

Planning Implementation (DELWP)

From: contact@engage.vic.gov.au
Sent: Tuesday, 31 December 2019 1:07 PM
To: Planning Implementation (DELWP)
Subject: New Form submission on Planning for Melbourne's Industrial and Commercial Land



New Form submission on Planning for Melbourne's Industrial and Commercial Land

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.

See attached document

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.

See attached document.

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.

See attached document.

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?

See attached Document.

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.

See attached document.

Would you like to comment on any other aspects of the plan?

Yes - See attached document

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

[REDACTED]

[REDACTED]

I am making this submission:

on behalf of a local council

Email address (Optional)

[REDACTED]

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:

<https://engage.vic.gov.au/index.php/dashboard/reports/forms/viewDetail/2373>

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.

[Privacy Policy](#) [Log In to Site](#)

Produced by [The State Government of Victoria](#). All rights reserved.



Monash City Council

Submission to the Melbourne Industrial and Commercial Land Use Plan

Overview

The preparation of the Draft Melbourne Industrial and Commercial Land Use Plan (the Draft) is a welcome start to the development of robust and clear policy for employment land throughout Melbourne.

The Draft contains useful statistical information that provides a snapshot of employment land, recent reduction in employment land and a basic forecast into the future.

However, the Draft contains a number of gaps in either relevant and accurate information or broader policy context about urban form, travel patterns, workforce, education, skills, innovation and infrastructure. Therefore the document is not definitive nor detailed enough when compared to the Plan Melbourne Actions and what is actually needed to foster investment in employment and industry to be defined as the **Melbourne Industrial and Commercial Land Use Plan** to guide the future of employment and commercial land in metropolitan Melbourne. In fact the Draft contains contradictory statements about the importance of employment land and then sets “criteria” to encourage the rezoning of employment land to the recently introduced but widely unused and untested Commercial 3 zone, which in many cases runs completely counter to the objectives of protecting industrial land.

Consequently, in its current format it does not achieve the objective of providing clear guidance to allow proper planning for employment land in metropolitan Melbourne. On this basis it is better to consider the Draft as document that provides contextual background information and the first step in developing a more structured, whole of government plan for employment land that takes into consideration the broad range of objectives for Plan Melbourne, the 20 Minute Neighbourhood and the critical role access to employment, services and goods plays in peoples lives. The ultimate Industrial and Commercial Land Use Plan should lead the market, be based in serving the overall needs of the community and recognising the role of employment land in the makeup of liveable and sustainable urban areas.

This submission addresses the survey questions and provides commentary on other issues that are not covered in the survey.

Officers have also workshopped the Draft with the Southern Economy and Planning Working Group Melbourne Industrial and Commercial Land Use Plan (MICALUP) at a meeting on 18 December 2019 and endorse the submission that results from that meeting.

Response to Survey questions.

Question: Planning principles and strategies for employment land.

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

Principles to guide future planning for industrial and commercial land

Principle 1: Planning for industrial and commercial land should ensure adequate long-term land supply is planned for and set aside to support future industry and business growth.

Principle 2: Key industrial and commercial areas should be recognised and retained for their economic and employment contribution to local communities, regions and the State of Victoria.

Principle 3: Planning for industrial and commercial land should provide clarity and certainty about how and where industry and business can grow over time to support and guide long term investment and locational decisions.

Principle 4: Industry and business should be supported to innovate and operate efficiently and effectively now and into the future in areas identified for these purposes.

Response.

No. The Draft contains 4 principles. The Principles all contain the word “should”. Experience has shown many local governments that the use of the word “should” is fraught in a planning document that seeks to provide certainty and clarity.

These principles do not recognise that communities have a basic need for an appropriate proportion of employment land per head of population in order to function and provide an appropriate degree of liveability. Nor do the Principles recognise the impact that employment and commercial land has on the pattern of urban development, freight and commuter travel patterns and infrastructure demand and provision. This is the case in general but also more so in the context of the overarching Plan Melbourne policy direction for the 20 Minute Neighbourhood.

In the first instance this would be an amount of land/industry to serve the population needs for local services. This could take the form of a ratio of employment land to residential population. This would serve well as the basis of the development of an employment land plan. Secondly there would be an allocation of land for regional or more significant industry and commercial activity.

The Principles do not take into account the regeneration potential of industrial or employment areas and that such a regeneration and intensification may take some time, all the while being subject to pressure for rezoning from land owners and urban renewal agencies, such as the VPA, due to it no longer being ‘suitable’ for the employment use simply by virtue of the fact that the previous occupant has moved on or sold the premises. This is often further spurred on by the desire to classify the site as an urban consolidation site and create housing in established urban areas.

As the Draft notes, there has been quite a number employment and industrial land rezoned over the last 10 years, much of it due to land speculation and the promise of the attained of “mixed use”. This often occurs with little, if any consideration of broader strategic effects of this incremental reduction of employment land and the knock on effects in land value (through more speculation) and increasing amenity standards expected once a site “flips” to “mixed use/residential”.

In the absence of clear and definitive policy direction that protects employment land and actively discourages “flipping” of supposedly redundant site, the speculation and manipulation of the market will continue, resulting in the gradual loss of employment land in established urban areas and continue to undermine the confidence of businesses seeking to invest with certainty in existing employment areas.

Principle 4: Industry and business should be supported to innovate and operate efficiently and effectively now and into the future in areas identified for these purposes.

This is worded as an operational policy principle primarily around how a business itself operates. It is not clear how this “operational” Principle relates to the land use plan objectives of the overall plan.

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?

Response

Whilst it is appropriate the Draft categorise industrial precincts the implications that flow from this categorisation potentially work against the objective of the Draft in providing certainty.

The precinct categorisation of State, Regional and Local does not clearly relate to the Plan Melbourne objective of 20 Minute Neighbourhoods and more importantly does not clearly express or reflect the importance of the Monash National Employment and Innovation Cluster or other Clusters identified in Plan Melbourne. It appears that the geographically size of the precinct has unduly influenced the designation of the area as State Significance rather than other factors such as economic output or the presence of international companies or world class facilities.

In the case of Monash, it is difficult to understand how the Draft fails to identify the Monash National Employment Cluster as being of State Significance given the range of international and nationally significant facilities and businesses that are located in the Cluster, including the Australian Synchrotron, Monash University, Robert Bosch Australia, CSIRO, Telstra, PPG and Pfizer. Additionally as the largest employment area outside of the CBD the Monash Cluster provides employment to nearly 80,000 people from across Melbourne.

The second concern with this approach is the hierarchy of the Draft implies that Regional and Local precincts are of lesser importance and therefore subject to greater opportunities for rezoning to mixed use/residential or intrusion of retail uses. This is reflected throughout the Draft document with regular reference to “transition to other uses”.

In a practice Regional and Local industrial areas are as equally important for employment, innovation, the provision of services, manufacturing and export as larger areas of State significance and need similar levels of recognition and protection from erosion and speculative rezoning.

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. As flagged earlier in this submission the hierarchy continually downgrades the regional and local precincts by the use of language such as “potential transition” and retaining rather than protecting these areas from incompatible land uses. This softer wording encourages speculation in the property market and a gradual erosion of the viability of these smaller employment areas as investor/developers seek to flip that land to mixed use, primarily housing. Many of these smaller areas contain small businesses that are more vulnerable to property price increases or may seek to “cash out” as business owners approach retirement.

In fact Monash has already had two instances since the release of the Draft where consultants have approached Council seeking rezoning of industrial property based on the content of the Draft and the continual flagging of transition to alternative uses that appears throughout the Draft.

This is further compounded by the table on page 35 including the statements about “*typically apply the following zones*”. Not only are these statements not required in the section that seeks to simply define the purpose of the industrial precincts, they are counterproductive to the overall objective of protecting and retaining industrial land, as they flag potential rezoning or pre-emptively suggest the application of zones without any basis in understanding the role of each precinct. The inclusion of the untested Commercial 3 zone in the column further undermines the overall objective the Draft and will only encourage property speculation and continual testing of Councils resolve on smaller employment areas. The inclusion of that column is entirely unhelpful and undermines the Draft. It should be deleted from any final document.

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?

Response

The document contained in Appendix 2 is not supported. As noted earlier in this document it continues the references the potential to “transition” land to other uses. However, the Draft itself does not provide any clear means of assessing whether the land is required or how to assess the overall and long term need for employment land as part of a sustainable urban mix of land uses and in the context of the Plan Melbourne goal of 20 Minute Neighbourhoods.

The reliance on employment trends in developing a local industrial land use strategy is severely flawed as this will reflect short term trends industry and not provide scope for longer term opportunities for innovation, new industries or other employment opportunities that cannot be forecast by looking at historical trends. Which plan predicted the rise of streaming services over free to air television, which plan predicted the rise of mobile devices, the rise of Uber? Rather than

attempt to pick or predict the ebb and flow of industries, plans would be better served to protect and preserve space for industry and employment activity, whatever it's nature rather than a potential knee jerk response to one industry moving on and rezoning the land.

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?

Response

The purpose of these 'snapshots' to the Draft is not clear. Whilst they provide an overview of some headline statistics and a brief description of the industrial and commercial areas of the region, to what end are they provided. As with other parts of the Draft, it seems to make a forecast based on trends. This is not a plan. It is akin to noting which way the wind is blowing and saying that's probably where we'll end up.

The question attached to this section does not indicate that the Part B Region snap shots also contain planning statements for the region. Whilst these statements are welcome in as much as they promote the retention of the existing employment areas, they seem at odds with much of the Part A of the Draft which refers to potential transitioning of employment land at a regional and local level.

The Region Plan is not clear in how the Monash Cluster is catergorised, is it significant and worthy protection and further development or is it just noted on Map 10. This is a significant shortcoming of this document.

In the assessment of land availability, there is no recognition of significant regeneration opportunities that can occur, and are occurring in the Monash precincts, as industrial land transitions from one use to another. Successful examples of this transition can be found in the large business parks of Salta and Frasers on Springvale and Wellington Roads respectively. This transition was supported by a clear zoning and policy framework that actively discouraged commercial intrusion, land speculation and flipping top residential as earlier industry moved out. This transition has occurred over a 10 year period and included time when land was vacant or underutilised. It is important therefore that any plan set a clear vision and take a longer term view

The Part B sections need to be limited to either providing a statistical snap shot or greatly expanded to recognise the employment areas and set a clear long term framework for the protection and regeneration of those areas.

On a secondary, practical issue for the regions, the identification of the regions in Part B is based on State government administrative boundaries. These boundaries bear little relationship to the way in which business operates and where connections and networks really are. In the case of Monash, the majority of our employment areas are south of the Monash Freeway and have greater linkages to the southern region for supply chain, employees, 22,000 people a day commute from Casey to Monash. In recognition of these relationships Council is a member of South East Melbourne and participates in both Eastern and Southern regional planning activities.

These regional snapshots should recognise that there interrelationships and interdependencies of the industrial areas cross the States administrative boundaries.

Would you like to comment on any other aspects of the plan?

Response

Polycentric City – CBD dominance

The Draft continues with the fixation on focusing employment in the CBD. This is at odds with Plan Melbourne and the vision for a polycentric city. Less emphasis should be placed on the CBD and more on the urban regions.

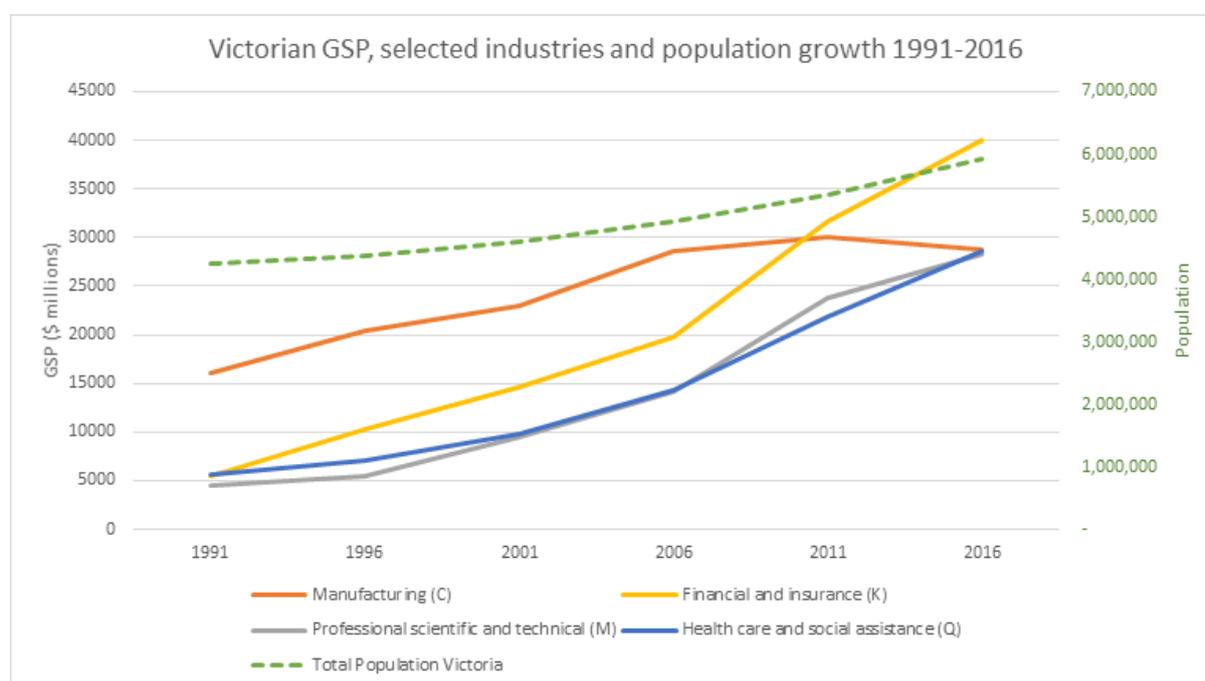
The role of infrastructure, skills and amenity in investment decisions

The plan does not discuss in any detail the role of infrastructure , skilled workforce or urban amenity in the investment decisions of business. It focuses almost exclusively on land supply and trying to pick the market with the latest zone.

A more detailed plan should include an analysis of what makes successful employment precincts and focus activity to strengthening those elements.

The growth through growth illusion

The Draft discusses the growth in employment in services industries plan and seems to imply that traditional employment is on the decline. However, whilst the Draft notes the increase in employment in these service industries it does not highlight sufficiently that these are primarily population growth driven employment gains. This growth is essentially maintaining a proportion relative to the size of the population. (Although there has been an increase in financial employment as Melbourne has recently overtaken Sydney as a preferred location.) This relationship is shown in the graph below. For the Draft to truly promote economic growth it needs to link to issues and policy that move beyond the jobs growth through population growth model and link to opportunity, innovation and technology.



In terms of technology replacing people it is likely in the longer term that many of the recent gains in the service sector could be reduced or slowed by replacement technology for simpler financial, health care and administrative tasks.

Plan Melbourne Actions

Whilst the report responds to Key Actions 8 and 12 of Plan Melbourne, there are other Plan Melbourne Actions that are directly relevant to the preparation of an Industrial and Commercial land use plan. Developing the Plan without direct references to these Actions means that the Plan will not achieve its aim.

In particular Plan Melbourne seeks to embed the concept of 20 minute neighbourhood and develop whole of government approach. However there is no reference to 20 Minute Neighbourhoods in the Plan nor is it clear whether the goal of 20 Minute Neighbourhoods has influenced the draft policy framework contained in the Plan

Other relevant Actions from Plan Melbourne are:

Action 4. Land-use and infrastructure plans for the national employment and innovation clusters

Action 9. Planning for activity centres.

Action 11. Guidelines on new activity centres

Action 13. Employment opportunities in growth areas

Action 14. Economic development and employment outcomes in growth areas.

Action 16 Urban renewal pipeline of projects across Melbourne.

Action 23. Redevelopment of greyfield areas.

Action 35. Improvements in the bus and tram network

Action 64. Affordable spaces for creative industry

Action 75. Whole of government approach to 20 minute neighbourhood.

Embed the 20-minute neighbourhood concept as a key goal across government. Key steps are to:

Land availability and intensification

There is significant opportunity in existing industrial and employment areas for increased employment intensity with infrastructure improvements and clear policy for the retention of these areas for industry and employment.