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?
No
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.
30 December 2019

The Department of Environment, Land, Water and Planning
PO Box 500
East Melbourne
Victoria 3002

Dear Sir/Madam,

Waverley Park Wedge, Wellington Road, Mulgrave - Submission to the Draft Melbourne Industrial and Commercial Land Use Plan

Introduction

Ethos Urban acts on behalf of Pomeroy Pacific, who have interests within the Waverley Park Wedge (‘the Wedge’), Wellington Road, Mulgrave. We hereby make the following submission in relation to the Draft Melbourne Industrial and Commercial Land Use Plan (MICLUP).

It is submitted that the Wedge be considered as a precinct worthy of further investigation by the City of Monash for urban renewal in the short to medium term as the existing users relocate their operations elsewhere, with the potential to incorporate a range of uses including:

- Commercial office, including medical and other white-collar employment,
- Retail,
- Aged care,
- Retirement living,
- Affordable housing, and
- Modern residential development.

The Wedge has an existing industrial use and comprises land bounded by Wellington Road, the Monash Freeway and the Waverley Park residential development. The precinct has been identified as Local Industrial Land through the Draft MICLUP. It is submitted that whilst this reflects the current use of the precinct, in the short to medium term the precinct is well placed to transition to a broader range of land uses, that will assist in better achieving the key objectives of metropolitan and local planning policy.

Refer to Figure 1 below, which identifies the Industrial precinct (in red), and the land subject to this submission (in blue).
Figure 1. Aerial photo showing subject land (Nearmap, 2019)

Executive Summary

The key issues addressed in this submission are as follows:

- The existing zoning of the Wedge as Industrial 1 Zone (IN1Z) is likely, in the longer term to result in reduced employment opportunities and is unlikely to facilitate any investment or redevelopment,
- The Wedge is better suited to an alternative zoning and mix of land uses, which will ensure that local amenity impacts are reduced or eliminated, and the precinct will better complement the surrounding economic activities and residential community,
- Such an approach to this precinct would better align with State and Regional Planning Policy, including enhancing local employment, housing choice and improved community infrastructure, and
- Whilst the designation of the Wedge as Local Industrial Land is appropriate in the short term, in the longer term it is submitted that the precinct should be rezoned to facilitate its redevelopment for an alternative mix of uses.

The Wedge has been designated as Local Industrial Land in the Draft Melbourne Industrial and Commercial Land Use Plan. We agree that the Wedge should not be designated as either State or Regionally significant industrial land. Further, we submit that due to the direct interface with residential development along its eastern boundary, the size of the landholdings and the age and expected useful life of the existing infrastructure and improvements on the land, the Industrial Zoning of the land is inappropriate in the longer term.

This is indicative of the fact that this current zoning is even more restrictive in this location than it would otherwise be, and that its ability to attract and enhance employment (the predominant economic rationale for such industrial uses) is significantly compromised. The Wedge presents as a future urban renewal site, capable of providing a modern, mixed-use employment outcome. In planning for potential future uses for the Wedge, its potential for employment creation for the City of Monash should also be considered a priority.
Current Planning Controls

The subject land is zoned Industrial 1 Zone (IN1Z), and has a direct interface with General Residential Zone (GRZ) along the entirety of its eastern boundary, as shown below at Figure 2. Further, Neighbourhood Residential Zone (NRZ) land is located immediately north of the precinct across Wellington Road, and additional GRZ land is located to the south-west, beyond the Monash Freeway.

Figure 2 – Planning Zones (VicPlan, DELWP 2019)

The result of these interfaces is that the more restrictive land use conditions of the IN1Z, and Clause 53.10 (Uses with Adverse Amenity Potential) would apply to certain land use proposals on the subject land. These uses would otherwise be as-of-right uses under the zone provisions, and includes Industry (and the various nested uses), Warehouse, and Service Station. For the subject land, a permit would be required for any of these uses and the applications are subject to full third party rights of objection and appeal.

Whilst Office is an available use under the IN1Z, this use is in Section 2 and as such requires planning approval. Other uses which are now being incorporated into modern employment precincts, such as various forms of retail and any accommodation (other than a Caretaker’s house), are prohibited.
Future Use and Redevelopment

It is submitted that the long-term use of the Wedge for local industrial purposes is compromised by its direct interface with residential land, resulting in its limited industrial nature, and onerous approvals process. Further, both the age, and the design of the industrial buildings that currently occupy the land are past their useful life and do not meet modern requirements for industrial tenancies. This is evidenced by the low level of recent capital investment, the low intensity of land usage and the transitioning of land uses away from the site that has begun to occur.

Whilst the precinct is located nearby to the Monash National Employment and Industrial Cluster (NEIC), the current role and function of Wedge does not benefit from any inter-relationship with the NEIC, and a number of tenants within the Wedge are actively looking or are in the process of transitioning from this location to new, modern facilities in other locations, including Dandenong South.

The existing facilities occupied by Woolworths and Renold Australia have arguably moved well past their useable life. Woolworths have already transitioned out of their Broadmeadows facility, a similar facility to that found on the subject land, having been built at the same time and having effectively the same configuration. Woolworths have moved from Broadmeadows to a high tech automated distribution centre. Such centres are generally not high employment drivers, as they reduce the number of employed individuals (given their automation). Recent press reporting suggests that Woolworths are likely to follow the same path with all their old distribution centres, including the Mulgrave distribution centre. Renolds have sold the factory at Wellington Road and have a short tenure. It is understood that their aim is to also relocate to a more automated centre,

As such, it is anticipated that the current industrial use of the subject has a life of no more than five years. As tenants depart, the consideration of the highest and best use of the Wedge will lead to the investigation of alternative uses. Existing facilities in the precinct cannot compete with more modern facilities in industrial precincts elsewhere and particularly with the state-significant Monash NEIC, and Dandenong South SSIP nearby.

Further, the Mirvac Waverley Park development, that is immediately adjacent to the precinct on its eastern boundary has created a direct interface that is not conducive with the efficient redevelopment of the subject land for modern industrial use, due to the more restrictive planning controls that apply as a result. The Wedge’s current industrial zoning also makes it unlikely to attract tenants that can offer more substantial and multi-tiered employment as the industrial zone limits the types of industries that can operate there.

For these reasons, as the relocation of the Wedge’s tenants in the near future occurs, this should provide the opportunity to investigate alternative uses and potential rezoning of the precinct. This will enable renewal and stimulate investment thereby facilitating redevelopment of the Wedge for its highest and best use. This will allow the land to provide the best net community benefit by delivering a variety of uses including higher order employment, residential, affordable housing, aged care and community facilities.

Strategies for Metropolitan Industrial Land

Although industrial land supply in the Eastern region of Melbourne is limited and the need for industrial land in the region will likely be competitive, it is necessary to acknowledge that developments in the site’s surrounding area has impacts on the long-term need for industrial land in this area.

We support the strategy’s position in allowing Council to determine the planning directions for industrial land of local significance and its provisions for the flexibility to transition to other alternative uses:

“Councils are best placed to determine how these industrial areas are to be planned for. This could include identifying when industrial land should be retained, when it could transition to other employment generating uses, or if it is no longer required, when it could transition to other mixed-use development.”

This action allows for flexibility in outcomes for future uses of the site, which will support the success of the Draft MICLUP as a long-term strategy. We are supportive of the strategy’s recognition of a need to prepare a local
industrial land use strategy to support this action. We believe that the preparation of a local industrial land use strategy provides an opportunity to undertake a strategic analysis of the area and to interrogate the role and function of industrial land in the context of state, regional and local planning policy.

Industrial land supply in the Eastern Region of Melbourne is summarised at 12 years of vacant supply remaining, the majority of which is located within Maroondah, Knox and Yarra Ranges. As the Eastern Region does not contain any designated growth area municipalities, it is important to note that the Southern Region has an estimated 32 years supply remaining, and will provide the future of industrial, and freight and logistics growth for eastern Melbourne over the coming years. It is submitted that any perceived supply constraints for the Eastern Region, and in particular the established area of Monash should not be viewed in isolation and should not compromise local planning outcomes that would create great benefit for local communities.

In terms of commercial land supply, the key issues for planning in the Eastern region have stated the need for identifying areas that can support future demand for commercial floorspace and new investment. The strategy does not provide figures for any dedicated commercial land supply. However, commercial floorspace requirements for the region are provided and indicate that at least 306,000 m² of additional floorspace will be required for Monash for 2031 (provided in Table 26 on page 79). In comparison with other municipalities in the region, this figure is the most significant. Acknowledging that there are limited opportunities for expansion of commercial areas beyond those that exist, the Wedge offers a redevelopment opportunity incorporated commercial purposes and should be considered in the long-term.

The Draft MICLUP includes a strategy that allows for the consideration for mixed-use or residential purposes for land of local significance, where strategic analysis can demonstrate that it is no longer required for industry, business or employment purposes. We submit that this provides an adequate level of flexibility and will facilitate an appropriate process for the subject land, that allows the Wedge to be assessed in the future to determine the optimal future use of the land. We suggest that given the strategic nature of this land to facilitate redevelopment opportunities, that the strategy should provide a direct acknowledgement of the Wedge and the potential role it will play as a future renewal site.

In summary, it is submitted that the Wedge be considered as a precinct worthy of further investigation by the City of Monash for urban renewal in the short to medium term as the existing users relocate their operations elsewhere, with the potential to incorporate a range of uses including:

- Commercial office, including medical and other white-collar employment,
- Retail,
- Aged care,
- Retirement living,
- Affordable housing, and
- Modern residential development.

Thank you for the opportunity to make this submission to the Draft MICLUP. If you have any further queries in relation to this submission, please contact the undersigned.

Yours sincerely,

[Signature]

Director - Planning