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?

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

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

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?

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

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?

**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?

If no, please let us know which other area we should identify or how the areas can be better described.

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

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

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I am making this submission:

on behalf of a local council

Email address (Optional)
I agree to receive emails about my submission if required or project updates.

Yes

Privacy Statement - Draft Melbourne Industrial and Commercial Land Use Plan

What we will do with your submission

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

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

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

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

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

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

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

Please note, if you do not provide your name/email address we will not be able to identify your submission if you wish to access it, make a correction, or require technical support.
Should you need to correct the information you provided or gain access to your submission, please contact us via email at planning.implementation@delwp.vic.gov.au

I agree to the privacy statement

yes

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


Regards,
The Engage Victoria Team

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Brimbank City Council Submission
Draft Melbourne Industrial and Commercial Land Use Plan

Introduction

Brimbank Council (Council) welcomes the opportunity to provide feedback about the Draft Melbourne Industrial and Commercial Land Use Plan (draft Plan). Council gives its in principle support to the directions of the draft Plan and highlights the following key feedback:

- Council’s individual response including in principle support often include a range of comments and information for further consideration by DELWP

- A range of further planning controls should be considered to protect and or encourage specific industrial and commercial outcomes including floor space caps; specific controls designed to identify industry and other land use buffers; and specific controls to preserve employment land, particularly in mixed use zones e.g. floor space caps and vertical controls

- Greater transparency is required for projects that are supported by State government but not included in the Planning Scheme and impact planning and development outcomes e.g. the potential rail alignment for the WIFT through Brimbank.

- The draft Plan should be supported by the development of an integrated transport strategy for Melbourne’s west

- The draft Plan should identify and respond to significant transport related investment, including the Western Rail Plan and significant projects like the Melbourne Airport Rail, the Sunshine Super Hub and Suburban Rail Loop

- The draft Plan should appropriately reflect the Sunshine Priority Precinct

- The draft Plan should appropriately recognise that councils have limited resourcing and provide financial support to undertake required local studies as part of the preparation of Industrial Land Strategies.

- State government notification about the draft Plan was insufficient and didn’t consider lead times, and particularly that there was only one remaining meeting in 2019 that councils could consider this matter. This limited the available time to prepare a submission.
Background

On 1 November 2019 the Victorian Government released the draft Plan for public comment. The State government wrote to Council on 14 November advising that feedback be provided by 31 December 2019. The draft Plan builds on relevant policies and actions of Plan Melbourne 2017-2050, and seeks to establish a planning framework to enable State and local governments to better plan for future employment and industry needs.

This submission provides Council’s response to the draft Plan in line with Council adopted strategies and plans including the Brimbank Industrial Land Strategy 2018-2030 and the Brimbank Industry Analysis and Cluster Development Strategy 2019. This response is aligned with the questions included on the www.engage.vic.gov.au.

Response to draft Plan

Planning Principles and Strategies for Employment Land

The draft Plan includes principles and strategies to guide planning for industrial and commercial land. Council’s support and commentary for each principle and strategy is included below.

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

Response:

- 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.

Supported

Comments:

- The identification and accommodation of growth is supported. Council recently prepared the Brimbank Industry Analysis and Clusters Development Action Plan 2019 to identify existing and emerging industries. However land use designation isn’t necessarily specific to industry sectors, unless a zone is tailored.

- Maintaining access to 'well located' land for industrial and commercial purposes is essential. Location is often cited as a competitive advantage for businesses based in Brimbank. However in Melbourne’s west further investment in roads (new, upgrades and maintenance) and other such infrastructure is still behind other parts of Melbourne. It is important that the State Government continues to provide infrastructure to support these types of land uses into the future. A key issue for Brimbank is insufficient north south connections. The draft Plan should be supported by the development of an integrated transport strategy for Melbourne’s west.
The draft Plan discusses the need to ensure industrial land is 'protected' by ensuring strategic planning is 'robust' and 'does not reduce viability of industry and commerce'. This is further discussed under comments against principle 2 and includes the need to develop specific a planning control to identify appropriate industry and other buffers.

The draft Plan discusses the need for floor space requirements being integrated into zones. While this can be done from a land use perspective there is no way of ensuring provision of uses that provide for specific industry and employment needs. Consideration should be given to the introduction of floor space caps into the scheme or some other mechanism that ensures the right uses are in the right locations e.g. vertical controls. This will also ensure the protection of existing commercial and industrial areas from out of centre or inappropriate development which may compete with these areas.

- **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.**

**Supported**

Comments:

- Alignment between local, State and regional policy around key industrial and commercial areas requires clear direction and justification. Where new areas are identified councils should be given adequate time (and possibly resources) to consider and respond to State level changes to these designations.

- Currently there is a preference by the market for residential uses / development over industrial/commercial. This can make it difficult for councils to limit residential to ensure that land is preserved for employment generating uses. Floor space caps provide direction for forecasted provision of industrial and commercial land. Other planning controls should also be considered including a potential combination of floor space caps and vertical controls that can work within the Smart Planning environment where 'straight’ zones may be preferred. While some councils will attempt to negotiate a preferred outcome with developers, the outcome may still be uncertain.

- Protection of designated areas must also consider uses that could have a detrimental impact. There is a need to establish the right planning controls for buffers that can be used to protect industry and important areas. There also needs to be tools that can be applied to existing facilities that already impact sensitive uses, and how these can be applied. There should be a specific tool developed for buffers and it is considered that the Industrial 3 Zone is not the appropriate tool to recognise buffers, particularly for activity that may have a buffer that exceeds into a nearby residential zone.

- Changes to land use allowances in the zone schedule has resulted in commercial or community uses in areas specified for industry. This includes places of
assembly and recreation facilities i.e. gyms and play centres. These uses can conflict and potentially restrict industrial activity.

- **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.**

  **Supported**

  **Comments:**

  - The Protection of state-significant precincts from incompatible land uses is important however this shouldn't just apply to State level precincts, as regional and local level facilities are also important.
  
  - The need for planning tools to protect industrial precincts and land uses have been identified above including industry and other land use buffers.
  
  - Some areas identified as part of a state-significant precinct i.e. Brooklyn have amenity impacts for neighbouring residential areas. Planning provisions and controls can improve outcomes for new development, however State government may like to consider programs and initiatives to support the improvement of existing business operations where there is amenity impacts.

- **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.**

  **Supported**

  **Criteria to identify regionally-significant industrial precincts**

  *Plan Melbourne identifies state-significant industrial precincts. The draft Plan identifies regionally-significant industrial precincts and includes criteria used as the basis to identify these locations.*

  **Question: Do you support the criteria developed to identify regionally-significant industrial precincts?**

  **Supported**

  **Comments:**

  - The boundaries of the Sunshine NEIC are yet to be defined, and the draft Sunshine NEIC Framework Plan 2017 identifies a smaller area than the area identified in the draft Plan. The recent identification of the Sunshine Priority Precinct by the Department of Jobs, Precincts and Regions is focused on the Sunshine NEIC however is also undefined. This limits Council’s and the State Government’s ability to appropriately reflect and protect them. Council anticipates this work will be developed by State government in partnership with Council.
Purpose for regionally-significant industrial precincts and local industrial precincts

Plan Melbourne outlines a purpose for state-significant industrial precincts. The draft Plan identifies a purpose for regionally-significant industrial precincts and local industrial precincts.

Question: Do you support the purpose developed for regionally-significant industrial precincts and local industrial precincts?

Supported

Comments:

- There are number of changes to zones and planning tools required to ensure that these precincts can achieve their purpose, which have been previously mentioned.

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.

Question: Do you have any comments or suggestions to improve the guidance for developing local industrial land use strategies?

Supported

Comments:

- Guidance is required about updating Industrial Land Strategies. Considerable resourcing is required to prepare these strategies and it is considered that once prepared that an update should be taken at regular and appropriate intervals, as opposed to requirements for a rewrite.

- The preparation of Industrial Land Strategies will also need to consider how Melbourne’s west is changing and the impacts. From a Brimbank perspective there are a range of unknowns in relation to the extent and type of change associated with the Sunshine Priority Precinct and the WIFT rail alignment. While the WIFT rail alignment through Brimbank which have not been reflected in current strategy, or the Brimbank Planning Scheme, it impacts the development of land when land owners seek to undertake planning scheme amendments or planning permit applications and subsequent State government responses and approvals limit development to allow for the alignment.

- There are a number of State agencies responsible for various aspects of industry and infrastructure that councils are required to liaise with and obtain clear guidance and feedback to inform land use strategy development and planning decisions more generally.

- A range of studies can be required for industry including design, heritage, environment and greater guidance is required on the strategic work that councils
should be undertaking in the preparation of industrial land strategies. This type of work is extensive, particularly when many industrial precincts exist in a municipality. It would be beneficial if State government can identify greater resources to support councils undertake this work.

- It is proposed that State government include a section on economic development, in addition to a policy and planning context, to examine land use based on identified growth sectors/clusters that will create the jobs of the future (e.g. Innovative Manufacturing, 3D Printing, and E-Logistics).

**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).*

**Question:** Have the key industrial and commercial areas been adequately identified and described across the regions?

**Response:**

- The Brimbank Industrial Land Strategy 2018 – 2023 (BILS) was adopted by Council in December 2018. The BILS identified that Brimbank has a sufficient supply of industrially zoned land to meet forecast local and regional requirements, however this needs to be understood within the context that some areas of industrial activity are more significant to the regional and Victorian economy than others.

- From an employment perspective, the BILS identifies that Council and the State Government must ensure that enough well-located land is available for both traditional industrial uses and more technologically advanced workplaces, including supporting industries such as research and development, education and training, and professional services.

- It is highlighted that some industrial areas were missed in the draft Plan, which are included in the Sunshine NEIC, and may warrant inclusion including Sunshine West and Sunshine North (including McIntyre Road industrial areas. For commercial areas, more details could be included about the St Albans Major Activity Centre.

*The business service sector is the largest contributor to the economy for the region with a total value added estimate at around $13.3 billion. The manufacturing and industrial sector is the next largest contributor with a total value-added estimate at around $11.1 billion. Combined, these sectors account for almost 64 per cent of the total value-add for the region.*

**Response:**

- Brimbank’s Gross Regional Product (GRP) totalled $9.1 billion in 2017-18.
The long-term growth of Brimbank is supported by an economy that is heavily vested in a diverse range of industrial activities (including manufacturing, wholesale trade and transport), which combined make up 45% of the Brimbank economy.

Manufacturing has been growing in Brimbank over the last five years, demonstrating the competitive and adaptive capacity of local firms. Manufacturing in Brimbank, particularly the advanced manufacturing sector is the most productive industry, outperforming Greater Melbourne and Victoria in terms of value-add.

Beyond industrial activities, the Brimbank economy also has strengths in healthcare, education, construction and retail trade, which combine to make up another quarter of the Brimbank economy.

By 2031 it is estimated that approximately 160,000 additional jobs will be needed across the region. Almost half of the new jobs in the region are expected to be within the growth area municipalities of Wyndham and Melton.

The industries that are expected to experience the strongest growth are: health care and social assistance; retail trade; transport, postal and warehousing; education and training; manufacturing.

Response:

The key industrial and commercial areas identified in Part B for the Western Region as part of the Western state-significant industrial precinct (WSSIP) includes Derrimut, Brooklyn, Tullamarine, Keilor Park and Keilor East Industrial Precincts, along with the key industrial and commercial areas in the Sunshine NEIC.

- The areas identified in the municipality of Brimbank generate a relatively high and ongoing economic output, and have high levels of employment generating regional and state economic benefits as per below.

- Derrimut/Brooklyn (over 19,000 workers / estimated value add $2,025M) – dominated by manufacturing, construction, wholesale trade, transport, postal and warehousing

- Keilor Park and District (over 10,713 workers / estimated value add $1,083M) – dominated by manufacturing, construction, and transport, postal and warehousing

- Sunshine NEIC (over 15,000 workers / estimated value add $1,337M) – dominated by health care and social assistance, manufacturing, public administration and safety, and retail trade

Source: Brimbank EconomyID
- One-third of local jobs in Brimbank are in the industrial sector (i.e. manufacturing, wholesale trade and transport), which further demonstrates the importance of industry to the local economy. Other important local employment sectors include construction (13.7% of total), healthcare (11.8% of total) and education (8.4% of total).

- Major growth areas for employment in Brimbank over the last five years include healthcare, construction, education, manufacturing, transport and retail.

- The designation of the State Significant Industrial Precinct requires the development of appropriate planning tools to identify buffers and provide protection from sensitive uses. Tools and other ways to manage land use conflict is essential.

- The delivery of 20 minute neighbourhoods, while supported, needs to have greater support from the State, particularly in relation to implementation and investment in State infrastructure such as public transport.

- The designation of the Sunshine North industrial precinct, to the east of the railway line, is impacted by significant development constraints. The land is unserviced, has considerable environmental values, and has limited access with a significant portion of unmade roads in private ownership. DELWP are aware of a Planning Scheme Amendment application currently being considered to rezone some of the land to residential, noting that there are residential uses to the south east. These areas have been designated as 'Transitional' in the BILS. The planning framework for industrial and commercial land identifies regionally-significant industrial precincts under the criteria of policy alignment, accessibility and business clustering, and economic or employment contribution.

Addition comments:

- The Brimbank Industry Analysis and Clusters Development Plan 2019 identified existing and emerging clusters where Brimbank has competitive advantages and infrastructure investment to support growth and development and should be considered in relation to Part B 'Planning for the region should' Consider the future demand for and need for, commercial and employment land across the growth areas and ensure that PSPs make adequate and sufficient provision to accommodate longer-term commercial and employment needs.

- Existing Brimbank Industry Clusters includes:
  - Food and Beverage Manufacturing
  - Advanced Manufacturing
  - Transport and Logistics
  - Healthcare
- Education

- Emerging Brimbank Industry Clusters includes:
  - Arts, Recreation and Creative Industries
  - Professional Business Services

- Current observations within a Brimbank context includes:
  - The current market for industrial land in Brimbank is tight with low vacancies and long-term lease commitments. It can be difficult to source appropriate industrial land/built form the current market.
  - A lack of commercial office availability could be preventing professional and business services growth in Brimbank. While there are areas of appropriately zoned land, there is a prevalence of land banking, and lack of commercial land development limiting the construction of commercial accommodation within Brimbank. There are also reported issues with accessing finance. This could impact the economic benefits being fully realised in relation to the Western Rail Plan including Melbourne Airport Rail and Sunshine Super Hub.

- It is not clear if the work undertaken to prepare the draft Plan considers the development and growth opportunities associated with the Western Rail Plan including the Sunshine Super Hub, Melbourne Airport Rail and the Suburban Rail Loop.

- The draft Plan recognises the need to reserve land for the WIFT and connections to transport corridors including the Principal Freight Network (PFN). This is supported by Council however the designation of the rail alignment that connects to the WIFT also needs to be confirmed. A proposed connection through Brimbank will impact a large proportion of land in Deer Park and St Albans and currently there is no identification of the alignment in the Brimbank Planning Scheme. These decisions impact growth and development and require greater transparency.

- It is noted the data used in the draft Plan is new and unpublished.

- Some mapping is difficult to read and compare to Council policy. Additional mapping comments include:
Map 1: Key Freight Routes and Facilities (page 13) should be reviewed and include:

- Preferred rail link from WIFT
- Melbourne Airport Rail (MARL) / Suburban Rail Loop (SRL)
- Open space and water bodies shown clearly or removed from the legend
- Check boundary of the Sunshine NEIC
- Sunshine Priority Precinct

Map 2: Existing and future industrial land (page 23) should be reviewed and include:

- Preferred rail link from WIFT
- MARL/SRL
- Open space and water bodies shown clearly or removed from the legend
- Check boundary of the Sunshine NEIC
- Sunshine Priority Precinct

Map 3: Existing and future commercial land, 2018 (page 28) should be reviewed and include:

- Preferred rail link from WIFT
- MARL/SRL
- Open space and water bodies shown clearly or removed from the legend
- Better identification of Freeway, highway, rail line and West Gate tunnel
- Boundary of the Sunshine NEIC
- Sunshine Priority Precinct
- Additional comments for Criteria to identify regionally-significant industrial precincts.