

Planning Officer Report

183-189 A'Beckett Street, Melbourne

Planning Permit Application 2015/035725



Disclaimer

This publication may be of assistance to you but the State of Victoria and its employees do not guarantee that the publication is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on any information in this publication.

Contents

Summary	2
Recommendation	2
Application Details	3
Background	5
Site and Surrounds	6
Proposal	7
Planning Policies and Controls	9
State Planning Policy Framework	9
Local Planning Policy Framework	10
Statutory Controls (Permit Triggers)	11
Other Strategic Matters	14
Metropolitan Planning Strategy	14
Notification	15
Referrals	15
Assessment	17
Consistency with Planning Policy	17
Land Use	19
Design and Built Form	19
Street Level Activation and Pedestrian Safety	22
Microclimate (Wind, Weather Protection, Light and Shade and Overshadowing)	23
Environmental Sustainable Design (ESD)	24
Car Parking, Loading, Waste Collection and Bicycle Facilities	26
Recommendation	27
Conflict of Interest	28

Summary

The purpose of this report is to provide a detailed planning assessment of planning permit application 2015/035725. This report is provided to the Minister for Planning to assist in considering and determining the planning permit application. The application significantly pre-dates the gazettal of Amendment C262 Central City – Interim Built Form Controls and Amendment C270 Built Form Controls and therefore enjoys transitional rights.

Under the Schedule to Clause 61.01 of the Melbourne Planning Scheme, the Minister for Planning is the responsible authority for applications with a gross floor area exceeding 25,000 square metres. The planning permit application is for a development of 30,826m² and accordingly the Minister for Planning is the responsible authority for the planning permit.

Planning Permit Application 2015/035725 seeks approval for the partial demolition of an existing heritage building on site and construction of a multi-storey mixed-use building comprising 369 apartments, 140m² ground floor retail floorspace and associated car parking.

A permit is required to construct a building or construct or carry out works and to demolish or remove a building. Key issues for consideration include the development's strategic response to the surrounding area and its immediate context, its built form including building height and setbacks, the impact on the heritage building, wind impacts, apartment diversity and the internal amenity of apartments.

The Department's Urban Design Unit and Public Transport Victoria are supportive of the permit application subject to the inclusion of conditions on any permit issued.

Melbourne City Council have objected to the application, with key issues the adverse impact on the significance of the B graded heritage building, excessive building height and inadequate setbacks resulting in an overdevelopment of the site, in-equitable development rights and internal and external amenity impacts.

On balance, the proposal is considered to respond appropriately to the planning controls existing at the time of the application (pre C262 and C270) and should be supported with conditions. The proposal complies with the objectives of State and Local Planning Policy including Plan Melbourne and the planning controls which affect the site and is considered to respond adequately to the existing and evolving built form context of the area.

Recommendation

The Future Melbourne Committee has considered the matter and resolved that a letter be sent to the Department of Environment, Land, Water and Planning indicating that Melbourne City Council **objects to 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

Key elements	Comments
Land:	183-189 A'Beckett Street, Melbourne (Lot 1 on Title Plan 547523C, Volume 01549, Folio 743)
Application No.:	2015/035725
Proposal:	Partial demolition of the existing heritage building and construction of a multi-storey mixed-use building comprising dwellings, ground floor retail premises (other than Adult sex bookshop, Department store, Hotel, and Tavern) and associated car parking.
Date lodged:	30 June 2015 (Transitional rights exempting from C262 and C270)
Zone and Overlay controls:	Schedule 1 to the Capital City Zone (CCZ1) Schedule 10 to the Design and Development Overlay (DDO10) Heritage Overlay Schedule 995 (HO995) Schedule 1 to the Parking Overlay (PO1)
Why is a permit required?	<u>Schedule 1 of Clause 37.04 (CCZ1)</u> : a permit is required for demolition, buildings and works, to construct any part of a building exceeding a height of 40m within 10m of a road frontage, and to construct or carry out works that would cast a shadow between 11.00am and 2.00pm on 22 March and 22 September over public space, public parks and gardens, public squares, major pedestrian routes including streets and lanes. <u>Interim Heritage Overlay Schedule 995 (HO995)</u> : a permit is required for demolition, to construct a building or construct or carry out works.
Height Procedures for Air Navigational Services- Aircraft Operations Surface (PANS-OPS)	58 storeys, 177.3m (excluding plant) and 200.5m RL to AHD (including plant) The building at 200.5m in this location is below the Obstacle Limitation Surface of 228.5m (RL to AHD)
Tower Setbacks	North (A'Beckett St): 6m to 7m West (middle of the lane): 5m East: 0 to 3m to 5m (varies along the length of the boundary) South (rear): 5m
Car parking, motor cycle and bicycle facilities	2 car parking spaces, 229 bicycle spaces and 4 motorcycle spaces
Gross floor area (GFA) and value	GFA 30,826m ² Development value \$50 million
Applicant / Developer	AZX Australia Xing Development Pty Ltd C/- Urbis Pty Ltd
Public Notification	Under the Heritage Overlay the proposal is not exempt from notification and third party appeal rights.

Figure 1 – Site plan

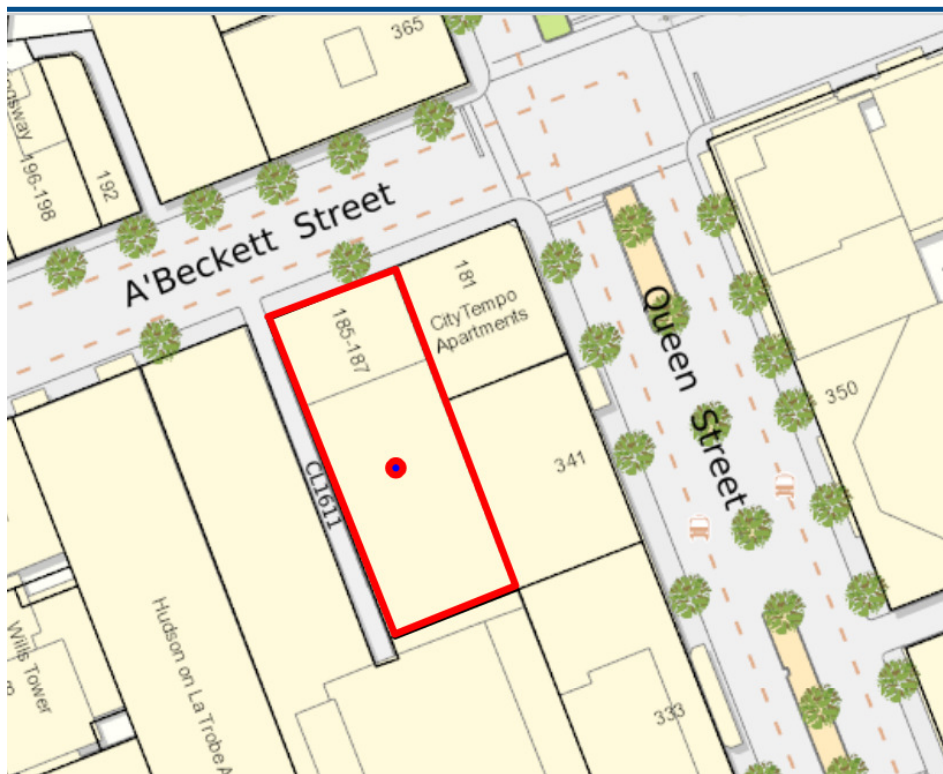


Figure 2- Perspective images of proposal





View from William and A'Beckett Streets towards subject site

Background

The application was lodged on 30 June 2015. Further information was requested on 27 July 2015, within 28 days of the submission of the application. A response to the further information request was received on 17 September 2015, including an updated Heritage Impact Assessment which considered the appropriateness of the proposed design in relation to the existing heritage building and heritage controls.

Following a meeting with the applicant on 7 October 2015, to provide feedback on the proposal, a subsequent meeting was held on 24 November 2015, in which the applicant presented revisions to the proposal including increased building setbacks from A'Beckett Street, reconfiguration of apartment floorplates to ensure all one bedrooms apartments were a minimum of 50sqm and 2 bedroom apartments were a minimum of 65sqm, removal of balconies into the side and rear setbacks to improve separation to the surrounding buildings and a reduction in car parking spaces to provide additional bicycle spaces. The discussion plans were informally submitted on 16 December 2015.

Following a meeting on 25 March 2016, additional changes were made to the proposal to improve the separation between the heritage building and the tower above and introduced angled windows to some apartments to limit overlooking and an increase to the setback of the loading/service area. The discussion plans were informally submitted on 3 May 2016.

Following the consideration of the application by the Future Melbourne (Planning) Committee on 21 June 2016, and the subsequent recommendation by the Committee to object to the application, the proposal was informally amended by the applicant to address Melbourne City Council's concerns. Specifically, the amendments involved a reduction in the overall height of the building, building setbacks were increased, additional heritage fabric was retained and communal floorspace was increased. The discussion plans were informally submitted on 25 July 2016 and are the basis of this planning assessment report.

During the processing of the application an interim heritage control, Heritage Overlay (Schedule 995) was applied to the site. The application is required to be advertised under Clause 43.01-3 of the Heritage Overlay. On 10 August 2016, the advertising procedure and notice were sent to the applicant. A copy of the Statutory Declaration was received on 5 September 2016 confirming that the applicant had carried out the advertising correctly.

Site and Surrounds

The subject site is located in the northern precinct of Melbourne's CBD, on the southern side of A'Beckett Street, between William and Queen Streets, Melbourne (refer to Figure 1 above). The site is rectangular in shape and includes a frontage to A'Beckett Street of 20.43m, a depth of 51.015m, providing a total site area of approximately 1038m². To the west of the site is a Corporation Lane identified as 'CL 1611'. This lane has a width of approximately 3m.

The copy of title shows that the subject site is not affected by any encumbrances.

The subject site is developed with a three storey red brick warehouse building, designed by Edward Fielder Billson in the Moderne style and built in 1937. The building is identified as a 'B' graded building in the Melbourne City Council's Heritage Places Inventory (2008) and the Central City Heritage Review (2011). Notable features include the unpainted decorative brickwork, massing and the portholes.

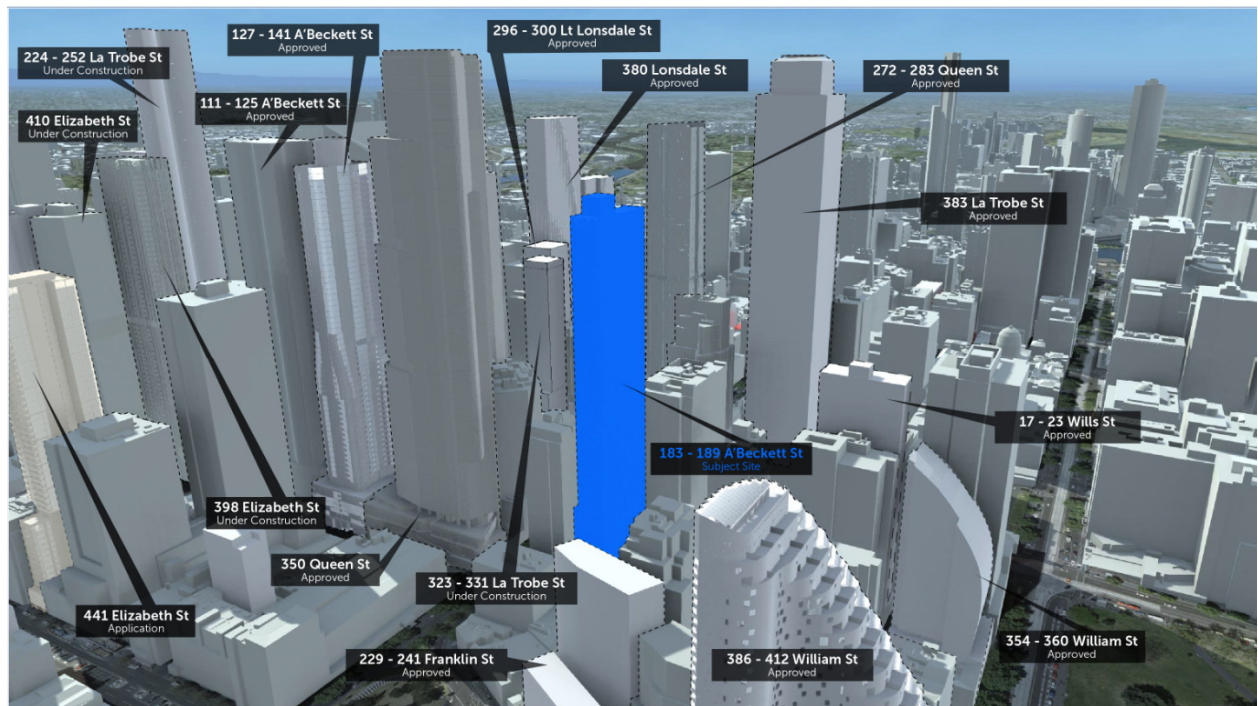
Development surrounding the site can be described as follows:

- To the **north** of the site, on the opposite side of A'Beckett Street are two properties; 215-223 Franklin Street and 365-371 Queen Street. 215-223 Franklin Street is developed with a three storey brick building, built in 1939 and occupied by the Australian Centre for Research in Sex, Health and Society. 365-371 Queen Street is developed with a 10 storey office building with basement parking and ground floor retail premises. The building is occupied by a number of businesses.
- To the **south** of the site (rear), is 378-392 La Trobe Street, an 'L' shaped building with part of the site extending to A'Beckett Street. The site is developed with a twenty four storey office building with four levels of car parking and ground floor retail premises.
- To the **east** of the site, the subject site shares a boundary with 175-181 A'Beckett Street and 341 Queen Street. 175-181 A'Beckett Street (City Tempo Apartments) is developed with a 29 storey building comprising serviced apartments, a business centre and a retail premises on the ground

floor. 341 Queen Street is developed with an 11 storey office building with a ground floor retail premises.

- To the **west** of the site, opposite the Corporation Lane, is part of the site at 380 Latrobe Street, which is occupied by a two storey car park with an additional level of car parking spaces provided on the roof.
- The surrounding area is undergoing significant transformation, specifically along Elizabeth Street, with a number of high density tall buildings being approved, completed and under construction.

Figure 3- Approved buildings within the vicinity of the site



The subject site enjoys access to public transport with tram services along Elizabeth, William and La Trobe Streets, bus routes along Lonsdale, William and A'Beckett Streets and Flagstaff and Melbourne Central Railway Stations are a short distance away. The site is also in close proximity to Queen Victoria Market, City Baths, Flagstaff Gardens, RMIT University, State Library, shops, restaurants, bars and other services associated with its central location.

Proposal

The application seeks approval for the partial demolition of the existing heritage building and construction of a multi-storey mixed-use building comprising 369 dwellings, ground floor retail premises and associated car parking. The proposed building will have a gross floor area of 30,826m².

Details of the application are as follows:

- Partial demolition of the existing heritage building. The existing façade of the Grange Lynne building and approximately 10m of building depth and 14m of the western wall along the laneway, including internal columns is to be retained and restored with the interior being refurbished to provide a retail premises.

- Construction of a multi-storey mixed-use tower comprising 58 storeys. Above the 58 storeys, is an additional level of built form, fully enclosed, containing a motor room, plant and other services. The overall height of the building will be approximately 200.5m AHD;
- Car park and loading and unloading facilities will be accessed via an existing 3m wide lane running along the western boundary of the site, with 2 car parking spaces, 4 motorcycle spaces and the loading and unloading bay provided at ground level.
- 229 bicycle spaces will be provided within the basement level in 'Ned Kelly' vertical hanging bicycle racks. Access to these racks will be via the main lifts in the lift lobby.
- Waste storage for both the residential and retail uses will be provided in a storage room at ground floor level adjacent to the loading bay area.
- Residential amenities (897m²) will be provided at Levels 1, 2 and 3 comprising a pool, gym, sauna and steam rooms, a personal training area, lounge and private dining areas and a movie lounge.
- The building has the potential to achieve a 5-Star rating against the Green Star – Design & As-Built v1.
- The proposed building is of a contemporary design, comprising a podium and tower form setback behind the heritage building. To the north and south elevations, the façade of the tower comprises horizontal elements along the length of each floor to break up the glazing, while to the east and west elevations the facade comprises square window blocks with projecting reveals. The materials and finishes include glazing in clear, grey, blue and green tones, bluestone, stainless steel, concrete in a natural, pale grey and dark grey and paint finishes in charcoal, black and white.

Table 1 – Summary of application background

	Original application 30.6.2015	Concept Plans received 25.7.16 (Following the Future Melbourne Committee)
Dwellings:	471	369
1 bedroom	203	95
1 bedroom + study	175	213
2 bedroom	92	61
3 Bedroom	1	0
Other uses	Café/retail: 102m ²	Café/retail: 140m ²
Storeys	67 (excluding plant and services and 2 basement levels)	58 (excluding plant and services and 1 basement level)
Tower Height	202.5m 228.5 AHD (including plant and	177.3m 200.5 AHD (including plant and

	services)	services)
Podium height	13.79m (setback behind retained heritage façade)	13.79m (setback behind retained heritage façade)
Tower setbacks (above 40m)	North (A'Beckett St): 1.4m to 5m West (middle of the lane): 5.2m East: 0 to 3m to 4.7m (varies along the length of the boundary) South (rear): 5m	North (A'Beckett St): 6m to 7m West (middle of the lane): 5m East: 0 to 3m to 5m (varies along the length of the boundary) South (rear): 5m
Communal areas	540m ²	897m ²
Car parking spaces	44	2
Motorcycle spaces	4	4
Bicycle spaces	142	229
Gross Floor area	39,150 m ²	29,997 m ²

- The submission is supported by comprehensive reports including a Town Planning Report, Urban Context Report and Design Response, Environmental Wind Study, Traffic Engineering Assessment, Waste Management Plan, Environmentally Sustainable Design Strategy, Heritage analysis and architectural drawings.

Planning Policies and Controls

State Planning Policy Framework

The State Planning Policy Framework (SPPF) provides the broad policy direction within the Victorian Planning Provisions. The planning principles set out under the SPPF are to be used to guide decision making on planning proposals across the state.

The following policies are considered relevant to this application:

- Clause 9 (Plan Melbourne)
- Clause 10.04 (Integrated Decision Making)
- Clause 11 (Settlement)
- Clause 15.01-1 (Urban Design)
- Clause 15.01-2 (Urban Design principles) (includes reference to the Design Guidelines for Higher Density Residential Development),

- Clause 15.02 (Sustainable Development)
- Clause 15.03-1 (Heritage Conservation)
- Clause 16 (Housing)
- Clause 17.01 (Commercial)
- Clause 18.01 (Integrated Transport)
- Clause 18.02-2 (Cycling)
- Clause 19 (Infrastructure)

The above policies encourage appropriate land use and development which enhances the built environment, supports economic growth, delivers commercial floor area and integrates transport and infrastructure planning.

Local Planning Policy Framework

The Municipal Strategic Statement (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 issues that direct land use planning in Melbourne: Settlement, Environment and Landscape Values, Built Environment and Heritage, Housing, Economic Development, Transport and Infrastructure.

Clause 21.02 (Municipal Profile) recognises that the City of Melbourne is the premiere location for many of the State's economic, infrastructure and cultural facilities, and attracts a substantial daily population with people travelling to the city for work, leisure and shopping. In addition, the most significant gains in resident population are expected in the Central City (and Southbank and Docklands).

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 21.04 1-1 (The original city centre – the Hoddle Grid) recognises that this area "will be managed to facilitate continued growth where appropriate and limit change or scale of development in identified locations to preserve valued characteristics. A strong emphasis will be placed on a quality public realm and good pedestrian amenity and connectivity".

Clause 21.06 (Built Environment and Heritage) identifies Melbourne's character which is defined by its "distinctive urban structure, historic street pattern, boulevards and parks, heritage precincts, and individually significant heritage buildings. Heritage buildings, precincts and streetscapes are a large part of Melbourne's attraction and the conservation of identified heritage places from the impact of development is crucial". This Clause identifies the need to promote connectivity, provides for spacing and offset to provide access to outlook, daylight, sunlight and to minimise direct overlooking between habitable rooms, to ensure that the scale, bulk and quality of development supports a high quality public realm.

Clause 21.07 (Housing) seeks to encourage the most significant housing and population growth to occur in the Central City, Urban Renewal areas and strategic sites. It acknowledges the need to ensure residential developments in the Capital City, Docklands and Commercial Zones are designed

to mitigate the amenity impacts from surrounding established and future uses, including insulation from noise.

Clause 21.09 (Transport) seeks to integrate transport and urban growth by encouraging development in locations, which can maximise the potential use of public transport. This Clause seeks to maximise access to the city through support of the provision of adequate, safe public transport, pedestrian and bicycle facilities and car parking, in the City to suit 24 hour activity.

Clause 21.12 (The Hoddle Grid) includes policies relating to Economic Development, Built Environment and Heritage and Transport which specifically relate to the unique and valued characteristics of the Hoddle Grid. It encourages the development of a range of complementary precincts within the Hoddle Grid, that offer a diverse range of specialist retail, cultural and entertainment opportunities. The Hoddle Grid is also identified as a location which should support permanent and short term residential development in the Central City which accommodates a diverse population.

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

- Clause 22.01 Urban Design within the Capital City Zone
- Clause 22.02 Sunlight to Public Spaces
- Clause 22.04 Heritage Places within the Capital City Zone
- Clause 22.19 Energy, Water and Waste Efficiency
- Clause 22.20 CBD Lanes
- Clause 22.23 Stormwater Management (Water Sensitive Urban Design)

The aim of the above policies is to encourage high quality urban design outcomes and to ensure that development is environmentally sustainable and recognises its impact on the public realm. An assessment against the above policies is provided later in this report.

Statutory Controls (Permit Triggers)

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

Planning Control	Permit / Application Requirement(s) / Decision Guidelines
Capital City Zone (CCZ) (Clause 37.04) Schedule 1 Outside the Retail Core	<p>A permit is required for the use of the land unless specifically exempted by the schedule. A permit is also required to demolish or remove a building, construct a building or construct or carry out works unless the schedule specifies otherwise.</p> <p>Schedule 1:</p> <ul style="list-style-type: none"> Specifies that no permit is required for 'Accommodation (other than Corrective Institution)' and 'Retail premises (other than Adult sex bookshop, Department store, Hotel, Supermarket and Tavern)' as the uses are permitted as of right (Section 1 use) at Clause 1.0 of the Schedule. Specifies that a permit is required to demolish or remove a building, to construct a building, to construct or carry out works

	<p>that would cast a shadow between 11.00am and 2.00pm on 22 March and 22 September over major pedestrian routes including streets and lanes, to construct any part of a building exceeding a height of 40m within 10m of a road frontage.</p> <ul style="list-style-type: none"> • Exempts the application from notice and appeal requirements. • Decision guidelines are contained in Schedule 1.
<p>Interim Heritage Overlay – Schedule 995 (185-187 A’Beckett Street, Melbourne) (HO995) (Clause 43.01)</p>	<p>Under Clause 43.01-1 a permit is also required to demolish or remove a building, construct a building or construct or carry out works.</p> <ul style="list-style-type: none"> • The application is not exempt from notice and appeal requirements. • Schedule 995 (interim control expiry 31 March 2017) – External paint controls apply. • Decision guidelines are contained at Clause 43.01-4.
<p>Design and Development Overlay (DDO) (Clause 43.02) Schedule 10 – Built Form Controls</p>	<p>Under Clause 43.02-2 a permit is required to construct a building or construct or carry out works unless the schedule specifies otherwise.</p> <p>Schedule 10:</p> <ul style="list-style-type: none"> • Specifies that the requirements of this schedule do not apply to an application made before the commencement of Amendment C262 and C270. <p>The application was submitted prior to the commencement of Amendment C262 and C270; therefore, no permit is required under this overlay.</p>
<p>Parking Overlay – Schedule 1 (Clause 45.09) and Car Parking (Clause 52.06)</p>	<p>The provisions of the Parking Overlay work in conjunction with Clause 52.06 of the Melbourne Planning Scheme.</p> <p>Under Clause 45.09-3, a schedule to this overlay may specify that a permit must not be granted to provide more than the maximum parking provision specified in a schedule to this overlay.</p> <p>Schedule 1 of the Parking Overlay specifies a maximum number of car parking spaces (calculated as a ratio for non-residential uses using two equations and for residential to not exceed one space per dwelling) and the provision of 1 motorbike space per 100 car parking spaces.</p> <p>The limitation policy allows for 370 car parking spaces (which includes the 1 car parking space for the retail use). The provision of 2 car parking spaces on site is below the maximum, and the provision of 4 motorcycle spaces is above the minimum allowed under the clause, therefore no permit is required.</p> <p>Decision guidelines are contained at Clause 45.09-5, 52.06-9 and at Clause 65.</p>

<p>Loading and Unloading of Vehicles (Clause 52.07)</p>	<p>Under Clause 52.07 no buildings or works may be constructed for the manufacture, servicing, storage or sale of goods or materials unless space is provided on the land for loading and unloading vehicles as specified within the table.</p> <p>The loading bay provided complies with the detailed requirements set out in Clause 52.07. Therefore, no permit is required under this clause.</p>
<p>Bicycle Facilities (Clause 52.34)</p>	<p>Under Clause 52.34-1 a new use must not commence until the required bicycle facilities, shower and change room facilities and associated signage has been provided on the land. The standard requires the provision of 111 spaces (74 for residents and 37 for visitors).</p> <p>The proposal includes provision of 229 bicycle spaces for residents and visitors, which will be provided within the basement level.</p> <p>The proposal does not result in a requirement to provide showers and change room facilities.</p>
<p>Urban Context Report and Design Response for Residential Development of Five or More Storeys (Clause 52.35)</p>	<p>Under Clause 52.35-01 an application for a residential development of five or more storeys must be accompanied by an urban context report and a design response. These have been provided.</p>
<p>Integrated Public Transport Planning (Clause 52.36)</p>	<p>Under Clause 52.36-1 an application must be referred in accordance with Section 55 of the <i>Planning and Environment Act 1987</i> (the Act) to the Director of Public Transport for an office development of 10,000 or more square metres of leasable floor area. On 3 September 2015 and 7 January 2016, the application was referred to Public Transport Victoria.</p>
<p>General Provisions (Clause 61.01)</p>	<p>The schedule to Clause 61.01 indicates that the Minister for Planning is the responsible authority for considering and determining applications in accordance with Divisions 1, 1A, 2 and 3 of Part 4 of the <i>Planning and Environment Act 1987</i> for approving matters required by the scheme in relation to developments with a gross floor area exceeding 25,000 square metres.</p>
<p>Decision Guidelines (Clause 65.01)</p>	<p>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 <i>Planning and Environment Act 1987</i>.</p>
<p>Referral and Notice Provisions (Clause 66.03)</p>	<p>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 determining referral authority. As previously</p>

	mentioned Public Transport Victoria is a specified body under Clause 52.36-1.
--	---

Other Strategic Matters

Planning Scheme Amendments C262 and C270

Planning Scheme Amendment C262 was gazetted on 4 September 2015 to provide interim built form controls (for a period of 12 months) for a majority of sites within the Capital City Zone including the subject site. The amendment includes a new Schedule 10 to the Design and Development Overlay (Clause 43.02) resulting in the introduction of mandatory built form controls, a discretionary plot ratio and makes City of Melbourne a recommending Referral Authority at Clause 66.04. Planning Scheme Amendment C270 was gazetted on 23 November 2016, to provide permanent built form controls, replacing the interim controls approved as part of Amendment C270.

Section 7.0 of Schedule 10 to the Design and Development Overlay contains transitional arrangements which exclude any application which was submitted prior to the commencement of Amendment C262 and Amendment C270, and therefore, the requirements of these amendments are not applicable to this application as it was submitted in June 2015.

Plan Melbourne

Plan Melbourne is referenced at Clause 9.01 and outlines the long term plan to accommodate future growth in population and employment in Melbourne. Two key directions of relevance to this application 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 the Hoddle Grid as an existing area within the expanded central region and notes that within and around this area, there is available and underutilised land of a significant scale. This central sub region has a target to accommodate 1 million jobs and 1 million people. The Central subregion has the potential to grow from 700,000 jobs today to almost 1 million by 2031 and well beyond this by 2050.

Plan Melbourne refresh focuses on climate change, housing affordability and updating Plan Melbourne to reflect current government transport commitments and priorities. The government is currently considering submissions which will inform a revised Plan Melbourne to be released in 2017.

Design Guidelines for Higher Density Residential Development

Design Guidelines for Higher Density Residential Development (Department of Sustainability and Environment, 2004) (referenced at Clause 15.01-2). These guidelines seek to ensure higher amenity standards for higher density housing developments and cover elements such as height, neighbourhood character, street setback, open space, overlooking and overshadowing.

Homes for People: City of Melbourne Housing Strategy

The *Homes for People: Housing Strategy* (21 January 2015) looks at ways that the Council can improve the affordability and design of housing to meet the diverse needs of residents. Council has indicated that by 2031, it is estimated that an additional 42,000 homes will be built within the municipality for an additional 80,000 people. This growth will mostly occur within the city's urban renewal areas and the Hoddle Grid.

Better Apartments: Design Standards

The *Better Apartments Draft Design Standards* were released in August 2016 as a joint initiative of the Department and the Office of the Victoria Government Architect. The draft standards were developed following the May 2015 release of *Better Apartments – A Discussion Paper*. The final *Better Apartments Design Standards* were released in December 2016 and will come into effect in March 2017 when they are implemented in the Victoria Planning Provisions and all planning schemes.

The standards include requirements relating to building setbacks, functional layout, room depth, windows, storage, noise impacts, energy efficiency, solar access to communal outdoor open space, natural ventilation, private open space, communal open space, landscaping, accessibility, building entry and internal circulation, waste and recycling and water and stormwater management.

Once gazetted and included within the Victoria Planning Provisions and all planning schemes, the design standards will replace the *Guidelines for Higher Density Residential Development*.

Notification

Under Schedule 1 of the Capital City Zone, an application to demolish a building, to construct a building or construct or carry out works, 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*.

Under Clause 43.01-3 of the Heritage Overlay, an application to demolish a building, to construct a building or construct or carry out works, is not 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*. The notification of the application was carried out by the applicant between 17 August 2016 and 2 September 2016. The submissions received are discussed under the 'Objections' section of the report.

Referrals

The application was given to the Department's Urban Design Unit, the City of Melbourne, and referred under Section 55 of the Act, to Public Transport Victoria and Melbourne Water. The following comments were provided:

Urban Design (DELWP): Offered general support for the application. Matters for further resolution include:

- A minimum 5m setback from the interface of 351 Queen Street.
- Acceptable materials, colours and finishes.
- Acceptable resolution of the blank wall interface with the adjacent serviced apartments building,
- The terraces fronting the street would provide very minimal activation and virtually no engagement with the public realm. This should be reconsidered to ensure activity and high levels of passive surveillance above ground floor level.
- Confirmation of laundry arrangements - whether all apartments will have access to their own laundry facilities, or whether a communal laundry is proposed.
- A limited number of apartments have inboard studies, which is not preferable. Consideration should be given to limiting and/or redesigning spaces within apartments which have no direct access to sunlight.
- Updated traffic, wind and waste reports to reflect latest plans.
- Further consideration of the path of travel of cyclists entering and leaving the building.
- Increase of motorcycle parking to at least 7 spaces in total as the 4 spaces proposed is very low compared to other developments.

The referral comments provided above were based on a review of plans received on 25 July 2016, which sought to address initial concerns following a review of the application documentation. It is considered that most of the above matters could be resolved via the inclusion of conditions on permit. The recommendation for 'a minimum 5m setback from the interface of 351 Queen Street' is discussed below.

Melbourne City Council: The application was referred to Council on 3 September 2015 and informal discussion plans were subsequently referred on 7 January 2016. On 21 June 2016, the proposal was reported to the Future Melbourne (Planning) Committee. The Committee resolved that a letter be sent to the Department advising that Melbourne City Council objects to the proposal for the following reasons:

- The development fails to adequately respond to the relevant policy directions, objectives and decision guidelines of Clause 22.04 Heritage Places within the Capital City Zone and Clause 43.01 Heritage Overlay of the Melbourne Planning Scheme.
- The development fails to conserve and enhance the character and appearance of the heritage place and does not adequately respect the existing character, scale, form and appearance of the heritage place.
- The development by virtue of its bulk, form and appearance will adversely affect the significance of the B graded heritage building on the subject site.
- The proposal by virtue of its excessive height, bulk and inadequate setbacks will have an unacceptable impact on the surrounding streets and development potential of adjoining land, and is contrary to relevant provisions of the Melbourne Planning Scheme, including Clause 22.01 (pre amendment C262) and Clause 37.04 Capital City Zone Schedule 1.

- The proposal by virtue of its height, scale and inadequate setbacks represents an overdevelopment of this site.
- The proposal will result in unreasonable amenity impacts to the existing development to the east by way of visual bulk, loss of daylight and outlook.
- The proposal fails to provide a reasonable level of internal amenity for apartments as sought by the Guidelines for Higher Density Residential Development referenced at Clause 15.02-1 of the Melbourne Planning Scheme in terms of outlook and the provision of open space.

The reasons for objection provided above were based on a review of plans received on 30 June 2015, in combination with other versions of informal amended plans, with the most recent plans received by Melbourne City Council on 4 April 2016. As advised previously, the final set of informal concept plans dated 25 July 2016 seek to address the objections raised by the Council.

In an email dated 13 October 2016, provided by the Council's planning officer who assessed the plans, the officer confirmed that "the proposed changes particularly in relation to the heritage matter are an improvement from that originally considered". The following aspects of the proposal were also considered to be an improvement:

- Retaining the roof of the existing heritage building.
- Maintaining a 7m frontage setback up to level 7.
- The architectural expression of the proposed development and its relationship with the existing heritage building.

However, the planning officer still considered that:

- The 5m setback provided from the side and rear boundaries does not provide for equitable development rights, adequate tower separation or acceptable amenity outcomes.
- The impact on the amenity of the adjoining residents to the east, by way of visual bulk, loss of daylight and inadequate still remains.
- Majority of apartments still do not have private balconies. The only formal communal open space provided for a total of 379 apartments is a resident's garden on level 3. (*this is not correct as the resident's garden is not proposed for communal use).
- Also, Council's Heritage Advisor has recommended that the western side boundary wall of the existing building be retained to the depth of the first saw-tooth roof bay. Consequently, given that the informal concept plans have not been reported to the Future Melbourne (Planning) Committee, Melbourne City Council maintains its objection to the proposal.

Public Transport Victoria (PTV): offered no objection to the proposal subject to the inclusion of a condition (letter to the Department dated 9 February 2016).

Assessment

Consistency with Planning Policy

All planning policies whether they be included within the planning scheme, or referenced, provide guidance for development and are not intended to be interpreted as prescriptive mandatory controls. A guidance based approach encourages innovative development solutions to respond to specific constraints and opportunities, whilst still having regard to the intent of the policy and the requirements of the relevant zone and overlay.

The proposal is considered to be broadly compliant with State and Local planning policy objectives with particular regard to providing higher density residential development in close proximity to existing infrastructure, services and amenity. Specifically, the proposal achieves State and Local planning policy objectives by:

SPPF

- The proposal will provide a liveable and walkable residential environment due to its proximity to key services and infrastructure including tram and bus services, Queen Victoria Market, City Baths, Flagstaff Gardens, RMIT University, State Library, shops, restaurants, bars and other services associated with its central location (Clause 11.01-2).
- The proposal will provide increased housing opportunities in an activity centre location, whilst ensuring that the design/layout of the apartments provide reasonable levels of internal amenity. Specifically, it is noted that the proposal provides a mix of 1-bedroom and 2-bedroom apartments with adequate minimum sizes, with no bedrooms or living areas reliant on borrowed light. However, it is noted that the housing diversity could be improved, by providing more some three-bedroom dwellings. Out of a proposed 369 apartments, no three-bedroom apartments are proposed. In this respect the proposal is not consistent with policy outcomes which seek to encourage housing diversity (Clause 16). This is discussed further under the assessment section of the report.
- The proposal will include low car parking numbers and an adequate supply of residential bicycle parking spaces to encourage alternative modes of transport (Clause 11.01-2 and Clause 18.01-1).
- Through visually interesting, good quality architecture and urban design, the proposal will contribute to the character of the area and will make a positive contribution to the public realm (Clause 15).
- The proposal will ensure the conservation and enhancement of a 'B' graded building by retaining up to 14m of the original façade with the existing internal building columns integrated into the design and refurbishment of the building for retail/café use (Clause 15.03-1).
- The proposal is activated along A'Beckett Street through the provision of a retail/café tenancy and the residential lobby, which will enhance the adjacent pedestrian space, create a pleasant pedestrian experience and provide greater safety for pedestrians through passive surveillance (Clause 15).

MSS

- Clause 21.03 recognises that the City of Melbourne has an important role in providing housing to accommodate the expected significant population growth. The proposal responds to this goal for Melbourne by providing 369 additional dwellings.
- The proposal responds to Clause 21.12 (The Hoddle Grid) through:
 - Supporting residential development that accommodates a diverse population.
 - Providing a design which acknowledges the human scale and activation at ground level and contributes positively to the surrounding streetscape. The proposal has also provided a context for the heritage building onsite by setting back the tower 6-7m from the three storey heritage façade. The partial retention of the heritage building and the associated setbacks above the heritage building ensures that the proposal promotes a human scale at street level.
 - Making a contribution to Melbourne's skyline through a well-articulated and reasonably designed building.

LPPF

- As advised above, the development is sited and designed to respond to the physical constraints of the site and is responsive to its surrounding context (Clause 22.01). Through the partial retention of the heritage building and the inclusion of a retail/café tenancy and the residential lobby entrance will ensure that activation does occur.
- The proposal will contribute to the physical quality and character of Melbourne's streets and lanes by partially retaining a heritage building, providing a visually interesting tower above improved activation via the inclusion of a retail/restaurant and a residential lobby.
- The proposal responds appropriately to Clause 22.02 (Sunlight to Public Spaces) by ensuring that the building and works allow good sun penetration to public spaces and achieve a comfortable and enjoyable street environment. The relevant control period for the policy is between 11am and 2pm on 22 September. During this control period, the building will not overshadow any significant public open spaces. This is discussed further in the 'Microclimate' section of the report.
- The applicant has confirmed that the revised proposal has the potential to achieve a 5 Star Green Star Design & As-Built v1 rating through increased performance measures against the Green Star credits. The additional points recommended by the ESD consultant could be secured through the inclusion of a permit condition requiring that they be included in a revised ESD Strategy. (Condition 17)
- Compliance with Clause 22.23 - Stormwater Management (Water Sensitive Urban Design) requires the submission of a strategy including design details and measures to address water efficiency requirements and could be secured through the inclusion of a permit condition (Condition 17).

Land Use

The proposed residential and retail/café uses are consistent with many policy directions and contribute to the on-going revitalisation of a 24-hour CBD. The development responds appropriately with the broad strategic intent for housing, economic development and employment as outlined in the State Planning Policy Framework (SPPF), Local Planning Policy Framework (LPPF), including the MSS and the purpose of the zoning control.

The land uses and the redevelopment of the site are not in contention. The key issues in this application relate to the treatment of the heritage building, design and built form, tower separation and setbacks, ground level activation, overall functionality of the site and dwelling diversity. These matters are discussed further below.

Heritage

The existing heritage building is identified as a 'B' graded building in the Melbourne City Council's Heritage Places Inventory (2008) and the Central City Heritage Review (2011). Clause 22.04 – Heritage Places within the Capital City Zone and Clause 43.01 – Heritage Overlay set out guidelines which seek to ensure that new development does not undermine the significance of any heritage place and that the visual prominence of a heritage building is maintained. Following the recommendation made by Council's Planning Committee, the proposal was informally amended to allow the original façade to a depth of 10.3m and the western wall up to 14.2m to be retained including the existing internal building columns. In response to the plans, Melbourne City Council's

planning officer noted that “the proposed changes particularly in relation to the heritage matter are an improvement from that originally considered”. However Council’s Heritage Advisor recommended “that the western side boundary wall of the existing building be retained to the depth of the first saw-tooth roof bay”, i.e. an additional 6.4m.

The Statement of Significance states: “a successfully designed and representative example of the Moderne style which counteracts curved verticals with horizontal elements to achieve a balanced, three dimensionally perceived design also of interest as one of the few surviving designs from Edgar Billson in this period”. The building “is also a reflection of long-term industry and warehouse concentration in this part of the city”. It is considered that the retention of the façade and up to 14.2m of the existing wall along the western boundary will result in the conservation and enhancement of those elements which contribute to the significance of the heritage place. However, in order to respond to the site’s industrial and warehouse past, a condition on any permit issued will require the western wall to extend a further 6.4m along the side boundary to include the depth of the first saw-tooth roof bay (Condition 1a). DELWP’s Urban Design officer agrees that the heritage building has now been more appropriately integrated into the overall design. Therefore, the partial demolition of the building is considered appropriate and the demolition is unlikely to adversely affect the significance of the heritage place.

Design and Built Form

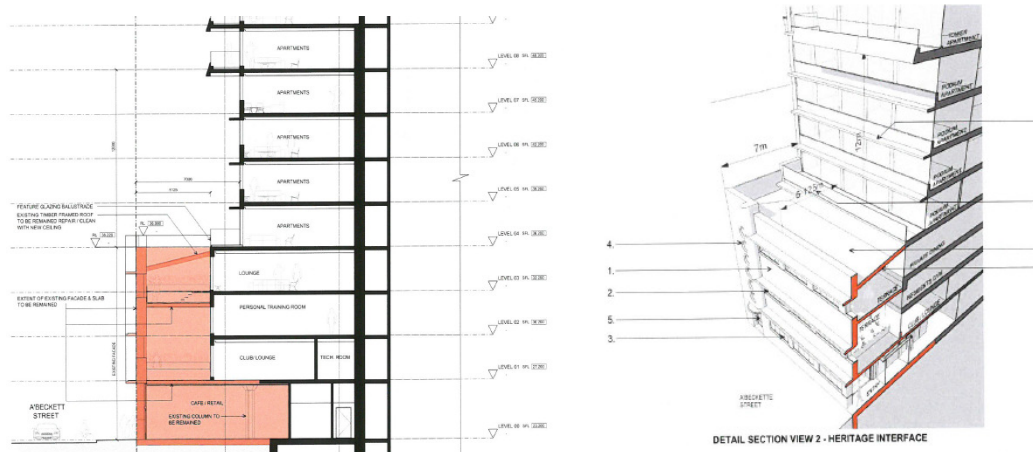
The performance measures contained within Local Policy Clause 22.01 - Urban Design within the Capital City Zone, Guidelines for Higher Density Residential Development, Schedule 1 to the Capital City Zone (CCZ1) set performance benchmarks for good development. Key themes include connectivity, edge-quality, building envelope, internal amenity, architectural design and activation are common threads through these planning provisions.

Height / Form

The application seeks approval for the partial demolition of an existing heritage building and the construction of a 58 storey, 177.3m tall building (excluding plant and services level), with a podium height of 13.79m.

Although tall buildings generally have a podium height of between 35 to 40m, the proposed 13.79m podium in this instance is consistent with the standard encouraged by Clause 22.01, which acknowledges a need to provide context for a heritage building. Above the podium, the tower will be setback 6m from A’Beckett Street, from levels 4 to 27 and then 7m from levels 28 to the top of the building. From Level 4 the tower will include the following setbacks: 5m to the middle of the lane (west), 5m to the rear (south) and from 0 to 3m to 5m along the eastern boundary.

Figure 4- Detailed sections – Heritage interface



Above the podium, the proposed tower will have a maximum height of 177.3m (overall 200.5m AHD including plant). The overall building height of the development is considered to be contextually appropriate and consistent with the emerging character of the surrounding area. The proposed height is commensurate with the heights of buildings being constructed and approved in the surrounding precinct, including the developments at 350 Queen Street, 383 La Trobe Street, 316-322 Queen Street, 111-125 A'Beckett Street and 450 Elizabeth Street. The site is not affected by any height controls and the proposed height of 177.3m is considered to be acceptable. Refer to Figure 3.

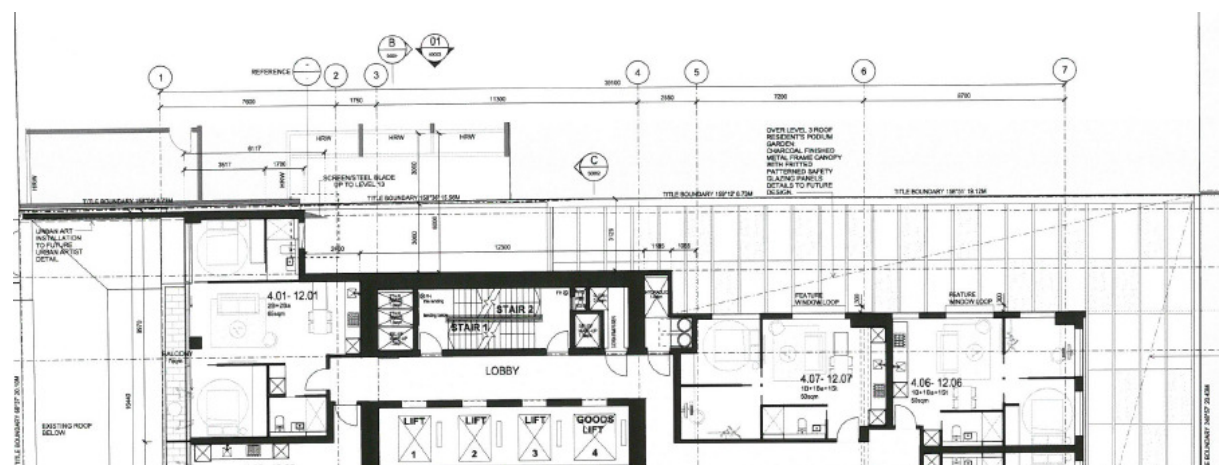
It is also noted that the proposal is well designed and articulated, with elevations comprising balconies and square window blocks with projecting reveals to create visually interesting facades. Significant improvements have also been made to integrate the tower with the existing heritage building. The rooftop building plant is screened and the varied materials and finishes applied to the tower will provide visual interest to the city skyline.

Clause 22.01 encourages towers above podium should be setback at least 10m from the street frontage. As advised above, the tower will provide a maximum setback of 7m to A'Beckett Street, which will not comply with the preferred discretionary setback. It is noted, however, that the proposed 7m setback from A'Beckett Street, is more generous than the typical 5m street setback provided by many new buildings approved and under construction in the surrounding area. It is noted that the policy intent behind setbacks from street frontages is to ensure that the public realm and pedestrian qualities are not compromised. Given the range of setbacks provided on other nearby developments, the setback of the tower from A'Beckett Street is considered to be appropriate and in context with the surrounding area which includes a number of podium and tower developments with similar or less tower setbacks provided from the street frontage. In relation to the heritage building, the setback of the tower from A'Beckett Street is considered acceptable as it will maintain the protection of the heritage building and will allow sufficient separation to ensure that the heritage building is not overwhelmed by the tower.

With regard to tower separation, Clause 22.01 allows a reduction in tower separation from 24m to any surrounding podium-tower redevelopment, where it can be demonstrated that the towers are offset, habitable room windows do not directly face one another and where the redevelopment of adjoining sites is not compromised. The proposal provides the following setbacks/ separation from the adjoining/adjacent sites, with relevant commentary as follows:

- West: The tower will be setback 5m from the centre of the rear lane, providing a minimum separation of 6.5m between the subject site and the two storey car park. It is considered that a 5m setback from the centre of the rear lane is consistent with current setback requirements and standard practice and should the car park be redeveloped in the future, it would be required to provide a similar setback to the centre of the rear lane, resulting in a minimum separation of 10m between buildings, which is considered to be acceptable.
- South: The tower will be setback 5m from the rear boundary shared with 378-392 La Trobe Street, a twenty four storey office building which is setback 3.6m from the boundary. The 5m setback from the boundary is consistent with current setback requirements and standard practice and should the office building be converted to residential in the future, a total separation of 8.6m would be provided.
- East: The tower will be setback 0 to 3m and then 5m from the eastern boundary which it shares with 175-181 A'Beckett Street and 341 Queen Street. The site at 175-181 contains apartments with habitable room windows setback approximately 3m from the common boundary and balconies located within this setback. Although a 6m separation would usually not be considered appropriate, given that there are no windows directly facing the existing apartments, it is considered acceptable in this instance as overlooking will not occur and the building at 175-181 A'Beckett Street is unlikely to be redeveloped in the future. In the instance that 341 Queen Street is redeveloped in the future, in line with the current Amendment C270 controls, the proposal would be required to provide a minimum building separation of 10m.

Figure 5- Floorplan showing eastern boundary setbacks



- Equitable development rights: Although council's planning officer considers that a 5 metre setback from the boundaries would impact on the development potential of adjoining land, should any of these sites be redeveloped in future they would also be required to setback any tower a minimum of 5m or more in accordance with Amendment C270, which is considered to be acceptable.

Street Level Activation and Pedestrian Safety

Clause 22.01 of the Melbourne Planning Scheme requires developments to contribute to a high quality public realm and to passive surveillance of the public domain. Developments should also improve the experience of the area for pedestrians. In accordance with policy, the ground floor

frontage to A'Beckett Street will be activated as a result of the inclusion of a retail/café tenancy and the building entrance to the apartments. Melbourne City Council has also noted that the ground floor frontage: "complies with Clause 22.01 which requires active uses that provide passive surveillance to be provided on ground level".

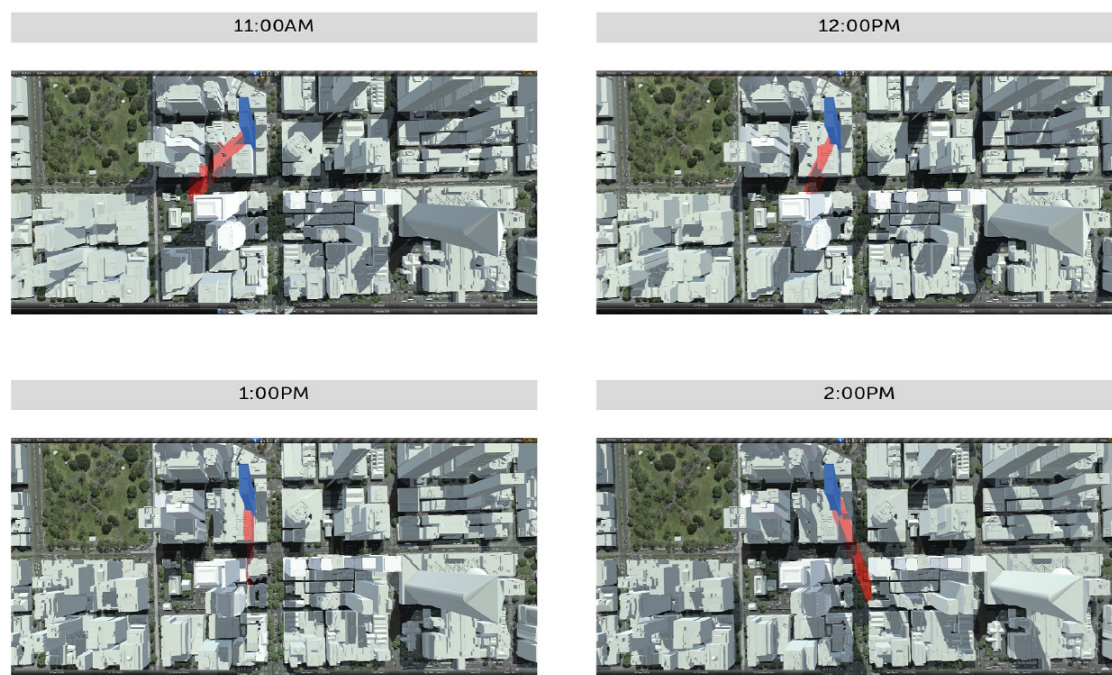
Microclimate (Wind, Weather Protection, Light and Shade and Overshadowing)

Clauses 22.01 and 22.02 of the Melbourne Planning Scheme are applicable when considering the microclimate conditions on streets and other public places. Clause 22.01 Urban Design within the Capital City Zone policy recommends that towers should be appropriately set back from all streets at the podium level to assist in deflecting wind downdraught from penetrating to street level. In line with the recommended design standard, above the 13.79m podium, the tower will be setback from each frontage a minimum 5m. These setbacks will assist with wind deflection.

An Environmental Wind Study prepared by Aurecon dated 29 June 2015 was submitted with the application. This report was superseded by a version dated 4 December 2015, which concluded that A'Beckett Street has the most potential for experiencing adverse ground level wind impacts; however, it would still be suitable for leisurely walking and it would be suitable for standing/sitting for short periods of time immediately in front of the site. The report also notes that due to the buildings orientation and the dominance of northerly wind, it is expected that wind conditions in the resident's podium garden will be worst along the towers western edge and as such the addition of canopies or similar sheltering is recommended to mitigate these impacts.

The revised report also states that the assessment of wind impacts on the December 2015 amendments have been based on a desktop assessment only. This is not considered acceptable and a condition on any permit issued will require the submission of comprehensive Wind Tunnel testing and an Environmental Wind Climate Assessment report to reflect the 25 July 2016 submitted plans. Any recommended wind amelioration measures will be secured as a condition on any permit issued (Condition 15).

Figure 6- Overshadowing diagrams (22 September)



Clause 22.02 'Sunlight to Public Spaces' states that development should not reduce the amenity of public spaces by casting any additional shadows on public parks and gardens, public squares, major pedestrian routes including streets and lanes (including all streets within the retail core of the Capital City Zone), and privately owned plazas accessible to the public between 11.00am and 2.00pm on 22 September. The shadow diagrams were tested by the Department and it was found that some overshadowing will occur to La Trobe and Queen Streets. The shadows are not considered to be significant in their extent nor would they substantially reduce the amenity of these spaces and are therefore considered to be acceptable. The proposal will not overshadow any public parks, gardens or public squares between 11.00am and 2.00pm on 22 September.

Internal Amenity

Guidelines on internal amenity are provided in *The Design Guidelines for Higher Density Housing DSE 2004* and in the *Better Apartments: Design Standards December 2016* which seek to ensure that residents can live comfortably with one another and with appropriate levels of internal and external amenity, including provision of storage.

The proposed apartments are considered to be of a reasonable size and all living areas and main bedrooms will have sufficient access to daylight and natural ventilation. On review of the latest set of plans (25 July 2016), it is noted that a number of apartments contain fully enclosed 'studies' which could be converted into bedrooms. If the areas shown as 'studies' are less than 9sqm or do not have access to a window located in an external wall then it is considered that they should be open plan or connected to the living areas. In line with the *Better Apartments: Design Standards December 2016*, 'bedrooms' other than the main bedroom should be a minimum of 9sqm. It is also noted that a number of the apartments do not contain any laundry facilities. It is considered that all apartments should be capable of providing laundry facilities within the internal layout. These two matters can be addressed by way of a condition on any permit issued (Condition 1d and 1e).

The proposal currently provides 60 external storage units for 369 apartments. It is considered standard practice for apartments to have a reasonable amount of storage space to "allow people to live comfortably and provide for different space requirements of different households". The provision of a reasonable amount of storage space (including kitchen, bathroom, bedroom and other utility storage) is reinforced in the *Better Apartments Design Standards*, at the following rate: 1 bedroom dwelling – total 10 cubic metres (6 cubic metres within the dwelling), 2 bedroom dwelling – 14 cubic metres (9 cubic metres within the dwelling) and 3 or more bedroom dwelling – 18 cubic metres (12 cubic metres within the dwelling). If these minimum storage areas have not been achieved then this could be secured via a condition on any permit issued (Condition 1f).

The proposal provides communal facilities for residents at Levels 1, 2 and 3. The communal space offers residents access to recreational opportunities that will further enhance their residential amenity. It is noted that the proposed 897m² of communal facilities would result in the provision of 2.4m² of shared open space per apartment. Given that only 45 out 369 apartments have access to private open space, it is considered that apartments 3.01 and 3.02 should be deleted to allow communal access to the resident's podium garden and these apartments turned into additional facilities. This could be secured via a condition on any permit issued (Condition 1g).

Housing Diversity

The proposal provides the following mix of apartment types: 95 1-bedroom apartments, 213 1-bedroom plus study apartments, 61 2-bedroom apartments and no 3-bedroom apartments. In a

recent VCAT Red Dot Decision, Caydon Cremorne No.1 Development Pty Ltd v Yarra CC, the VCAT Members noted that in that particular case, the high concentration of one bedroom apartments was not consistent with policy outcomes encouraging housing diversity. It was noted that the design Guidelines for Higher Density Residential development contains the following 'Element' relating to Dwelling Diversity: Objective 5.1 is *to provide a range of dwellings sizes and types in higher density residential developments. Design suggestion 5.1.1 calls for a mix of dwelling types particularly in larger residential developments (e.g. to suit single people, family groups of varying sizes, students, the elderly, people of limited mobility and people of low to moderate incomes).* It is also noted that in Melbourne City Council's Homes for People: Housing Strategy that high levels of housing supply are not delivering a good housing mix and social diversity in the community. The report further notes that "ninety six percent of over 20,000 apartments in over 100 developments currently in the pipeline have just two or fewer bedrooms. This is failing to meet the projected demand for family-friendly three bedroom apartments". Given that there are no three bedrooms apartments proposed out of 369 apartments, the proposal is not considered to be facilitating a diversity of housing options in accordance with planning policy (Clause 16). It is considered that the proposal should seek to provide at least 5% of the 369 apartments as three bedroom apartments. This could be secured via a condition on any permit issued (Condition 1h)

Environmental Sustainable Design (ESD)

An Environmentally Sustainable Design Strategy has been prepared by Aurecon and submitted with the application in response to Clause 22.19 of the Melbourne Planning Scheme.

In accordance with Clause 22.19-5 the applicable performance measures are as follows:

- For 'accommodation' with a gross floor area of more than 5,000 square metres, the proposal is required to demonstrate that it can achieve a 5 star rating under a current version of Green Star – Multi Unit Residential rating tool or equivalent and 1 point for Wat-1 credit under a current version of the Green Building Council of Australia's Green Star-Multi Unit Residential rating tool or equivalent and a Waste Management Plan prepared in accordance with the current version of the City of Melbourne's *Guidelines for Waste Management Plans*.
- For 'retail premises' up to 2000 square metres gross floor, the proposal is required to achieve 5 points (retail) for Wat-1 credit under a current version of the Green Building Council of Australia's Green Star- Retail rating tool or equivalent and a Waste Management Plan prepared in accordance with the current version of the City of Melbourne's *Guidelines for Waste Management Plans*.

The report provides a summary of the sustainable design initiatives, fixtures, systems and appliances which will be integrated into the building in order to achieve a 4 Star Green Star Design & As Built v1 rating. On the 25 July 2016, included with the revised proposal package was a letter from Aurecon confirming that the revised proposal has the potential to achieve a 5 Star Green Star Design and As-Built v1 rating through increased performance measures against the Green Star credits. The additional points recommended by the ESD consultant could be secured through the inclusion of a permit condition requiring that they be included in a revised ESD Strategy. (Condition 17). It is therefore considered that the proposal complies with the performance measures outlined at Clause 22.19.

Clause 22.23 Stormwater Management (Water Sensitive Urban Design) seeks to achieve the best practice water quality performance objectives set out in the Urban Stormwater Best Practice

Environmental Management Guidelines, CSIRO 1999 (or as amended). Reference to Clause 22.23 of the Melbourne Planning Scheme has not been provided within the ESD Strategy, therefore the proposal is not considered to satisfy the application requirements listed in Clause 22.23 of the Melbourne Planning Scheme – Stormwater Management (Water Sensitive Urban Design)'. It is considered that compliance with Clause 22.23 can be addressed via the inclusion of a condition on any permit issued (Condition 17).

Car Parking, Bicycle Facilities, Loading and Waste Collection

The application provides 2 car parking spaces and 4 motorcycle spaces, with car parking well under the maximum limitation policy and motorcycle parking over the minimum required (Clauses 45.09) and 52.06), provides resident and visitor bicycle parking spaces in excess of the requirements (Clause 52.34) and provides appropriate loading and unloading facilities on site (Clause 52.07).

Clause 52.34-3 sets out the number of bicycle facilities required. The standard requires the provision of 111 spaces (74 for residents and 37 for visitors). The proposal includes provision of 229 bicycle spaces for residents within the basement level, which is significantly in excess of the requirement. It is considered that the 37 visitor spaces can be accommodated within the secure parking area in the basement with access occurring with the assistance of the resident they are visiting.

It is noted that Melbourne City Council in their response to the updated Traffic Report dated December 2015, have advised that they have no concerns regarding car parking, bicycle parking or loading and access arrangements. With regard to the provision of motorcycle parking spaces, although the provision is in excess of the requirements, their internal requirements are for 1 motorcycle space per 50 car parking spaces, with car parking spaces calculated as the greater of the number of:

- Car parking spaces required (or permitted in the case of a maximum rate); or
- Car parking spaces proposed.

Based on the number of apartments currently proposed, a minimum of 7 motorcycle spaces should be provided. DELWP's Urban Design officer has also recommended that the provision be increased to 7 spaces. This could be secured via a condition on any permit issued (Condition 1i)

The application was accompanied by a Waste Management Plan (WMP) prepared by Leigh Design Pty Ltd dated 29 June 2015, which was superseded by a version dated 12 December 2015. Following a meeting with Melbourne City Council's City Operations Group, it was agreed that in this instance, given that there are constraints with the site; smaller trucks would be required to undertake the waste collections, with a private company at the building's own cost, until Council has such a fleet available. It is recommended that an updated Waste Management Plan be provided reflecting the latest set of plans/modifications and that waste storage/collection has to be to the satisfaction of Melbourne City Council. (Condition 23).

Submissions

Due to the introduction of a site specific Heritage Overlay (HO995 Interim Control), the application is not exempt from third party notice and appeal rights. Six submissions were received during the advertising period from [REDACTED]. Their concerns can be summarised as follows:

- The development will have a detrimental effect on the existing heritage listed building including the saw tooth roofline and the Art Deco Interiors.
- The contributory elements of the fabric should be conserved and enhanced as in the objectives of Clause 43.01.
- The proposal involves 'facadism' to a notable historic building.
- The heritage building will be dominated by the enormous tower, setback only 5m which then leans forward over the frontage.
- There is insignificant visual separation between the heritage structure and the tower compared to other similar structures locally (e.g. 17 Wills Street).
- The proposal will greatly damage the heritage streetscape of A'Beckett Street.
- Loss of natural light and views to Flagstaff gardens and reduced access to sunlight.
- The proposal will add to the existing "wind tunnel" effect in the immediate vicinity of the building.
- The proposal will add to the oversupply of apartments and thus will have a negative impact on the value of existing residential properties. (Note: this is not a planning consideration)

The planning concerns raised above have been discussed in the assessment section of the report. It is also worth noting that above concerns were based on plans which show a greater impact on the heritage building. The current 25 July 2016 plans result in the retention of the heritage building up to a depth of 10.3m and 14.2m along the western boundary, with a minimum tower setback of 6m from A'Beckett Street without a cantilever into this setback. Therefore, the current plans are considered to address a number of the concerns raised above as they will result in a reduction in the impact of the tower on the heritage building. It is also considered that the proposed built form, including building setbacks and separation between buildings, is commensurate with the setbacks of buildings being approved and under construction in the surrounding area.

Recommendation

The development meets the objectives of Schedule 1 to the Capital City Zone and the relevant overlays by contributing to the provision of dwellings within a built form response that reinforces the existing and emerging scale, built form and density of development within the surrounding area, whilst also securing the appropriate conservation of a partially retained 'B' graded heritage building.

The applicant has demonstrated a willingness to respond to issues raised by the department and council and the plans dated 25 July 2016 are considered to be an improvement on the original application plans.

The proposal has adequately responded to the opportunities and constraints of the site, delivering a high quality residential development supported by communal facilities and a ground floor retail tenancy, which responds appropriately to existing planning policies and guidelines.

It is recommended that planning permit 2015/035725 is granted for the construction of a multi-storey mixed-use building comprising dwellings, a ground floor retail premises and associated parking, subject to conditions, including the requirements of PTV and some of the recommendations of Melbourne City Council.