

APPLICATION FOR PLANNING PERMIT: 101-117 CANNING STREET, NORTH MELBOURNE	
Application Number:	2011/008241
Proposal:	Mixed use development including buildings and works in a mixed use zone and a land subject to inundation overlay, use of the land for office and retail (excluding hotel, tavern and adult sex bookshops), a reduction in car parking requirements, alteration of access to a Road Zone Category 1, sale of packaged liquor and the erection and display of signage
Applicant:	Woolworths Property Ltd C/- Urbis Pty Ltd
Zoning:	Mixed Use Zone Adjoins a Road Zone Category 1 (Macaulay Road)
Overlays:	Land Subject to Inundation (LSIO) Environmental Audit Overlay (EAO)
Application Received:	6 July 2011
Further Information Requested and Received:	Requested: 3 August 2011 Received: 23 September 2011 Application placed on hold at request of the applicant 19 October - 22 December 2011 (64 days)
[REDACTED]	[REDACTED]
Number of Objections:	76 (at date of report)
Recommendation:	Notice of Decision to Grant a Permit

PROPOSAL

1. The applicant has applied to carry out buildings and works for a mixed use development in a mixed use zone and a land subject to inundation overlay, use of the land for office and retail (excluding hotel, tavern and adult sex bookshops), a reduction in car parking requirements, alteration of access to a Road Zone Category 1, sale of packaged liquor and the erection and display of signage. The proposed gross floor area is 59,218m² and the land area is 8,156m².
2. Details of the application are as follows:
 - Demolition of the existing buildings on site (does not require permission);
 - Two basement levels of retail car parking accessed from Macaulay Road (including fan room, fire control room, sprinkler/ valve room, water harvesting tanks) and secure bicycle parking;
 - Construction of part 3, part 4 storey podium (due to the slope across the site) measuring at a minimum of 9 metres (measured from the eastern end of the Canning Street frontage) to a maximum of 14.57 metres (Macaulay Road). The podium provides retail opportunities including a full line supermarket of 4,500m² (with sale of packaged liquor) and speciality

shops and food and drink premises totalling 1,165m². All tenancies include signage. The podium includes a loading bay at ground floor accessed from Macaulay Road which facilitates forward ingress and egress; and two levels of residential above ground podium car parking which is concealed from view due to the 'skin' of podium apartments and is accessed from Canning Street. The podium also includes a podium roof garden, swimming pool, gymnasium, pavilion and residential lobby/lounge;

- Construction of two residential towers above the common podium measuring at a total of 10 and 16 storeys respectively (including the podium). Residential Tower 1 is located on the south eastern side of the podium and has a building height of 32 metres (RL36.6). Residential Tower 2 is located on the western side of the podium and has a building height of 54.5 metres (RL58.5). The towers are offset from one another 12.78 metres. Tower 2 is offset 12.04 metres from Macaulay Road, 6.55 metres from Vaughan Terrace and 4.84 metres from its south-eastern boundary, and Tower 1 is offset a minimum of 12.05 metres from Canning Street and 6.45 metres from its north-eastern boundary;
- The towers include a total of 304 apartments (145 one-bedroom, 122 two-bedroom and 37 three-bedroom apartments). There are two home offices;
- The development provides a total of 605 car parking spaces (301 retail uses, 304 residential apartments);
- Materials and finishes include: glazing (clear and stained), aluminium louvers and cladding, and precast concrete; and
- The submission is supported by comprehensive reports including a wind tunnel assessment, traffic report, waste management report, and ESD report.

Informally substituted plans

3. On 22 December 2011 the applicant informally substituted plans to show:
 - Inclusion of a child care centre for 60 children (later removed, see below);
 - Revised south-west podium elevation, to improve activation along Macaulay Road through materials, including frost glazing, checker patterned shutters to loading bay entrance, and inclusion of an art wall. Office suites have been incorporated to the level 1 podium, with access from the Tower 2 lobby;
 - Modifications to the car park which create a pedestrian pathway within the car parking, provide a pedestrian island along Macaulay Road, widened ramp to the residential car park, improved ramp gradient, and improved layout of car parks through widened and extended isle widths in some locations; and
 - Modified retail configuration which limits the number of retail outlets with dual frontages to one and two tenancies.
4. On 27 February 2012 the applicant advised that [REDACTED] cannot commit to the delivery of the child care centre due to the loss of outdoor communal amenity space for the residents, the lack of flexibility to locate the child care anywhere else within the development (due to the requirements for direct access to outdoor space) and the reduction in size of the centre will make it commercially unviable.

SITE AND SURROUNDS

5. The site is located on the southern side of Canning Street and also fronts Vaughan Terrace (to the east) and Macaulay Road (to the south west), North Melbourne. The site is contained within two allotments (107-117 Canning Street and 2-24 Vaughan Terrace) and is occupied by a two-storey warehouse/industrial building and a substation owned and operated by CitiPower also stands on the site. It is noted that the site is not within a Heritage Overlay and the building has no heritage significance.
6. Together these sites measure at 8,156m² and extends approximately 130 metres along Canning Street and approximately 60 metres along both Vaughan Terrace and Macaulay Road. The site also has a slope of approximately 5 metres from the north-eastern corner (intersection of Canning and Shiel Streets) towards the south-west corner (Macaulay Road).

7. Development surrounding the site is described as follows:
- **North** of the site (opposite side of Canning Street) is the 21-storey residential building managed by the Department of Human Services (DHS). This being is setback from Canning Street behind an open lot car park. Smaller scale residential buildings are to the east of this on the corner of Canning and Melrose Streets. These buildings are also managed by DHS.
 - Land to the north east of this, includes the Melrose Street shopping strip and low scale residential properties beyond. Across Melrose Street, is included within the North and West Melbourne Heritage Overlay (HO3). This overlay extends along the north-eastern side of Shiel Street to Dryburgh Street.
 - **East** of the site is the Victorian Archives Centre (VAC). The site contains a combination of 1 and 2 storey buildings and an at grade car park accessed from Shiel Street. Fronting Macaulay Road is a bus depot, car park and a medium density residential development of approximately 4 storeys further east.
 - **South** of the site, on the opposite side of Macaulay Road, are large industrial warehouse buildings which are used for a variety of purposes including a panel beater and hardware store.
 - **West** of the site, adjacent to Vaughan Terrace, is a small pocket park. The tree-ringed triangular park provides a buffer between the intersections of Canning Street, Macaulay Road and Boundary Road further to the west.

STATUTORY CONTROLS

8. The following controls apply to the site, with planning permit triggers are described below:

Planning Control	Permit/ Application Requirement(s)/ Decision Guidelines
Mixed Use Zone (MUZ)	<p>Under Clause 32.04-1 a permit is required for the use of the land for office and retail premises (excluding hotel, tavern and adult sex bookshop) (Section 2 use). A permit is not required to use the land for the purpose of a dwelling.</p> <p>Under Clause 32.04-5 a permit is required to construct or extend a residential building.</p> <p>Under Clause 32.04-7 a permit is required to construct or carry out works for a use in Section 2 of Clause 32.04-1.</p> <p>Under Clause 32.04-8 the advertising sign requirements are at Clause 52.05. This zone is in Category 3.</p> <p>Decision guidelines can be found at the relevant Clause numbers specified above.</p>
Land Subject to Inundation Overlay (LSIO)	<p>Under Clause 44.04-1 a permit is required to construct or carry out works.</p> <p>Under Clause 44.04-4 an application under this overlay 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 Act.</p> <p>Under Clause 44.04-5 an application must be referred to the relevant floodplain management authority (Melbourne Water) under Section 55 of the Act.</p> <p>Decision guidelines are at Clause 44.04-6.</p>

<p>Environmental Audit Overlay (EAO)</p>	<p>Under Clause 45.03-1 before a sensitive use (residential use, child care centre, pre-school centre or primary school) commences or before the construction or carrying out of buildings and works in association with a sensitive use commences, either:</p> <ul style="list-style-type: none"> • A certificate of environmental audit must be issued for the land in accordance with Part IXD of the Environment Protection Act 1970, or • An environmental auditor appointed under the Environment Protection Act 1970 must make a statement in accordance with Part IXD of that Act that the environmental conditions of the land are suitable for the sensitive use.
<p>Advertising Signs (Clause 52.05)</p>	<p>Under Clause 52.05-9 (Category 3- High Amenity Areas) a permit is required for a business identification sign, a high wall sign with the condition that it must be a business logo or street number, and an internally-illuminated sign.</p>
<p>Car Parking (Clause 52.06)</p>	<p>Under Clause 52.06-1 a new use must not commence until the required car spaces have been provided on the land.</p> <p>Under Clause 52.06-5 the car parking table specifies a minimum rate of 2 spaces per dwelling and 3.5 spaces per 100m² of office net floor area. There is no specified rate for retail premises.</p> <p>Decision guidelines are at Clause 52.06-1.</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. The development provides on site facilities in accordance with the requirements; therefore no permit is required.</p>
<p>Licensed Premises (Clause 52.27)</p>	<p>Under Clause 52.27 a permit is required to sell or consume liquor if a licence is required under the Liquor Control Reform Act 1988. Decision guidelines are also contained at this clause.</p>
<p>Land adjacent to a Road Zone, Category 1, or a Public Acquisition Overlay for a Category 1 Road (Clause 52.29)</p>	<p>Under Clause 52.29 a permit is required to create or alter access to a road in a Road Zone, Category 1 (Macaulay Road).</p> <p>An application to create or alter access to a road declared as an arterial road under the Roads Management Act 2004 must be referred to the Roads Corporation (VicRoads) under Section 55 of the Act.</p> <p>Decision guidelines are contained at Clause 52.29.</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 and associated signage has been provided on the land. The standard requires the provision of 121 spaces (61 dwellings with 30 visitors, and 19 retail spaces with 11 visitor spaces). The application provides for 123 spaces, therefore no permit is required under this provision.</p>

	Under Clause 52.34-2 an application is exempt from notice and review under this provision. Decision guidelines are also specified at this Clause.
Urban Context Report and Design Response for Residential Development of Four or More Storeys (Clause 52.35)	Under Clause 52.35-1 an application for a residential development of four or more storeys must be accompanied by an urban context report and design response. Under Clause 52.35-3 the responsible authority must inform the applicant in writing before notice of an application is given that the urban context report meets the requirements of Clause 52.35-2. A letter was sent confirming the above on 26 September 2011.
Integrated Public Transport Planning (Clause 52.36)	Under Clause 52.36-1 an application must be referred in accordance with Section 55 of the Act to the Director of Public Transport for a residential development comprising 60 or more dwellings or lots.

General Provisions

9. **Responsible authority for administering and enforcing the Scheme:** The schedule to Clause 61.01 indicates that the Minister for Planning is the responsible authority for considering and determining applications in relation to developments with a gross floor area exceeding 25,000 square metres.
10. **Decision Guidelines:** 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 Act.
11. **Referral and Notice Provisions:** Under Clause 66.03 an application must be referred to the person or body specified as the referral authority; Clause 44.04-5 (Melbourne Water), Clause 52.29 (VicRoads) Clause 52.36 (Director of Public Transport).

POLICY FRAMEWORK

State Planning Policy Framework (SPPF)

12. The following policies within the SPPF are relevant:
 - Clause 10.04 (Integrated Decision Making)
 - Clause 15.01-1 (Urban Design)
 - Clause 15.02 (Sustainable Development)
 - Clause 16 (Housing)
 - Clause 17.01-1 (Business)
 - Clause 18.01 (Integrated Transport)
 - Clause 18.02-2 (Cycling)

Municipal Strategic Statement (MSS)

13. 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, there is expected increase in population in North Melbourne.
14. Clause 21.03-1 (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. The planning approaches include increase residential population and manage housing change.

15. Clause 21.04 (Land Use) sets out objectives and strategies to *'continue to take advantage of current opportunities for residential growth'* and to *'provide for a range of residential, commercial, industrial and other uses which complement the mixed-use function of the locality'*. The policy acknowledges that some areas of the municipality can absorb higher density housing without the threat to their existing valued character.
16. Clause 21.05-2 (Structure and Character) identifies the need to reinforce valued characteristics of some areas and establish a new built form character for others in areas that have the capacity to absorb future development.
17. Clause 21.05-3 (Public Environment) notes the challenge in ensuring that new developments add positively to the overall character of Melbourne and *'create an accessible, safe, inclusive and engaging public environment'*. Associated strategies seek to encourage excellence in urban design, public realm and improve pedestrian permeability and amenity.
18. Clause 21.05-5 (Sustainable Built Form) seeks to create a built environment that adopts environmentally sustainable design practices.
19. Clause 21.06-1 (Public transport) seeks to increase the patronage of public transport by (amongst other things) encouraging development in locations which can maximise the potential use of public transport.
20. Clause 21.07-1 (Environmentally Sustainable Development) encourages a reduction in the generation of greenhouse gas emissions and promotes energy efficiency in regards to resource use and waste reduction.
21. Clause 21.08-9 (North and West Melbourne) sets out the local area policies for North and West Melbourne and includes a vision for the area is to continue its balance of residential and commercial uses, and which maintain an emphasis on local community and liveability, and which have a clear distinction in scale from the Central City. Figure 20 at this clause identifies preferred land use and built form outcomes for the area; it is noted that the site is not identified with any specific direction. Important principles for North and West Melbourne which are relevant to the application include:
 - Encourages height and scale of new development protects the amenity of public open spaces; and
 - Requires development to incorporate a high level and quality of pedestrian and bicycle access.

Local Planning Policy Framework (LPPF)

22. The following policies within the LPPF are relevant:
 - 22.02 (Sunlight to Public Spaces)
 - 22.07 (Advertising Signs)
 - 22.17 (Urban Design outside the Capital City Zone)
 - 22.22 (Policy for Licensed Premises that Require a Permit)

Other relevant policy/ matters

23. Other relevant policy/ matters include:
 - Design Guidelines for Higher Density Residential Development (Department of Sustainability and Environment, 2004) (referenced at Clause 15.01-2)
 - North West 2010 Structure Plan (referenced at Clause 21.11)

Amendment C162 (Municipal Strategic Statement)

24. Amendment to the Melbourne Planning Scheme C162 (Municipal Strategic Statement) has been exhibited where a number of submissions were made. The Panel Report is to shortly be released publicly. The amendment the subject site is identified in an area as being an area of "Ongoing Change". Under the proposed Clause 21.02 Ongoing Change Areas are area that are expected to have varied degree of change depending on factors including location, existing use and for of development.

Arden Macaulay Structure Plan

25. On 28 February 2012 Amendment C190 (Arden Macaulay Structure Plan) was considered at the Council meeting to authorise a request to introduce, amongst other things, Design and Development Overlay- Schedule 60. The site is affected by 'Area 10' which specifies:
- a maximum overall building height of 30 metres (with no ability to build more than 30% than the maximum height specified),
 - a mandatory street edge (podium) of 20 metres,
 - a discretionary minimum setback of 10 metres from Canning Street and Vaughan Terrace for any height above 20 metres, and
 - Built form outcomes include:
 - provision of increased density in relation to surrounding development within local centres;
 - deliver scale of development that provides street definition and a very high level of pedestrian amenity suitable for a local activity centre, including access to sunlight to ground floor, sky views, pedestrian friendly scale; and
 - development that does not unreasonable overshadow public open space.

NOTIFICATION

26. Under the provisions of the Mixed Use Zone, and the Particular Provisions at Clause 52.05 (Advertising Signs), Clause 52.06 (Car Parking), Clause 52.07 (Loading and Unloading Vehicles), 52.27 (Licensed Premises) 52.29 (Land Adjacent to a Road Zone) the proposal is subject to 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 Act. It is noted that the application is exempt from the notice and review requirements under the Land Subject to Inundation Overlay and Clause 52.34 (Bicycle Facilities).
27. The applicant was directed to give notice to the owners and occupiers of the abutting properties were given notice under section 52 of the Planning and Environment Act 1987 (the Act). Signs were erected to the Macaulay Road, Vaughan Terrace and two to the Canning Street frontage and a copy of the notice (From 2) was published in the Melbourne Weekly and the Age for one issue.
28. As a result of this process, 76 objections were received from the local community; [REDACTED] and the City of Melbourne raising concerns for the following reasons:
- Built form, scale and design;
 - Height;
 - Precedent;
 - Lack of car parking/ increase traffic, pressure on on-street car parking, reverse traffic calming measures in the area and pedestrian safety. Traffic should be accessed internally to the site and via Macaulay Road;
 - Loss of neighbourhood/ heritage character;
 - Lack of variety in tenure/ size/ mix of apartments/ affordable housing;

- Lack of open space;
 - Increased strain on local infrastructure (social, community and physical);
 - Concern about inclusion of packaged liquor outlet including hours of operation and clustering with other licensed venues and anti-social behaviour. Retail should front Macaulay Road only;
 - Privacy, overlooking and overshadowing;
 - Loss of street trees;
 - Non-conformity with local policy including proposed policies, draft Arden-Macaulay Structure Plan which seeks to introduce a 30 metre height and the Municipal Strategic Statement review (Amendment C163);
 - Poor ESD performance;
 - Noise, pollution, environmental and construction concerns including impact on adjoining businesses and the Victorian Archives Centre (dust to air conditioning inlets and power and water supply);
 - Reduction in property values;
 - Perceived Woolworths affiliation with pokies and are opposed to the inclusion of poker machines; and
 - Poor community consultation with the developer to sell the air rights.
29. Within the written objections there was an offer of support from a number of residents with the introduction of the supermarket and retail outlets. It was considered by a few individuals that the introduction of these tenancies may improve the current monopoly of the Melrose Street shops. There were also suggested stores that would be preferred tenants including: K-mart, Big W, clothing shops, a cinema, bank, small hardware shop and electrical appliances such as Good Guys or Retravision.

Informally Substituted Plans

30. Whilst plans were informally substituted on 22 December 2011 if these were formally substituted it is not considered that there would be any material detriment associated with these changes. Predominantly the plans show minor modifications to the building envelope, with the most significant change being the introduction of the small office tenancies to Macaulay Road. Whilst the office generates a car parking requirement, is not considered to cause material detriment to any person.

REFERRALS

31. The application was referred to the Department's Urban Design Unit, informally to the Office of the Victorian Government Architect and the City of Melbourne, and under Section 55 of the Act to Melbourne Water, VicRoads and the Director of Public Transport. The following comments were provided:
32. **Urban Design (DPCD):** Generally support the proposal, including the overall height, subject to several concerns about the developments ground level interface, in particular:
- Review the retail layout to address surrounding streets rather than an internal hall and avoid dual aspect tenancies;
 - Relocate loading facilities from the Macaulay Street frontage (internalise them or reduce their length);
 - Study more direct resident car park entry and reconsider the utility of the adjoining "plaza" on Canning Street;
 - Consider townhouses rather than corridor apartments sheathing the podium;
 - Develop a more individualised and visually subdivided approach to shopfront fitouts; and
 - Reduce signage size and promote wayfinding through architectural 'clues'.
33. **Office of the Victorian Government Architect:** Generally support the proposal; however raise concerns about the development's ground level interface particular to Macaulay Road. Other comments on details, including clarifications, are as follows:

- The apartments to the podium which skin the car parking is positive but results in very long corridors relieved in the main by end-of-corridor outlooks. We would encourage the corridor widths be varied and/or animated in such a way that the considerable length is able to be perceived as less;
 - Encourage securing the design (lozenge shape) and materiality (benchmark images) of the building by condition to ensure that any modifications are reconsidered;
 - The Canning Street perspectives show a lot of north-facing glass without sun shading requires attention;
 - The purpose of the grey shaded area located next to the switch room facing Canning Street;
 - The significant loading area has been located on Macaulay Road. They encourage further design investigations that look at mitigating the impact of these servicing requirements on the streetscape.
34. **City of Melbourne:** Council objected on 28 November 2011 for the following reasons:
- The scale and bulk of the development (particularly having regard to the provisions of the Draft Arden-Macaulay Structure Plan);
 - The principle of siting a car-dependent shopping centre in this location;
 - The impact the development may have upon the general amenity of surrounding streets;
 - The impact the development may have upon the functioning of the surrounding street network; and
 - The design and layout of car parking and service areas, including access ways and the loading bay.
35. **Melbourne Water:** offered no objection to the proposal and included six conditions, one footnote and advice to pass onto the applicant. Letter dated 9 August 2011.
36. **VicRoads:** offered no objection to the proposal and included four conditions and two footnotes. Letter dated 6 December 2011.
37. **Director of Public Transport:** offered no objection to the proposal and included four conditions. Letter dated 7 September 2011.

ASSESSMENT

Strategic Response

38. The proposed development is considered to respond appropriately to State planning policies, in particular by providing housing choice and diversity in a centrally located area supported by existing infrastructure and public transport. The proposed development is considered to respond appropriately to Local planning policies, including the Municipal Strategic Statement (MSS). The proposal is consistent with the strategic intent for this area of North Melbourne (Clause 21.08) which supports residential development. North Melbourne is expected to become revitalised and have a modernised mixed use character.
39. Clause 21.05 outlines built form principles to reinforce the existing structure of the city, to manage built form change and ensure built form change is consistent with the identified future character of the various precincts of the city. The clause makes a direct connection between managing built form and amenity to ensure liveable, high quality urban environments. The subject site is within an area of Southbank that has been identified in Clause 21.05 of the Scheme as an area where substantial change to the built form character is envisaged. Further commentary in relation to urban design policy and principles are provided through the assessment below.
40. The ***North West 2010 Local Plan 1999*** is a broad policy document to address issues affecting the area including managing new residential development. It makes statements outlining the community's and Council's expectations. It is noted that The Panel report for Amendment C20

(which established a number of Design and Development Overlays throughout the municipality) outlined that:

It is clear that North-West 2010 represents a community/residents perspective of the desired built form future for North and West Melbourne and in this respect provides useful background. However, as a planning document, it lacks the balance and broad perspective evident in Carlton 2010. The Panel... does not consider that North-West 2010 is sufficiently integrated with the Planning Scheme as a whole to be given this status.

41. Under **Melbourne Planning Scheme Amendment C162** the Municipal Strategic Statement (MSS) is being reviewed. The Panel report on this matter has just been released and a response to their recommendations has not been considered or addressed to Council. The site is identified as being within an 'Ongoing Change Area' and it is considered that the proposed development satisfactorily addresses the key objectives of Clause 21.03 (Integrating Transport With Land Use and Development), 21.04 (Integrating Public Realm and Private Realm) and 21.06 (Land Use Amenity and Diversity), however it is noted that the statement is subject to change.

Land Use

42. The development provides higher density housing and responds appropriately with the broad strategic intent for housing as outlined in the State Planning Policy Framework, Local Planning Policy Framework, including the Municipal Strategic Statement (MSS) and the zoning control.
43. It is noted that the dwellings are an as of right use in the zone. The proposed uses of the lower levels of the development for retail premises and office are appropriate in this zoning and it this area. They will replace a mostly underutilised and inactive site which makes a limited contribution to the vitality of the area. The land uses are consistent with MSS policy directions, and contributes to the revitalisation of North Melbourne.
44. The supermarket includes the sale of packaged liquor which requires permission under Clause 52.27 of the Scheme. The decision guidelines contained at Clause 52.27 (Licensed Premises) and Clause 22.22 (Policy for Licensed Premises that Require a Permit) have been considered and the proposal generally complies.
45. On 8 April 2011 VC79 was gazetted making changes to Clause 52.27 (Licensed Premises). The provision was modified to require permission for the sale of packaged liquor for consumptions elsewhere. An assessment against the decision guidelines at Clause 52.27 is provided below:

Decision Guideline	Assessment
The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies	<ul style="list-style-type: none"> State Planning Policy Framework encourages developments that provide for the economic wellbeing of communities, and meet communities' needs for retail and other commercial services. The Municipal Strategic Statement acknowledges that licensed premises contribute to the vibrancy of the municipality and that well managed licensed premises contribute positively to the activity, appearance, character and the image of the area. Clause 22.22 (Policy for Licensed premises that require a planning permit) has been considered against the application where the proposed sale of liquor is within a mixed use environment with industrial uses and a shopping strip along Melrose Street and the hours of operation are limited to 11pm, which is consistent with policy.
The impact of the sale or	Within 100 metres of the site are two licensed venues, one

<p>consumption of liquor permitted by the liquor licence on the amenity of the surrounding area</p>	<p>on Melrose Street sells packaged liquor (No. 32051578), the other is on Boundary Road which is a general license (No. 31907645), both trade until 11pm.</p> <p>Within 500 metres of the site are four licenses, two limited licenses (No. 36092225 & 36102428), one on-premises license (No. 32299867) and one packaged liquor license (No. 32001549).</p> <p>The sale of packaged liquor is internal to the site, and does not have a direct residential interface. With trading hours until 11pm, it is considered unlikely that the proposal will have a negative impact on the amenity of the surrounding area.</p>
<p>The impact of the hours of operation on the amenity of the surrounding area</p>	<p>The packaged liquor outlet will cease trading at 11pm and is unlikely to impact on the amenity of the surrounding area.</p>
<p>The impact of the number of patrons on the amenity of the surrounding area</p>	<p>The proposal is unlikely to generate significantly larger numbers of people frequenting the shopping centre as the purchase of packaged liquor is normally incidental to grocery/specialty shopping and for consumption off the premises.</p>
<p>The cumulative impact of any existing licensed premises and the proposed licensed premises on the amenity of the surrounding area</p>	<p>Referring to the Practice Note No. 61 "<i>Licensed Premises: assessing cumulative impact</i>" a cluster of licensed premises does not exist in the area (i.e. less than 3 premises in a 100m radius or 15 premises in a 500m radius of the subject site).</p>

46. As the proposed packaged liquor outlet will not operate after 11pm and a cluster of licensed premises does not occur, as per the Practice Note there is no requirement to assess cumulative impact of the proposal.
47. The limitation of the hours of operation as well as conditions controlling the nature of the use will ensure that the effect of these commercial uses within the residential and industrial setting is appropriate. Appropriate conditions resolve these matters.

Design and Built Form

Urban Context Response / Height Setbacks/ Tower Separation

48. The proposal measures at a total height of approximately 32 and 54.4 metres including the podium measuring between 9-14.57 metres, with towers offset a minimum of 6.45 metres to a maximum of 12.05 metres from street frontages.
49. The built form within the surrounding area is varied from the high rise social housing estate opposite the site, to the low to mid scaled industrial parcels to the south, to the low scale terrace houses to the north-east of the site. The area presents an eclectic mix of building age, heights and sizes, with consistent wide streets.
50. Local Policy 'Urban Design outside the Capital City Zone' seeks to ensure that built form outcomes respond to the site context, provide desirable outcomes on site and to the public realm. The proposed podium provides a human scale and one that is consistent with the building heights within the surrounding area, including the industrial uses along Macaulay Road to the

south, the Public Records Office to the east to the fine grain residential terraces to the north-east which are elevated due to the natural slope of the land. Given the width of Canning Street and the scale of buildings within the surrounding area, the overall height of the podium of 3-4 storeys is considered to provide an appropriate pedestrian scale.

51. There are no built form controls (Design and Development Overlay) that affects the site.
52. The Arden Macaulay Structure Plan is to be implemented in Amendment C190 to the Melbourne Planning Scheme which would introduce Design and Development Overlay- Schedule 60 with height and setback controls. An authorisation request for the Amendment has not been received to date. Whilst the document is relevant in assessing the application, in planning terms this document cannot be regarded as 'seriously entertained'.
53. The proposal complies with the proposed Design and Development Overlay (Amendment C190) excluding Tower 2 (located towards Macaulay Road) which exceeds the maximum height of 39 metres, and encroaches on the 10 metre setback to Vaughan Terrace sought. The tower measuring at 54.5 metres exceeds the maximum height by 15.5 metres and with a 6.65 metre setback encroaches on the setback by 3.35 metres.
54. The height is appropriate due to the size of the site and existence of an active and proportion scaled podium. The high rise social housing estate opposite the site has been referenced as a poor precedent for the area. However this building exists and when the Woolworths towers are viewed in their context, provide improved design due to their sculptural shape, provide a pedestrian scale to the street and are 10 metres shorter than the high rise social housing estate.
55. Whilst not 'seriously entertained' there is justification for departure from the nominated discretionary height of 39 metres and 10 metres setback controls within proposed Amendment C190 for the following reasons:
 - The development create an appropriate pedestrian scale through the low scale podium which is well articulated and provides an appropriate grain which reflects the prevailing pattern in the surrounding area;
 - The towers are well setback from street edges that the towers are viewed from mid to long distance views, rather than at close proximity;
 - Tower 2 is 15.5 metres above the maximum discretion. The development largely meets the requirements. Given the overall setbacks of the tower above the podium, it is not considered that the additional height detracts from the objectives and built form outcomes proposed;
 - The site is not located within a sensitive heritage streetscape where a mixed built form response exists. The development provides an appropriate scale through the podium height;
 - The Built Form Outcomes for Area 10 are appropriately responded to as the proposal provides increased density, provides street definition and pedestrian amenity and does not unreasonably overshadow public open space;
 - Local policy considerations (Clause 22.17, Urban Design outside the Capital City Zone) have been given where the built form outcome is considered to produce an acceptable development with regard to massing and produces acceptable built form outcomes with regard to pedestrian amenity (wind amelioration, shadows and shelter).
56. The new apartments provide good internal amenity which is assisted due to the tower placement which minimises overlooking between towers due to the internal apartment layouts, with the closest living room to living room distance at 12.78 metres.
57. The architects have successfully achieved the high standard of architecture and urban design sought from the policy and objectives expressed in the ***Design Guidelines for Higher Density Housing*** DSE 2004 so as to ensure that residents can live comfortably with one another and with appropriate levels of internal and external amenity. Within these Guidelines there is a requirement to provide adequate storage. It is considered appropriate to place a condition which requires the inclusion of storage cages in the car parking area.

Street Level Frontages & Pedestrian Safety

58. The proposed development incorporates retail tenancies at ground floor level to Canning Street and Vaughan Terrace and a 'skin' of activity at Level 1 to Macaulay Road with the introduction of office space, and the apartments to Canning Street and Vaughan Terrace. The inclusion of these active frontages will also serve to increase the perception of safety in this area. The upper level apartments provide passive surveillance of the site's immediate surrounds. The podium, with its use of perforated metal and glazing in the similar pattern architecturally distinguishes the podium from the tower. This will provide visual interest to pedestrians.
59. A concern for the development is its lack of engagement and activity to its Macaulay Road frontage. This view is shared by the Department's Urban Design Unit, the City of Melbourne and the Victorian Government Architect. Of the 61 metre frontage of the site to Macaulay Road, a total of 25.6 metres is dedicated to vehicular/ truck access (42%). When you consider the 'breathing' spaces between the vehicular crossings include services, excluding the residential lobby which faces Vaughan Terrace, 100% of this frontage is inactive at pedestrian level. Whilst we appreciate there must be back of house activities placed somewhere, the further internalisation of the loading bay is critical to maximise opportunities to activate this street edge. It is considered that the future vision and change envisaged within this area warrants a higher standard to be set and it is not appropriate to accept this built form outcome. A condition requiring this matter to be addressed, which may require a substantial redesign of its services and access is required.

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

60. The wind tunnel testing confirms that the surrounding streets are not adversely affected by wind. The development also appropriately provides weather protection to all street frontages.
61. Local Policy 'Sunlight to Public Spaces' requires that development not cast additional shadows between 11.00am and 2.00pm at the equinox that would prejudice the amenity of public spaces. An analysis at 10am, 11am, 12pm, 1pm and 2pm has been carried out for 22 March/ September. The analysis shows the additional shadowing will occur over properties to the east and south. Given the overall height of the proposed building (significantly taller than currently occupying the site), increased overshadowing is inevitable. There is minimal shadowing of Macaulay Road and the development does not overshadow any public parks or gardens, public square or major pedestrian route, it is therefore considered to be acceptable.

ESD

62. The proposal is to achieve a minimum 5 star average rating as required under Section J of the Building Code of Australia. The proposal incorporates passive design strategies and active strategies.

Internal Amenity

63. The building design provides a good standard of amenity for future residents. Commendably the development has no reliance on borrowed light, thus have access to natural light and ventilation. The dwellings will also not be constrained by any future development given the location of the site and redevelopment opportunities of adjoining sites.
64. All proposed dwellings have access to varying sized balconies and the green space to the podium rooftop. Additionally, the site is within walking distance of public open spaces particularly the reserve opposite the site and also to the east across Macaulay Road.

Possible Site Contamination

65. The site is affected by and Environmental Audit Overlay which requires a certificate or statement of environmental audit before a sensitive use (residential) commences on site. This can be secured via condition on any approval.

Car Parking / Loading and Unloading of Vehicles/ Waste Collection/ Bicycle Facilities

66. The application provides limited amount of car parking to the site which is less than the required rate at Clause 52.06. The reduced rate is considered to be appropriate as the site is located within close proximity to public transport including the extensive bicycle network, the provision of 1 space per dwelling is considered to be an appropriate rate and is commonly accepted across the City of Melbourne municipality. The provision of car parking has been provided to the small office tenancies and a lesser rate given the size of these units is appropriate. Whilst there is no specific rate of car parking required for the retail premises, the proposed allocation of car parking is considered to be appropriate. This was also supported by the City of Melbourne, VicRoads and the Director of Public Transport.
67. The application provides loading facilities in accordance with the requirements at Clause 52.07. The redesign of its location on site must comply with these requirements and this can be secured through appropriate condition. The proposed waste collection arrangements are also considered to be satisfactory and were to the satisfaction of the City of Melbourne.
68. The application provides for a total of 123 bicycle spaces, which is in excess of that required at Clause 52.36, where spaces are provided at ground level from the rear laneway with the remaining spaces located within the car parking areas. Signage requirements outlined at Clause 52.36 can be dealt with via appropriate condition.

Signage

69. The proposal includes business signage associated with the supermarket. The proposed documentation also includes a signage strategy which illustrates suggested areas for signs to be located. Generally the approach of incorporating signage in the overall architectural language of the building is appropriate; however the general scale of these signs is large and overwhelming in relation to the surrounding area. A reduction in the size of the signs is appropriate and can be secured through appropriate conditions.

Objections

70. The objections received contain concerns regarding the overall scale and height of the development, the proposals consistency with the draft Arden Macaulay Structure Plan, sale of packaged liquor, impact on existing infrastructure and community services, neighbourhood character impacts and traffic and parking implications.

Conclusion

71. On balance the development is considered to be appropriate for the following reasons:
- The podium of the development provides an appropriate scale of development commensurate with the Victorian Archives Centre and the warehouse/industrial properties fronting Macaulay Road. Due to the slope of the land and the elevated nature of the residential precinct to the north-east, the scale of the podium is commensurate in height to these dwellings;
 - The overall height of the development is consistent with proposed Amendment C190 with the exception of Tower 2 (towards Macaulay Road) exceeding the maximum height by 15.5 metres and encroaching on the street setback by 3.35 metres;
 - The sale of packaged liquor is not considered to raise concerns in relation to relevant assessment within the Scheme. Additionally it is not considered to be situated in a cluster of licensed venues;

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- The proposal is not considered to have a minimal impact on existing infrastructure or community development. It is acknowledged that the increase in population will place pressure of existing infrastructure the Arden Macaulay Structure Plan and Melbourne Metro include strategies for managing this including the construction of a new railway station in North Melbourne; and
- The proposal is considered to appropriately respond to the traffic and parking implications within the area.

RECOMMENDATION

72. That you approve planning permit application 2011/008241 at 101-117 Canning Street, North Melbourne subject to conditions.

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