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.

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.
Draft Melbourne Industrial and Commercial Land Use Plan

Officer Submission

Bayside City Council

Date: 31 December 2019
Introduction

1. This officer submission is made on behalf of Bayside City Council (‘Council’). Bayside City Council appreciates the opportunity offered by the Department to provide feedback regarding the Draft Melbourne industrial and commercial land use plan (‘the Draft Plan’).

2. This submission outlines the following matters in relation to the Draft Plan:
   - Planning principles and strategies for employment land;
   - Key industrial and commercial areas;

3. In summary, Council supports the strategic direction proposed through the Draft Plan and submits that the Plan generally represents Council’s current strategies and policies for commercial and industrial land in Bayside.

4. However, it is considered that the important regional role envisaged for the Bayside Business District (‘the BBD’) should be clarified to ensure employment opportunities and economic and community benefits can be maximised. Whilst manufacturing is still the largest land use category within the precinct and the area continues to successfully operate as a precinct for industrial, wholesale and warehousing purposes it has the potential to continue to transition towards an advanced business services cluster which better suit its location given the access limitations to the area.

5. It is important to ensure that the Bayside Business District is correctly referenced in the Plan, in accordance to its preferred role to ensure consistency in decision making across the different levels of government to realise its vision.

6. Bayside’s activity centres are intended to remain the primary source of retail activity in the municipality and with the preparation of the draft Plan, there is opportunity for the State Government to consider how retail and restricted retail premises are developing in industrial precincts, and whether there are improvements that can be made to ensure that these types of uses do not dominate industrial and non-activity centre employment precincts.
Background

8.7. Bayside City Council has a robust strategic planning framework that guides how future residential and commercial growth is to be accommodated within the municipality.

9.8. Council’s adopted strategic documents outline how future commercial floorspace growth will be accommodated and have been included in the Bayside Planning Scheme as reference documents, including; the Bayside’s Retail, Commercial and Employment Strategy 2016, structure plans for all Major and large scale Neighbourhood Activity Centres, and Small Activity Centres Strategy 2014 (to be implemented through Amendment C126, currently with the Minister for Planning for approval).

10.9. The Retail, Commercial and Employment Strategy 2016 (RCE) explores and provides policy directions on the future of Bayside’s activity centres and employment lands. Prepared by SGS Economics and Planning P/L on behalf of Council, the report observes that generally speaking, Bayside’s activity centres are best practice examples of local activity centres, performing well and providing high quality offerings without the anchors often present in large activity centres of a similar size.

11.10. The vision for Bayside’s retail, commercial and employment lands is as follows:

‘Bayside’s retail, commercial and employment lands will continue to provide a wide variety of employment opportunities and services for local residents in the 21st century. Possessing some of the best local strip shopping centres in Victoria, Bayside will seek to further enhance its local economy through incremental growth in its activity centres to address evolving services needs. An innovative reimagining of its ex-industrial lands will provide a focus for high quality jobs locally in a high amenity and well connected environment.’

12.11. The RCE Strategy provides 12 strategies to achieve the vision, responding to policy gaps/issues and opportunities, economic issues and centre specific opportunities.

13.12. Council’s strategic direction is to reposition the BBD to become a future innovation precinct which provides employment opportunities for advanced industry and business services of the highest calibre, not only for its residents but for the broader region.
Another strategy outlines the monitoring of development trends, land supply and demand for industrial and commercial land. Council applies this through the RCE Strategy, and a Monitoring and Review program that analyses development trends within Major Activity Centres and growth areas. The Bayside Retail, Commercial and Employment Strategy 2016 identified the shifts in the economy from industrial towards professional services. This then lead to strategies that accommodate this change and support the trending shift.

Planning principles and strategies for employment land

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

Principle 1

The Plan states that ‘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’.

Council considers that this is an appropriate principle, and is something that Bayside has provided for within its strategic planning framework. It is considered that the principle provides adequate discretion for this to be delivered at a municipal level and that when read with the additional principles, it is clear that a balance needs to be struck between providing future residential growth and commercial and industrial growth.

Principle 2

The Plan states that ‘Key industrial and commercial areas should be recognised and retained for their economic and employment contribution to local communities, regions and the state’.

Council supports the recognition of the Bayside Business District as a regionally significant industrial precinct, though Council’s strategic objectives are to transition this area from a primarily industrial precinct into a more advanced and innovative industry and professional services focus.

Due to the changing trends of the economy and the limitations of the precinct to service growing industry needs, Council’s policies and strategies cater less for
further industrial development and support a transition to professional services and advanced industry that continue to support the viability of the precinct and its employment generation to meet future needs for the region. Council questions whether the use of the term ‘industrial area’ is the appropriate way of referring to these regional precincts, and whether this term favours industrial uses (noting the Planning Scheme definition of ‘industry’ at Clause 73.03) and whether this unintentionally precludes wider, non-industrial employment uses. Given that the Plan provides for ‘industrial and commercial land’ and then separates regionally significant industrial areas and regionally significant commercial areas, there is still an important distinction to be made in that whilst an area may be referenced as an industrial precinct, it does not indicate that the strategic direction for the area is primarily ‘industry’. Rather, it can accommodate a range of employment generating uses that may not be suited to an activity centre (referenced broadly as ‘commercial’ areas through the Plan).

20.19. Council supports the reference to ensure that State, regional and local policies are aligned to support industrial and commercial areas, and that these areas are protected from residential encroachment.

21.20. As referenced throughout the Plan, like many other municipalities, Council is regularly the recipient of advocacy to transition employment precincts to facilitate residential outcomes. This has been the subject of several Planning Panel discussions, where in Council’s experience, developers are prepared to invest a significant amount of money challenging Council’s employment objectives to secure a residential outcome, generally under the guise of a ‘mixed use’ development that do not result in any significant employment gains or meet economic development objectives. Council supports the references in the supporting strategies to prioritise employment and economic activity over residential development.

Principle 3

22.21. Principle 3 states that ‘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’.

23.22. The Bayside Retail, Commercial and Employment Strategy 2016 discusses the current and future role of the Bayside Business District as ‘a major focal point for business development and employment in Bayside. Over the past decade, the
[BBD] has been in the process of shifting from its traditional industrial base towards a more diverse array of activities including warehousing, corporate offices and bulky goods retailing.' This area is transitioning into a more business and professional services district, however the current industrial uses in this area still plays a significant role in Bayside’s economy.

24.23. Besides the advocacy for residential outcomes, one of the key challenges that Council faces in preserving the BBDs role is preventing the encroachment of retail uses (including restricted retail uses) in the area. As the BBD is zoned Commercial 2, where restricted retail premises are as of right, Council is seeing the proliferation of large format retail uses which can reasonably be located in or near activity centres. The proliferation of these out of centre uses is resulting in the area becoming a de facto activity centre, with some of Bayside’s thriving activity centres threatened as a result.

25.24. Council’s policy response to this was to introduce restrictions through a local policy which discourages retail uses over 80 square metres and to focus the growth of the precinct as an area for advanced industry and business services. However, the ability to deliver these outcomes is compromised by the inability to tailor the type of employment outcomes supported by the zone given the broad objectives specified.

Principle 4

26.25. The Plan states that ‘Industry and business should be supported to innovate and operate efficiently and effectively now and into the future in the areas identified for these purposes’.

27.26. The strategies under this principle seek to support continued growth and diversification of industrial and commercial areas, and providing for significant local employment opportunities. Council addresses this principle through the Bayside Retail, Commercial and Employment Strategy 2016 vision which states: ‘Bayside’s retail, commercial and employment lands will continue to provide a variety of employment opportunities and services for local residents in the 21st Century. Possessing some of the best local strip centres in Victoria, Bayside will seek to further enhance its local economy through incremental growth in its Activity Centres to address evolving services needs. An innovative reimagining of its ex-industrial lands will provide a focus for high quality jobs locally in a high amenity and well connected environment.’
28.27. Emphasis on supporting growth and diversification, and providing for significant local employment opportunities is also carried through Small Activity Centres Strategy 2014 and Bayside’s activity centre structure plans.

29.28. Council believes that the principles and strategies in the draft Plan provide enough clarity and guidance to assist planning for industrial and commercial land however, the strategies to support industrial growth should not be interpreted to be at the expense of Council’s strategic objectives to transition the area to more professional services. This reflects the highest industry sectors within Bayside residents which are Professional, Scientific and Technical Services (6,849 people or 14.9%), Health Care and Social Assistance (5,247 people or 11.4%), Education and Training (4,545 people or 9.9%), all of which are forecast to grow.

Criteria to identify regionally-significant industrial precincts

Survey question: ‘Do you support the criteria developed to identify regionally-significant industrial precincts?’

30.29. Council supports the criteria developed to identify regionally-significant industrial precincts, however it will be beneficial to be clearer as to how many of the criteria are required to be satisfied in order for a precinct to be defined as regionally significant. It is noted that several of the criteria will not be applicable to infill areas, however it is important to ensure that this will not compromise the ability for these areas to be appropriately classified as regionally significant.

Purpose for regionally-significant industrial precincts and local industrial precincts

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

31.30. Council supports the purpose assigned for regionally-significant and local industrial precincts. It is observed that the purpose refers both to industry and business more broadly, rather than limiting the role specifically to industry.

32.31. It is noted that the objectives of the Commercial 2 Zone should be considered to ensure that the strategic direction of the Plan is being delivered. We will like to reiterate Council’s earlier comments regarding the proliferation of retail and similar uses that undermine the ability to transition employment precincts towards more
innovative industry and business services. Council supports that retail and restricted retail premises in these regionally significant locations should not be supported in the purpose statement and submits that consideration should be given to reviewing the impact these uses are having on regionally significant areas.

Developing local industrial land use strategies

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

33.32. Council has no objections to the guidelines for developing local industrial land use strategies.

34.33. It is important to acknowledge that there are industrial areas that are in transition, including the BBD, where some of the specific requirements within the guidelines will not apply. As the guidelines are designed to apply to industrial land, it is important to have consideration for those areas that are currently industrial that will be transitioning to more advanced industries and business service uses.

Key industrial and commercial areas

Survey question: ‘Have the key industrial and commercial areas been adequately identified and described across the regions?’

35.34. On page 100 of the Plan, a reference has been made to an area in Cheltenham as the Bayside Business Employment Area (and later in the document as the Bayside Business Area) as a key industrial and commercial area for the region.

36.35. It is observed that this area has been renamed the Bayside Business District to give effect to the future strategic role of this precinct. These changes came into effect though Amendment C150, which was gazetted in March 2019. Council considers that the Plan should be amended to reference the Bayside Business District to ensure consistency with the Local Planning context.

37.36. It is described that the BBD is identified as an area ‘to transition from its traditional manufacturing base to a more business services focus’ which is an accurate depiction of Council’s strategic vision for the precinct.

38.37. On page 105 of the Plan, the Bayside Business District is identified as a ‘Regionally Significant Industrial Land’. Page 100 of the plan depicts this area of Cheltenham as
an area transitioning away from industrial. This area is also within the Commercial 2 Zone and not an Industrial Zone. It is understood that there are some industrial uses within this area and the purpose of the C2Z is ‘to encourage commercial areas for offices, appropriate manufacturing and industries, bulky goods retailing, other retail uses, and associated business and commercial services’. As a result, Council suggests that the designation of this area, rather than Regionally Significant Industrial, reflects its recognised future role as a transitioning area with a significant employment function for the region.

39.38. Additionally, on page 34 of the Plan, the criteria for regionally significant industrial precincts include ‘the area has been identified in council strategies as being a core or primary industrial area that should be retained…’

40.39. As discussed in the previous sections of this submission, Council agrees that this area plays significant employment generation role for the region, however the vision for this area is to transition towards more professional services and advances industries to meet the employment needs of Bayside’s residents and the region.

41.40. For the reasons outlined above, Council considers that the depiction for the Bayside Business District as transitioning away from industrial uses is accurate but the classification of the area as ‘Regionally Significant Industrial Land’ may be confusing.

42.41. Opportunity exists to clarify the future role for the precinct towards an advanced industries and professional services node for the region. Due to a number of constraints, including road infrastructure and exclusion zones due to the close proximity of residential areas it is unlikely that this area will be able to accommodate significant industrial uses in the future.

Conclusion

43.42. Council supports the released Draft Melbourne Industrial and Commercial Plan with the changes outlined in this submission.