5 Environmentally Sustainable Design</td>
<td>16</td>
</tr>
<tr>
<td>10.6 Functional Requirements</td>
<td>16</td>
</tr>
<tr>
<td>11 Recommendation</td>
<td>17</td>
</tr>
</tbody>
</table>
1 Summary

On 19 December 2012 the Minister for Planning granted permit 2011/013331 for; "demolition of the existing building, buildings and works for a commercial car park for which an existing use right has been established and construction of a multi-storey building comprising dwellings, office and retail uses (other than Adult Sex bookshop, Department Store, Hotel, Supermarket and Tavern)” at 374-390 Lonsdale Street, Melbourne.

The approved scheme allows the development of a 48 storey building (166.1 metres) comprising 627 dwellings, retention of 445 commercial car spaces, office and ground floor retail with a gross floor area of 88,623 sqm.

The permit conditions required provision of amended plans for endorsement seeking improvements to architectural design and execution of building facade, internal layout and amenity, loading access and provision of bicycle facilities. The City of Melbourne generally supported the original application.

The current application to amend permit 2011/01331 was lodged with the Department of Transport, Planning and Local Infrastructure (DTPLI) on 31 March 2014.

The amended proposal seeks to demolish the existing commercial car park and construct a multi-storey mixed use building consisting of dwellings, residential hotel, office and ground floor retail.

The City of Melbourne supports the proposal subject to increased tower setbacks from Lonsdale and Little Lonsdale Streets and deletion of the canopy above Timothy Lane. However, the setbacks are similar to the existing permit and nearby buildings and the glazed canopy is required for wind amelioration and is over private land.

2 Recommendation

The application has been considered by the Planning Department of the City of Melbourne and the Officer’s comments have been received.

The Future Melbourne Committee has resolved to support the application.

The recommendation to the Minister for Planning is to approve the planning application and grant a planning permit subject to conditions.
## Application Details

<table>
<thead>
<tr>
<th>Key elements</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land / Address:</td>
<td>374-380 Lonsdale Street, Melbourne</td>
</tr>
</tbody>
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| Application No. & Proposal: | 2011/013331A  
Request to amend planning permit 2011/013331 pursuant to Section 72 of the *Planning and Environment Act, 1987*.  
The proposal is:  
“Demolition of the existing building and construction of a multi-storey building comprising dwellings, office, hotel and ground floor retail (other than adult sex bookshop, department store, hotel, supermarket and tavern).” |
| Date lodged with DTPLI: | 31 March 2014                                                                                                                                                                                             |
| Zone and Overlay controls | Schedule 1 to the Capital City Zone (outside the retail core)  
Schedule 1 to the Design and Development Overlay – Area 2 (Active Street Frontages)                                                                 |
| Why is a permit required? | Schedule 1 to the Capital City Zone (CCZ1):  
• Building and works require a permit.  
Schedule 1 to the Design and Development Overlay (DDO1-A2):  
• Buildings and works require a permit.  
Clause 52.34 (Bicycle Facilities)  
• Reduction in visitor parking and shower facility requirements require a permit. |
| Height PANS-OPS / Flight Paths | The building height of 217 metres is below the Obstacle Limitation Surfaces (OLS) and the Procedures for Air Navigational Services Aircraft Operations (PANS-OPS) surface level of between 225 and 280 metres. Consent will be required from the relevant aviation authorities to penetrate controlled airspace for cranes during construction. |
| Car parking and bicycle facilities | 287 on site car spaces which is well below the allowable maximum of 821 car spaces.  
16 motorcycle spaces which exceeds the requirement of 1 per 100 car spaces.  
75 publicly accessible bicycle spaces and 728 residential bicycle spaces. A permit is being sought to reduce visitor bicycle spaces (by 4 spaces) and reduce the shower facility requirements. |
| Floor area (GFA) | 98,562 square metres |
| Applicant / Developer | Meteorite Development Pty Ltd C/- Urbis Pty Ltd |
| Public Notification | The application is exempt from third party notice and appeal. |
Figure 1 - Site Locality plan

Figure 2 - Perspective image of proposal - original proposal (left), revised proposal (right) as seen from Lonsdale Street.
4 Proposal description

The key elements of the revised proposal (compared to the issued permit) are summarised as follows:

- Removal of the commercial car park.
- Increase in the number of dwellings from 627 to 728 and subsequent change of height to a maximum of 211 metres (at the rear or northern section of the site).
- Changes to the commercial floor areas including a removal of more than half of the permitted office floor area.
- Inclusion of a 4 star residential hotel.
- Redesign of borrowed light apartments.
- Modifications to the parking provisions and loading access.
- Complete redesign of the podium and tower (including a reduction in podium height) and an alternative architectural form commensurate with the new program of the building which provides a more visually interesting and permeable presentation to the street.

The proposal is supported by consultant reports addressing Planning Policy, Environmental Sustainable Design (ESD), Waste Management, Traffic and Parking, Wind impacts and Urban Context.

5 Site and surrounds

The site is irregular in shape and located on the north side of Lonsdale Street between Elizabeth Street and Queen Street and has an overall site area of 3,164 square metres (see figure 1 above). The site currently accommodates a multi-storey commercial car park with 445 spaces, a cafe at ground floor and offices above fronting Lonsdale Street. The approval of the car park dates back to 1963 via permit issued under the then Town and Country Planning Act. The site has incrementally been developed with the expansion of the car park and provision of offices throughout the 1970s and 1980s.

The site has a primary frontage to Lonsdale Street (south) of approximately 26 metres and a secondary frontage to Little Lonsdale Street of 32 metres (north). The northern title boundary is slightly recessed from the building alignment along the street owing to a former municipal plan to widen Little Lonsdale Street which was never implemented. The site comprises several lots and includes Timothy Lane on title with carriage way easement rights benefitting the adjacent land to its west.

A central portion of the site has a frontage of 18 metres to Heape Court to the east which is a service lane. Vehicle access to the car park is provided by two crossovers to Lonsdale Street, each 7 metres in width (allowing for separate double entry and exit lanes). Additionally, vehicle access to Little Lonsdale Street is provided via a single entry and crossover of approximately 6 metres.

Contextually the site is located in a precinct that comprises a broad range of uses commensurate with the type of activity found in the Central City. The surrounding precinct is experiencing change with pressure for significant redevelopment of nearby sites for multi-storey towers consisting of office and residential development, including but not limited to, 272-280 Queen Street, 150 Queen Street (CES Queen Pty Ltd), 5 and 8 Sutherland Street (Melbourne Sky and Melbourne Star apartment towers) and 278 and 399 Little Lonsdale Street.
The direct adjoining interfaces with the site are as follows:

- **To the east** - 372 Lonsdale Street (Askew House) contains a seven storey office building with retail uses at the ground floor (JB Hi-Fi). North of this site is a two storey commercial building with a frontage to Little Lonsdale Street. Beyond these sites are buildings compromising Mitchell House - an Art Moderne multi-storey office and retail building which is included in the Victorian Heritage Register (VHR H2232).

- **To the west** - a series of sites with frontages to Hardware Street including offices and residential uses in buildings of 4 - 5 storeys.

- **To the north** - A mixture of multi storey and low rise developments including the Merlin Apartment site and the Melbourne Sky and Melbourne Star located to the north. The City of Melbourne on 21 September 2010 granted approval for permit TP-2009-361 for demolition and redevelopment of 296-300 and Part 302-304 Little Lonsdale Street. When constructed the site will contain a 31 level tower with a 6 level podium. The tower is setback 2 metres from Little Lonsdale Street for its entire height.

- **To the south** - Lies Lonsdale Street which contains a mixture of development generally containing lower scale commercial development of 3 storeys closer to Elizabeth Street to 10 storey office development on the west side of Hardware Lane (Taylors House).

The broader precinct consists of largely office building stock constructed in the early 1960's to 1970's. The building envelopes are typically built to the street and in some instances exceed the 40 metre podium response sought by the Melbourne Planning Scheme. Both Timothy Lane and Heape Court are identified as Class 3 Lanes at Clause 22.20 (CBD Lanes) of the Melbourne Planning Scheme.

## 6 Policy context

### 6.1 State Planning Policy Framework

The State Planning Policy Framework (SPPF) provides the broad policy direction within the Victorian Planning Provisions. The planning policies set out under the State Planning Policy Framework are to be used to guide decision making on planning proposals across the State. The following policies are considered relevant to this application.

- Clause 11 (Settlement)
- Clause 15 (Built Environment and Heritage)
- Clause 16 (Housing)
- Clause 18 (Transport)
- Clause 19 (Infrastructure)

The thrust of the above planning policies are to encourage appropriate land use and development which enhances the built environment and delivers diversity in housing supply and land use mix to meet existing and future needs and integrates transport and infrastructure planning.

An assessment against the above policies is provided in section 10 of this report.
6.2 Local Planning Policy Framework

The Municipal Strategic Statements (MSS) and Local Planning Policy Framework (LPPF) within Planning Schemes across Victoria outline principal characteristics of a given municipality (municipal profile) and provide specific visions, goals, objectives, strategies and implementation plans. The Municipal Strategic Statement within the Melbourne Planning Scheme identifies several key themes for housing, economic development, built environment and heritage and infrastructure as per Clause 21.

In particular the Municipal Strategic Statement at Clause 21.03 (Vision) recognises the diverse roles of the city and local areas, with a vision being ‘a thriving and sustainable City that simultaneously pursues economic prosperity, social equity and environmental quality’.

Clause 21.12 (Hoddle Grid) sets out the local area policies for Central City and includes a vision for the area to continue its primacy as a place of employment, business, finance, entertainment, cultural activity and retail in Victoria as a 24-hour City, co-locate these uses with residential uses, and provide appropriate high quality built form that continues to make the city attractive for workers, residents and visitors. The Hoddle Grid is identified as a location which should support permanent and temporary residential development in the Central City which accommodates a diverse population. This clause encourages:

- New dwellings which are designed to provide occupants with a reasonable amenity level and to ensure that the operation of existing and new businesses are not undermined by a residential interface;
- Active street frontages, interesting building tops and building design that promotes human scale, integrates with existing fabric, including respect for heritage buildings and provides visual interest; and
- Development to incorporate a high level and quality of pedestrian and bicycle access.

With respect to local planning policies, the following key local planning policies (Clause 22) are relevant to the proposal:

- 22.01 Urban Design within the Capital City Zone
- 22.02 Sunlight to Public Spaces
- 22.19 Energy, Water and Waste Efficiency
- 22.20 CBD Lanes
- 22.23 Stormwater Management (Water Sensitive Urban Design)

The thrust of the above policies is to encourage high quality urban design outcomes for public and private space and to ensure that development is environmentally sustainable and recognises its impact on the public realm.

A detailed description and assessment against the above policies is provided in Section 10 of this report.

6.3 Plan Melbourne (May 2014)

Plan Melbourne is the Government’s long term plan to accommodate Melbourne’s future growth in population and employment. Two key directions of relevance are:

- **Key Direction 1.4** - outlines the plan for the expanded central city to become Australia’s largest commercial and residential centre by 2040.
• **Key Direction 2.2** - outlines the requirement to reduce the cost of living by increasing housing supply near services and public transport.

Plan Melbourne identifies that redevelopment of the central city, urban-renewal precincts and strategic redevelopment sites will be vital to creating more diversity in the housing market and additional community services. They will be a major source of higher density, mixed use development.

# 7 Statutory Controls

The following controls apply to the site, with planning permit triggers and requirements described below:

<table>
<thead>
<tr>
<th>Planning Control</th>
<th>Permit / Application Requirement(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital City Zone- Schedule 1 (Outside the Retail Core) (Clause 37.04)</td>
<td>Under Clause 37.04-4 <strong>a permit is required to construct a building or construct or carry out works</strong> unless the schedule specifies otherwise. The table of uses specifies ‘accommodation (which includes residential hotel)’, ‘office’ and ‘retail premises’ (other than adult sex bookshop, department store, hotel, supermarket and tavern) are <strong>permitted as of right</strong> (Section 1 uses) at Clause 1.0 of the Schedule. Schedule 1 exempts Section 1 land uses and demolition and buildings and works from notice and appeal requirements.</td>
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<tr>
<td>Design and Development Overlay- Schedule 1 (Active Street Frontages) (Clause 44.02)</td>
<td>Under Clause 43.02-2 <strong>a permit is required</strong> to construct a building or construct or carry out works unless the schedule specifies otherwise. Schedule 1 does not exempt ground floor buildings and works from requiring a permit and exempts buildings and works from notice and appeal requirements.</td>
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<td>Schedule 1 to the Parking Overlay (Clause 45.09)</td>
<td>The Schedule to this Clause specifies a maximum number of car parking spaces (calculated at 1 space/dwelling and a ratio for commercial uses using two equations) and the provision of 1 motor cycle space per 100 car parking spaces. The limitation policy allows for 821 car spaces (calculated on the proposed dwelling, hotel, office and retail yield) and a minimum of 8 motorcycle spaces (calculated on the maximum number of permissible car spaces). The provision of 287 on site car spaces is well below the maximum allowed under the clause and the allocation of 16 motorcycle spaces exceeds the requirements. Therefore <strong>no permit is required</strong>.</td>
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<td>Bicycle Facilities (Clause 52.34)</td>
<td>Under Clause 52.34-1 a new use must not commence until the required bicycle spaces, facilities and associated signage have been provided on the land. The standard requirement for the proposal under the Planning Scheme equates to:</td>
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</table>
- 146 resident spaces, 18 employee spaces and 79 visitor spaces
- 2 shower facilities and 2 change rooms. The change rooms may be a combined shower and change room.

The application provides for 75 publicly accessible bicycle spaces and 728 residential bicycle spaces. It is unclear whether shower facilities are being provided. **A permit is required** to reduce visitor bicycle spaces (by 4 spaces) and shower facility requirements.

| Urban Context Report  
(Clause 52.35) | Under Clause 52.35-1 an application for a residential development of 4 or more storeys must be accompanied by an urban context report and design response. The application was accompanied by an urban context and design report. DTPLI confirmed receipt of this information with the applicant. |
|---|---|
| Integrated Public Transport Planning  
(Clause 52.36) | Under Clause 52.36-1 an application must be referred in accordance with Section 55 of the Planning and Environment Act 1987 to the Director of Public Transport (Public Transport Victoria) for a residential development comprising 60 or more dwellings or lots. On 1 April 2014 the application was referred to Public Transport Victoria for comment. |
| General Provisions  
(Clause 61.01) | The proposal seeks to amend a permit granted by the Minister and includes a redevelopment of 98, 562 sqm of Gross Floor Area, calculated to include the existing building footprint; therefore the Minister for Planning is the Responsible Authority for determining the permit application. |
| Decision Guidelines  
(65.01) | Under Clause 65.01 before deciding on an application the Responsible Authority must consider as appropriate a number of matters, including Section 60 of the Planning and Environment Act 1987. |
| Referral Provisions  
(Clause 66.03) | Clause 66.03 works in conjunction with Clause 52.36 (amongst other requirements) and requires an application to be referred to the person or body specified as the referral authority. As previously stated, a referral must be made to Public Transport Victoria, the determining referral authority. |
| Reference Documents / Guidelines | **Guidelines for High Density Residential Development**

The Guidelines for Higher Density Residential Development (“the Guidelines”) provide ‘better practice’ design advice for higher density residential development that promotes high quality public and private amenity and good design. The Guidelines are structured around six elements including:

- Urban Context,
- Building Envelope,
- Street Pattern and Street-edge quality,
- Circulation and services,
- Building layout and design,
- Open space and landscape design.
8 Notification

Under Schedule 1 of the Capital City Zone and Schedule 1 of the Design and Development Overlay an application to demolish a building and construct or carry out works associated with a Section 1 land use, is exempt from the notice requirements of Section 52 (1) (a), (b) and (d), the decision requirements of Section 64 (1), (2) and (3) and the review rights of Section 82 (1) of the Planning and Environment Act, 1987.

9 Referrals

The application was referred to Department of Transport, Planning and Local Infrastructure Urban Design Unit, City of Melbourne and the Director of Public Transport Victoria. The following comments were provided:

City of Melbourne: The permit application was considered at Council’s Future Melbourne Committee Meeting of 2 September 2014. Council resolved to support the application subject to permit conditions recommended within the officer delegate report of 29 July 2014. Council’s letter of 10 September 2014 attached a copy of Traffic and Engineering comments provided after the Future Melbourne Committee meeting for the Department’s consideration.

Public Transport Victoria: No objection to the proposal subject to permit conditions.

Urban Design (DTPLI): The Department’s Urban Design Unit is generally supportive of the proposal and recommended further detail be provided regarding the relationship with neighbouring sites, measures to ensure necessary space is provided for public access within the extension to Timothy Lane, elevation and section details around the whole site, materials and finishes detail and further wind advice to address possible wind mitigation measures for adjoining footpaths.

10 Assessment

10.1 Consistency with Planning Policy

Planning policies provide guidance for development and are not intended to be interpreted as prescriptive mandatory controls. A guidance based approach encourages innovative development solutions responding to specific constraints and opportunities having regard to the requirements of the relevant zone and overlay.

The proposal is a well resolved scheme consistent with the urban context of the area and its strategic vision identified in the Melbourne Planning Scheme.

State Planning Policy Framework

The proposal is consistent with the applicable key State planning policies and objectives by:

- Locating new housing and tourism facilities on a redevelopment site with excellent access to the public transport, public open space, the Central Business District (CBD) and major city attractions and retail precincts.
- Supporting the role and function of Melbourne’s capital city functions through high scale and high density residential and tourism development opportunities.
• Providing diversity in dwelling sizes and types that will contribute to well located housing options for Melbourne’s increasing population.
• Providing appropriately designed bicycle and car parking facilities and efficient use of existing infrastructure including public transport through urban consolidation.
• Creating a safe and functional urban environment which improves the existing site conditions.
• Improving the public realm through surveillance and connections to Timothy Lane at the rear of the site.
• Responding to Plan Melbourne by re-developing an underutilised strategic redevelopment site for more intensive uses close to existing public transport and community infrastructure.

Municipal Strategic Statement and Local Planning Policies

The Municipal Strategic Statements (MSS) and Local Planning Policy Framework (LPPF) within Planning Schemes across Victoria outline principal characteristics of a given municipality (municipal profile) and provide specific visions, goals, objectives, strategies and implementation plans. The MSS within the Melbourne Planning Scheme identifies seven key themes for Settlement, Environment and Landscape Values, Built Environment and Heritage, Housing, Economic Development, Transport and Infrastructure.

The site is located within the ‘Hoddle Grid’ and the proposal is consistent with the Municipal Strategic Statement and key local planning policies and objectives by:

- Responding to Clause 21.04 (Settlement) by accommodating future population growth within a densely developed city context while maintaining the quality of the public realm and good pedestrian amenity and connectivity.

- Responding to Clause 21.06 (Built Environment and Heritage) by providing a development which is compatible with the scale, character and amenity of surrounding land with respect to daylight, outlook, and privacy.

- Responding to Clause 21.08 (Economic Development) by supporting the Central City and its commercial functions through accommodation of office space and residential hotel use resulting in flow on effects of expenditure into the local economy.

- Responding to Clause 21.09 (Transport) by demolition of an existing commercial car park thereby reducing car use within the Central City and concurrently supporting alternative modes of transport.

- Responding to Clause 21.12 (Hoddle Grid) by supporting permanent and short term residential development in the Hoddle Grid that accommodates a diverse population and supports surrounding specialist retail, cultural and entertainment precincts.

- Responding to Clause 22.01 - (Urban Design within the Capital City Zone) by delivering a mixed use development consistent with the objectives listed in the clause. In particular, the development:
  - Enhances the built form character of the area by ensuring that the scale, siting, massing and bulk of the development complements and enhances adjoining built form. This is particularly achieved by a lowering on the proposed podium height commensurate with surrounding buildings.
  - Largely maintaining the existing building envelope and configuration of the approved scheme with the exception of increases to the height and slight modifications to setbacks. Setbacks in the order of an average 8.475 metres from Lonsdale Street and 3.76 metres from Little Lonsdale Street appropriately recess the tower element and reduce the perception of mass and bulk.
  - Where the building will be seen from the street (further away form the site) and/or adjacent buildings, the proposal uses design detail to articulate all visible facades and provide a rich contribution to the built environment. This is achieved through the use of a curved curtain wall, which will skin the tower.
Department of Transport, Planning and Local Infrastructure

- Provides for the use of material and activities at the ground floor frontages and within the podium to create a visually interesting and inviting development superior to the existing building.
- Enhances the streetscape appearance along Lonsdale Street and Little Lonsdale Street by redevelopment of a commercial car park which currently adds little value to the public realm by way of street activation or architectural excellence.

- **Responding to Clause 22.02 (Sunlight to Public Spaces)** by ensuring that the building and works allow good sun penetration to public spaces and achieving a comfortable and attractive street environment. The proposal will not overshadow any key public spaces and largely falls within existing shadow profiles of the permitted scheme. The building will partly shadow the northern section of Hardware Lane between 11.30am and 12.30pm on 22 September, however, this area is largely already impacted by existing shadow during this time and will be clear for the remaining portion of the assessment period measured between 11am and 2pm on 22 September.

- **Responding to Clause 22.19 (Energy, Waster and Water)** by including environmentally sustainable building initiatives within the design of the development to ensure energy and water efficiently. A permit condition is recommended to require further work to ensure the proposal will deliver the outcomes sought.

- **Responding to Clause 22.23 Stormwater Management (Water Sensitive Urban Design)** by providing sustainable water saving building initiatives commensurate with the objective of this clause. The key objective of this policy is to achieve improved stormwater quality and reduce the environmental impact of urban development on waterways and water bodies in the Port Phillip Bay. The applicant has submitted a report prepared by Ark Consulting indicating that the development exceeds best practice standard for urban stormwater quality.

10.2 Land Use

The site is located within Schedule 1 to the Capital City Zone for which the purpose is to “provide for a range of financial, legal, administrative, cultural, recreational, tourist, entertainment and other uses that complement the capital city function of the locality”.

A diverse range of commercial and residential developments have evolved within the surrounding area including the construction of high density apartments. The proposed mix of uses including dwellings, residential hotel, retail and office will add vibrancy and activity to the area.

The proposal is located in an area with diverse land uses and is at a density that is complementary to the role and scale of central city and therefore compatible with the purpose of the zone.

Notably the amended proposal seeks to remove the existing commercial car park from the site. This will have a positive impact on traffic flow within surrounding streets through a significant reduction in on site car parking spaces.

The increase in the broad range of uses on the site directly supports many of the policy directions within the Melbourne Planning Scheme.

10.3 Built Form

**Building Design**

The amended proposal maintains the typical podium/tower configuration common throughout the Central City. A key improvement to the scheme is the lower podium height to 27 metres (7 storeys) which improves the streetscape response. While the podium is lower than the discretionary podium height of 40 metres identified in the Melbourne Planning Scheme, the adjoining site’s have similar heights of 5 and 6 storeys respectively therefore warranting a tailored response.
The permit granted approves a building of 166 metres in height. The amendment seeks to increase the height by 44 metres resulting in a maximum overall height of 217 metres. The site is not affected by any height controls under the Melbourne Planning Scheme and therefore the consideration of height is largely governed by the surrounding built form context and assessment of external impacts such as overshadowing on key public lanes or spaces. These matters will be discussed further in this report. It is noted that the Obstacle Limitation Surface and Procedures for Air Navigational Services - Aircraft Operations layers over the CBD are approximately 275 metres to 300 metres respectively and will unlikely impact on the proposed height of the development.

Clause 22.01 (Urban Design within the Capital City Zone) of the Melbourne Planning Scheme encourages, among other matters, towers above podiums to be generally setback 10 metres from street frontages and separation from adjoining podium/towers of 24 metres. These setbacks are intended to provide guidance and may be reduced where it can be demonstrated that more closely spaced towers will not result in visual dominance and habitable rooms of adjacent developments are not directly facing each other. This includes the consideration of development potential of adjacent sites.

Council has recommended greater setbacks from the north (Little Lonsdale Street) and south (Lonsdale Street) with average setbacks of 8.5 metres and 10 metres respectively and generally support the setbacks from side boundaries.

The amended proposal, while proposing less than the recommended 10 metre tower setback from street frontages, ensures that the façade design is articulated adding visual interest and assisting to reduce its dominance. The average setbacks of 8.475 metres (Lonsdale Street) and 3.76 metres (Little Lonsdale Street) largely maintain those approved under the current permit and are greater than surrounding tower developments. The tower setback from Lonsdale Street also increases from level 51 and above to in excess of 30 metres. This approach minimises overshadowing to the south.

The sense of human scale when viewing the building from the street is improved and any perceived impact of decreased setbacks is offset by the lowering in podium height and superior architectural form an façade design offered. It is also noted that the tower will achieve an average setback of 5 metres measured from the physical alignment of buildings fronting Little Lonsdale Street owing to the fact that the title boundary does not align with adjoining buildings. The title boundary is inset from the street and therefore the tower will visually present as having an average street setback of approximately 5 metres.

It is also noted that Council granted approval for a 31 level podium/tower development north of the site at 296-300 Little Lonsdale Street. This proposal when constructed will have a 2 metre tower setback from the street. Given the unusual shape and dimensions of the subject site, the amended proposal makes efficient use of the land and appropriately balances the need to deliver efficient floor plates while maintaining reasonable street and side setbacks.

**Building Interface**

The architectural treatment and internal layout provides for improved articulation, visual interest and improved amenity. The canopy over Timothy Lane has been retained with its purpose being to improve amenity at the ground level, particularly the need to deflect wind downdrafts from the tower.

Council did not oppose the construction of a canopy as part of the original permit application. They now oppose the construction of the canopy due to non-compliance with Council’s Road Encroachment Guidelines and potential impact on loss of daylight to windows of adjoining buildings. Timothy Lane is privately owned by the permit applicant with carriageway easement rights to the benefit of adjoining sites. To this end, the Road Encroachment Guidelines do not strictly apply.

The proposal will formalise Timothy Lane as a publically accessible thoroughfare improving the public realm, however, without the glazed canopy ground conditions will be compromised. Access to daylight for windows of adjoining buildings can be managed through the use of a glazed canopy consistent with the current approval.
The proposal has appropriately addressed adjacent sites when having regard to development equity and amenity. This has been achieved through maintaining average tower setbacks ranging between 6.2 metres to 15.15 metres.

Due to the irregular shape of the site, the tower will in some areas encroach to within a minimum of 2.8 metres from the side boundary. These encroachments occur within the southern portion of the site where the width of the property is at its narrowest and irregularity in the title boundaries create challenging conditions and “pinch points” with adjoining properties. However where these pinch points occur they are limited to small areas of the tower floor plate and windows are designed to provide oblique views of adjacent sites. Furthermore the properties immediately to the east and west (with frontage to Lonsdale Street) are generally small in size and unlikely to be redeveloped with towers of significant scale.

**Internal Amenity**

The previous scheme provided apartments which included “saddle-back” layouts and “borrowed light“ bedrooms whereby secondary habitable rooms relied on natural light from elongated and narrow shafts or off main living areas. While this approach has been shown to meet standard Building Code of Australia (BCA) regulations regarding minimum light and air amenity standards, it is not the preferred design solution for apartments within a dense high rise city context. The revised scheme has removed saddle-back apartments and a large proportion of the development has dwellings with good access to light and air. Balconies are provided to dwellings commensurate with the size of the apartment.

Council has identified an error on plan for the south west apartment second bedroom on levels 50 and 51. It appears that no window is provided for these apartments. This matter can be addressed by way of permit condition. Furthermore the Department's assessment has identified an internal interface concern between centrally located apartments from level 34 to level 50. These apartments are east facing and located between Grid Line F and GG on the plans (shown in figure 2 below).

*Figure 2 – Overlooking Diagram Typical Levels 34 - 50*

The re-entrant corner of the development results in overlooking between these apartments and screening measures should be used or the layout of apartments redesigned to offset direct views between habitable rooms/terraces. This issue can be addressed by way of permit condition. The balance of the development is sufficiently setback or has been designed to appropriately interface with existing dwellings on adjacent sites.
Acoustic

Any noise emanating from dwellings will be associated with normal residential activities. Permit conditions can be used to ensure that the new dwellings within the proposal are acoustically treated to provide a high degree of internal amenity with respect to mitigating external noise experienced within a city environment.

Overshadowing

A permit is required under the Capital City Zone to construct a building or construct or carry out works which would cast a shadow between 11.00 am and 2.00 pm on 22 March and 22 September over public space, public parks and gardens, public squares, major pedestrian routes including streets and lanes, and privately owned plazas open to the public.

The proposed development, while casting additional shadow is not considered to prejudice the amenity of surrounding streets. It will shadow the northern part of Hardware Lane, mainly over the road reserve and falls within areas already affected by shadow consistent with those approved under the existing permit. The proposed increase in height does not result in shadowing of the Yarra River or key public spaces.

Airspace Limitations

The applicant seeks to increase the height of the permitted building by approximately 58 metres (19 storeys). The north tower will have a height of 217 metres and the south tower will have a height of 166 metres.

The Commonwealth Government provides for legislation that restricts intrusions into airport airspace, Airspace limitations are referred to as Procedures for Air Navigational Services – Aircraft Operations Surface (PANS-OPS) and Obstacle Limitation Surfaces (OLS) layers which impose height limitations relating to international standards for the operation of aircraft.

The Procedures for Air Navigational Services – Aircraft Operations Surface and Obstacle Limitation Surfaces height limitations in the area are approximately 225 metres and 280 metres respectively. Temporary incursions for construction into the Obstacle Limitation Surface layers can occur with the permission of relevant air safety and airport regulators.

The buildings when constructed will be below these height limits however permission may be required for cranes to penetrate Obstacle Limitation Surface airspace during construction. Management of airspace is controlled by federal legislation and the relevant aviation authorities. Therefore it is recommended that a permit condition be applied to ensure that the applicant obtains the necessary approvals or modifies the development to comply with airspace requirements.

10.4 Wind

The application was accompanied by a wind effect statement and wind tunnel test prepared by Mel Consultants. In summary, the statement found that the wind conditions for Lonsdale and Little Lonsdale Streets, without street canopies, are either on or within the criterion for walking comfort. The wind conditions along Timothy Lane and at the exits onto Lonsdale and Little Lonsdale Streets with a canopy were shown to be well within the criterion for short term stationary activities for all wind directions.

The retention of the canopy is supported and will improve the quality of what is to be a publically accessible space at ground level. In addition it is proposed to construct canopies along Lonsdale and Little Lonsdale Street to provide weather protection and articulation to the street.
10.5 Environmentally Sustainable Design

Since granting of the permit policy affecting the site relating to Environmental Sustainable Design (ESD) has changed with the recent introduction of Clause 22.19 (Energy, Water and Waste Efficiency) and Clause 22.23 (Water Sensitive Urban Design) into the Melbourne Planning Scheme.

Clause 22.19 (Energy, Water and Waste Efficiency) requires that applications be accompanied by an ESD Statement demonstrating how the development meets relevant policy objectives and requirements.

For buildings over 5,000 square metres in gross floor area the Sustainable Design Statement must include a statement from a suitably qualified professional verifying that the building has the preliminary design potential to achieve the relevant performance measures set out in Clause 22.19-5 of the Melbourne Planning Scheme.

A Sustainability Report forms part of the application prepared by Ark resources. It notes that the proposed development incorporates a wide range of ESD features and sets out primary goals to enhance the building’s environmental performance and meet the objectives of the Melbourne Planning Scheme.

The report concludes that the performance outcomes are consistent with the objectives of Clause 22.19. However there is no indication if a 5 star green star rating can be achieved, which would satisfy the policy requirement, that a proposal must have the ‘preliminary design potential’ to achieve the 5 star rating. A revised statement that satisfies the policy objective should be required by way of permit condition.

In response to Clause 22.23 (Water Sensitive Urban Design) the applicant submitted a report prepared by Ark indicating the development exceeds best practice standards for urban stormwater quality.

10.6 Functional Requirements

Car Parking, Traffic and Bicycle Facilities

The reduced number of car parking spaces for the development of 287 spaces is compliant with the maximum allowable rate of 821 spaces under the Planning Scheme. The removal of the commercial car park will have a positive effect on the reduction of traffic within surrounding streets and laneways.

City of Melbourne engineers provided additional comments following the consideration of the permit application at the Future Melbourne Committee on 2 September 2014. The layout and spatial design of internal access lanes (i.e clearances, swept paths, ramp grades, sight lines etc) and car spaces while generally acceptable require minor modifications and further detail to ensure compliance with relevant Australian Standards. A condition of permit will require amended plans and an updated Car Parking and Traffic Management report to address these matters.

Council recommended that a pedestrian crossing be installed generally in the vicinity of Hardware Lane on the basis that the development will generate higher volumes of pedestrians. Council has not provided any evidence to substantiate this request or to demonstrate that there is a clear nexus between the proposal and need for enhanced local infrastructure with the cost borne by the developer. Notwithstanding this, it is accepted that further analysis should be undertaken to determine the extent of impact (if any) and to identify the current levels of pedestrian service with the view of identifying any infrastructure enhancements if required. This matter can be addressed by way of permit condition.

Council also recommended that residential tandem spaces are allocated to single dwellings with signage indicating the size limitations of the spaces. The tandem spaces are small in size and therefore suitable for small cars only.
The proposal provides 16 motorcycle spaces which exceeds the statutory requirement.

The application provides for 75 publically accessible bicycle spaces and 728 residential bicycle spaces which exceed the statutory requirements. The proposal is 4 spaces short of meeting visitor space requirements and it is unclear whether shower facilities are being provided. Therefore it is recommended that a permit condition be applied to ensure provision of visitor spaces and change / shower facilities in accordance with the Melbourne Planning Scheme.

**Loading**

Clause 52.07 of the Melbourne Planning Scheme outlines the requirements for the loading and unloading of vehicles, and specifies loading requirements for developments which include the manufacture, servicing, storage or sale of goods or materials. The residential component of the development does not generate a loading bay requirement. Regardless, a loading area is proposed to accommodate garbage collection and can be used by residents.

City of Melbourne have assessed and generally support the dimensions and layout of the loading bays. The revised loading access from Little Lonsdale Street will improve the function, safety and quality of the extension to Timothy Lane by removing the access from the laneway to Little Lonsdale Street. This ensures improved pedestrian movements and minimises vehicle conflict with cars accessing the adjoining site to the west. City of Melbourne has recommended a permit condition to confirm clearance height and access to the loading bay area which should be included on the permit.

**Waste**

Concerns were raised by City of Melbourne with regard to the use of a bin based system as opposed to static compactors. The proposal should be in accordance City of Melbourne's Waste Guidelines 2014 which requires the use of static compactors for developments of over 400 dwellings. Standard waste management conditions will be required as a condition of permit to require compliance.

**11 Recommendation**

That the request to amend permit application 2011/01331 pursuant to Section 72 of the Planning and Environment Act, 1987 for “Demolition of the existing building and construction of a multi-storey building comprising dwellings, office, residential hotel and ground floor retail (other than adult sex bookshop, department store, hotel, supermarket and tavern)” be approved subject to conditions included within the attached amended permit.

It is also recommended to approve the request to extend the permit by 2 years given the scope of modifications proposed and the required time to undertake design detail, discharge permit conditions and commence construction on a development of this scale.