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?

Yes

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?
Yes

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?
Yes

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?

Yes

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.
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

This is not SPAM. You are receiving this message because you have submitted feedback or signed up to Engage Victoria. If you think you have been sent this by mistake please contact us at contact@engage.vic.gov.au

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Submission on Draft Melbourne Industrial and Commercial Land Use Plan

Nillumbik Shire Council
18 December 2019
1. **Introduction**

Nillumbik Shire Council welcomes the opportunity to comment on the Draft Melbourne Industrial and Commercial Land Use Plan (the Plan). Council acknowledges the importance of supporting Melbourne’s industrial and commercial areas to ensure land is available for future business growth and employment.

2. **Local Context**

The Plan’s Northern Region section doesn’t adequately identify and respond to the current and emerging economic conditions impacting Nillumbik and how this differs from the regional trends outlined. In summary:

2.1. Nillumbik’s economy is small relative to the Melbourne North region, contributing 4% of Melbourne Norths’ GRP, which is the smallest of any LGA in the region.

2.2. Nillumbik’s economy is unique, given the limited supply of dedicated employment land, the absence of big business and large land areas of green wedge (91% of the shire). Industrial land is very limited compared to other municipalities.

2.3. There is a low level of job containment – 77% of workers travel outside the shire for work. It will be a challenge to achieve a much higher rate of local employment due to low availability of employment land and significant areas of green wedge. This also then reduces our capacity to support 20 minute neighbourhoods.

2.4. The business base is primarily small to medium enterprises – 99% of businesses are either non-employing (e.g. home-based) or businesses that employ less than 20 people.

2.5. Local employment in manufacturing and wholesale trade industries have declined, accounting for close to 70% of the total loss of jobs in Nillumbik between 2011 and 2016. The historic and projected loss of jobs in these industries indicates that a minor transition in economic role may be occurring in the industrial precincts.

2.6. Council is currently drafting an Economic Development Strategy for the next 10 years. A key strategic theme will be focused around enhancing the vibrancy and economic diversification of the shire’s activity centres and employment precincts. Emerging industries such as “makers and creative” industries (e.g. distilleries) are increasing in the area and there is also demand for multi-purpose, accessible co-working spaces and business incubators.
2.7. There are three small light industrial precincts within the Shire at Eltham, Research and Diamond Creek. Each precinct is located in close proximity to residential areas. They are close to full capacity. Nillumbik’s Industrial Areas policy state’s that in order for the Shire to facilitate new industrial uses these precincts should be retained for industrial uses and not be taken up by other uses.

2.8. The limited supply of industrial and commercial land/property, physical constraints and relatively low demand (due to the significant outflow of escape expenditure to larger Activity centres) combine to create both supply and demand factors that mean the commercial and industrial property markets in the Eltham and Diamond Creek Activity Centres are small and with little activity.

3. General Comments

3.1. The plan pays too much attention to the macro growth of industrial space, particularly in regional and state precincts, and not enough to sustainability gains provided by local industrial precincts.

3.2. The size and scope of manufacturing is changing. The Plan needs more commentary on these changing industries and how we can adapt to and respond to economic, environmental and technological drivers and disruptors that could have considerable impact on a micro and macro level.

3.3. The Plan’s proposal of setting targets would be problematic for Nillumbik. The Shire’s industrial areas are small with a mixture of uses operating in them. There is no other area of land within the Shire that could be rezoned to an industrial use which, if targets for industrial land are introduced, will not be achievable.

3.4. The Plan also does not capture the need to support the growing number of home-based businesses or smaller enterprises that are locked out of the commercial market due to high rents and low supply of commercial land. Nillumbik needs more provision of accessible, functional and connected co-working spaces. The Melbourne Innovation Centre business
incubator and DigiDECL co-working space, both in the City of Banyule, are great examples of this.

3.5. A key focus of Plan Melbourne and its activity centre policy is to provide a city where jobs, key services, retail etc. are clustered and connected in a way that supports the 20 minute neighbourhood. Under this scenario, it may be highly beneficial to have a local industrial precinct which supports local jobs and provides local services (e.g. car repairs) that are not suitable or easily locatable in non-industrial areas.

3.6. The flow on from this is that the plan appears to only attach particular importance to industrial areas it considers to be of regional and state significance. Little importance is attached to local industrial precincts (page vi). It is stated that these should be handled by Council, including where considered necessary to transition these to other uses. There is no consideration stated that loss of these local precincts may impact on sustainability gains e.g. people travelling further to access key services.

3.7. In addition to this, there appears to be no meaningful attempt to appreciate the cumulative size and role of Melbourne’s local industrial precincts. The hierarchical model, defining State, Regional and Local importance, is misleading in terms of the aggregate contribution of local industrial precincts.

3.8. The strategies suggested are very high level without much detail about how to protect the Industrial Land we have. There is a trend of non-confirming uses taking up land from traditional light industry. More investigation needs to be done to understand the impacts of this. It is not simply a matter of prohibiting certain uses that Council does not want with the Industrial/Commercial areas but to attract or retain the preferred uses. The suggestion of buffer zones between residential and industrial/commercial zones is supported and would be beneficial when determining applications in these areas. However, it is important to note that some specialist industries may be compatible with more sensitive uses and discretion must still be allowed. The Eltham Major Activity Centre is an example of this. It comprises a mix of light industrial and commercial areas and is zoned Industrial 3, however there has been a rise in planning permit applications in this precinct for non-confirming uses.

3.9. The Plan should further consider the role of the Commercial 3 Zone (C3Z). This seems an unusual omission as the State Government introduced the zone in 2018 with the intent to facilitate the establishment and growth of creative industries, small manufacturers and
start-up businesses. It provides for a wider diversity of ‘as of right’ uses than industrial zones. The C3Z also allows complementary uses that include accommodation and retailing, however floor area thresholds have been applied to ensure the small-scale intent is retained. There are many industrial areas that may be better served under this zone.

4. Conclusion

4.1. The Plan raises significant issues relevant to protecting supply of commercial and industrial land but does not provide an adequate response around achieving this at the local level. It should consider the importance of having an adaptation strategy to build Melbourne’s innovation capacity in response to industrial and commercial composition changes. It is important that this innovation capacity is not inhibited by the Victorian Planning Provisions and that a more nuanced regional and local policy response to commercial and industrial land is achieved.