

## Planning Implementation (DELWP)

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**From:** contact@engage.vic.gov.au  
**Sent:** Friday, 20 December 2019 9:54 AM  
**To:** Planning Implementation (DELWP)  
**Subject:** New Form submission on Planning for Melbourne's Industrial and Commercial Land



### **New Form submission on Planning for Melbourne's Industrial and Commercial Land**

Hi [planning.implementation@delwp.vic.gov.au](mailto: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?**

No

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

Refer attached.

### **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?**

No

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

Refer attached

**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?**

No

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

Refer attached

### **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?**

Refer attached

### **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?**

No

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

Refer attached

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

Refer attached

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

██

**I am making this submission:**

on behalf of a land owner

**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](mailto:planning.implementation@delwp.vic.gov.au)

**I agree to the privacy statement**

yes

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

<https://engage.vic.gov.au/index.php/dashboard/reports/forms/viewDetail/2373>

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](mailto:contact@engage.vic.gov.au).

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20 December 2019

The Hon Richard Wynne MP  
Minister for Planning  
Level 16, 8 Nicholson Street  
EAST MELBOURNE VIC 3002

**MELBOURNE INDUSTRIAL COMMERCIAL LAND USE PLAN (MICLUP) DRAFT  
GOODMAN PROPERTY SERVICES (AUST) PTY LTD (GMG)  
RE: SOUTHERN ROAD, MENTONE**

Goodman (**GMG**) is a publicly listed global industrial property group, which own, develop, and manage modern integrated commercial and industrial estates, including logistics facilities, warehouses and business parks in strategic locations throughout 17 countries. With \$48.2 billion in assets under management, almost 19 million square meters of business space, 1600+ Customers globally, GMG is one of the largest listed Industrial property groups globally.

GMG is a key stakeholder in existing industrial and employment land within Metropolitan Melbourne and therefore welcomes the opportunity to provide this submission on the draft 'Melbourne Industrial and Commercial Land Use Plan' (MICLUP), which builds on the relevant policies and actions of Plan Melbourne 2017-2050 (Plan Melbourne) and the associated Plan Melbourne 2017-2050 Five-Year Implementation Plan (Plan Melbourne Implementation Plan).

GMG understand and appreciates that the purpose of the MICLUP is to put in place a planning framework that will enable State and local government to more effectively plan for future employment and industry needs, and better inform strategic directions.

This submission is focused **solely** on our land known as our site at 54-76 Southern Road, Mentone (**Southern Rd**), and the surrounding, isolated industrial land or "The Precinct".

## **Background**

The subject site is nominated within Kingston Planning Scheme (Clause 21.07) and the Industrial Framework Plan as a site with potential for medium to long term housing or mixed use. Refer to the Industrial Framework Plan below (Figure 1).

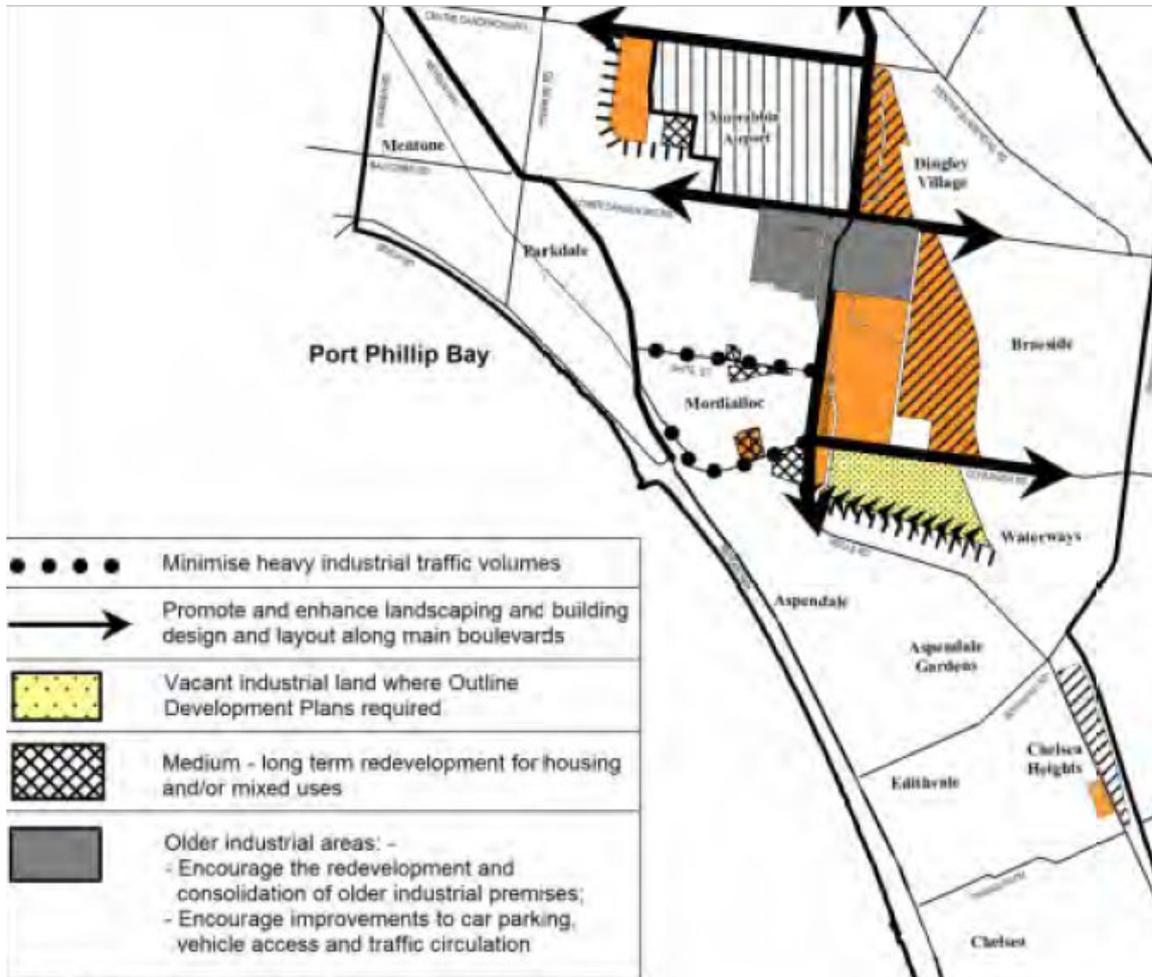


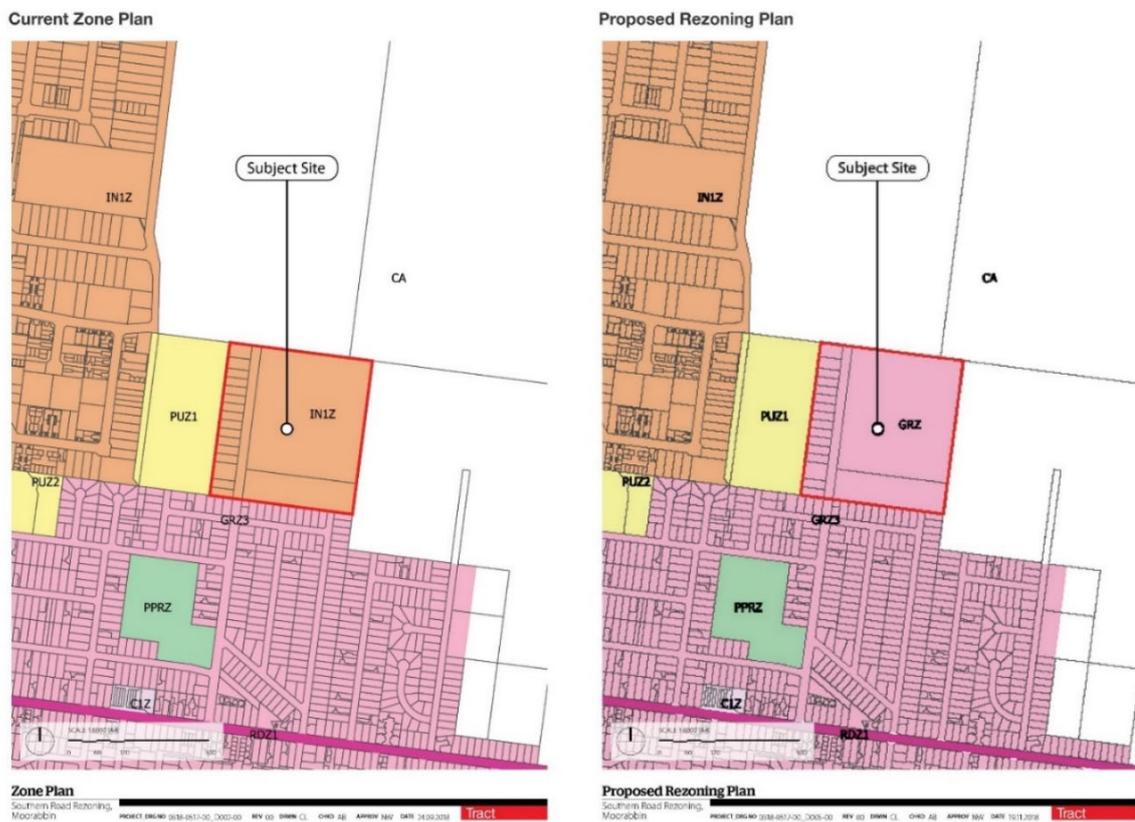
Figure 1: Industrial Framework Plan (Source: Kingston City Council Planning Scheme)

The site is an isolated pocket of industrial land identified contained and surrounded by existing residential land which has been identified for potential residential or mixed-use development.

The Precinct was the subject to a Kingston Council lead Amendment C111 which sought to rezone the land to for residential purposes. Amendment C111 was supported by an independent planning panel but was ultimately refused based on a precautionary approach to an anticipated Aircraft Noise Exposure Forecast ('ANEF') which now will not occur due to operational changes at the Airport.

GMG has been working jointly with Kingston City Council (**KCC**) on the Site Assessment of Southern Rd since May 2019.

Since this time, it has been a collaborative approach between KCC and GMG, with GMG finalising the background technical reporting and justification for the proposed site rezoning. See below Figure 2 for Current Zone Plan and the Proposed Zone Plan.



## Submissions

GMG is of the view and understanding (which has been informed by specialist planning and economics inputs) that the purpose of the MICLUP is to provide clarity and certainty around how industrial and commercial areas are planned to ensure they operate efficiently and remain viable in the future. GMG appreciates it is the intent that the plan will help to facilitate a more diverse industrial and commercial base for Melbourne, providing long-term employment opportunities. GMG is supportive of this broad objective, and through its involvement with Moorabbin Airport, continues to provide new land and employment growth with the Kingston Municipality.

GMG does not object to the Principles for guiding future planning of industrial and commercial land. However, we recommend that the classification system should be developed in conjunction with Key Stakeholders and Local Government. In particular, MICLUP discusses a criteria for assessment of land that can transition. These criteria should not only be included within the document, but applied and contained within Appendix 2.

## Part A – Overview of Industrial and Commercial Land Across Melbourne

Whilst GMG acknowledges that the MICLUP builds on previous data and material, it is noted several key Actions of the Plan Melbourne Implementation Plan and methodology of the Urban Development Program have not been addressed.

It is submitted that there is no explanation or data that shows how the demand forecasts have been derived, with reliance on land consumption data alone to determine future demand which is fraught given that available land supply will influence demand. The approach to planning for commercial areas offers limited to no guidance as to how to identify candidate sites/precincts for transitioning from low value, low employment uses to high value, high employment uses, or how to achieve this transition from a strategic planning point of view. This is not considered adequate to address the shifts in the type of employment, nature of employment, location of employment and number of jobs that will be needed in the future.

More specially it is submitted:

- With regard to Action 8 “promoting the renewal of older industrial areas that are no longer well suited to industrial activities for alternative employment activities such as offices, creative industries and other employment-generating activities”, there is no section in the report that addresses older industrial areas that are or will transition to higher order commercial/business precincts. There is no guidance on how to identify these areas, how to plan for them and what zones would be appropriate to apply.
- Other Actions of the Plan Melbourne Implementation Plan that are not included at all include Action 16 (Urban renewal pipeline of projects across Melbourne) and Action 112 (Monitoring residential employment land requirements), both of which are relevant, with the MICLUP providing the ideal opportunity to guide Councils as to how to identify a pipeline of transit oriented and urban renewal opportunities and how to plan appropriately for them.
- The background data, assumptions and modelling should be made available for industry feedback and comment to ensure final outputs are reliable and transparent. There are big one off assumptions within the Future State Assessments which dramatically alter the outcomes and recommendations outlined within MICLUP. For example the future land supply requirements are largely dictated by the assumption of either employment growth or decline in a handful of sectors combined with historical take up. However, what trends in employment, employment density, technology, multistorey warehousing, etc have been taken into consideration when discussing future land constraints. Examples from all over the world exist where industry is thriving and surviving in land constrained environments. These global trends, along with the disruptive nature of e-commerce needs to be reviewed and addressed as part of this study.

## Part B – Regional Summaries and Directions

It is further submitted that the MICLUP needs to expand on the extensive work that has been already completed and continues to be undertaken by GMG and the historical work undertaken by KCC in relation to the redevelopment of the Southern Rd and its significance within the KCC Municipality.

More specifically it is submitted:

- The MICLUP needs to specifically recognise and address the Southern Rd's designation pursuant to the Kingston Planning Scheme (Clause 21.07), making explicit reference to this document. The rezoning of this site is supported within the Kingston Planning Scheme. It is important that the MICLUP does not undermine the substantial work already completed for the site.
- The MICLUP lists the criteria that has been used as a basis for identifying regionally-significant industrial precincts. An assessment of the Precinct against those criteria is provided below in Appendix A. Review of the criteria demonstrates that the Precinct only satisfies half of one of the eight criteria. The only criteria that may be in part satisfied relates to the Precinct's proximity to Moorabbin Airport as a transport gateway. However, given two-thirds of the Precinct is currently vacant, the Precinct cannot be described as having a strong relationship with the Airport and there is no road connection to the Airport land.
- The proposed nomination of the Precinct as 'Regionally Significant Industrial Land' fails to recognise its fragmentation from proximate Industrial land and its separation from the Principal Freight Network.
- It also fails to recognise the known existing land use conflict that is created by vehicles having no option but to egress the Precinct via a residential street (i.e. Southern Road).
- Both of these points clearly contradict the criteria for 'Regionally Significant Industrial Land' and in relation to this land refute the statement that the Mordialloc-Braeside industrial precincts "have excellent access to major road networks (Page 86)."
- The Precinct has no direct access to the Principal Freight Network ('PFN') and its location results in a need for heavy vehicles to move through residential streets daily.
- The MICLUP 'Southern Region Future Direction Map – Industrial Land' shows Southern Rd being future regionally significant industrial land. It is submitted that the designation of this site in the industrial 'Southern Region Future Direction' maps (Maps 12 and 13) should be reviewed, with its inclusion as Locally Significant land, and allow KCC the ability to assess the site formally against the guidelines outlined in Appendix 2.



However, to reaffirm the role and future direction of the Southern Rd, GMG is of the firm view that the MICLUP needs to clarify its status and expected key elements. In this regard, the MICLUP needs to address the significantly progressed body of work that GMG and KCC have completed, to ensure it is not undermined. GMG requests that the recommendations are carefully considered and included in the final version of the MICLUP.

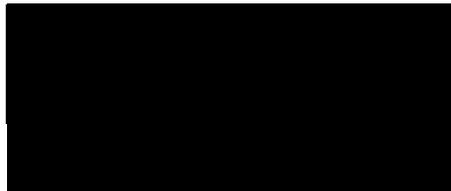
GMG would be happy to further ventilate its comments and concerns with the proposed strategy in any forum deemed appropriate by the Minister or his Department.

Please do not hesitate to contact me [REDACTED] should you have any queries regarding GMG's submission.

Yours sincerely



**General Manager – VIC/SA/WA**



**General Manager – Australia**

Cc: [REDACTED] Chief Executive Officer, Victorian Planning Authority;  
[REDACTED] Chief Executive Officer, Kingston City Council;

## APPENDIX A – REGIONALLY-SIGNIFICANT INDUSTRIAL CRITERIA

| Criteria  | Assessment   |  |
|---|--------------|--|
| <b><i>Policy alignment</i></b>  | <b>0.5/3</b> |  |
| The area exhibits a strong relationship with or supports other places of state significance such as national employment and innovation clusters (NEICs) or transport gateways.  | √<br><br>X   | The Precinct is adjacent Moorabbin Airport which is identified in Plan Melbourne as a transport gateway. It is unclear whether the relationship between the Precinct and the Airport can be described as 'strong' particularly in light of the changing nature of the Airport and its effect on the Precinct (discussed below) and the fact that two-thirds of the Precinct is currently vacant (discussed below). |
| The area has been identified through growth area planning as a larger industrial estate offering good freeway and arterial road access and can provide for the industrial land requirements of firms that serve metropolitan wide, national or international markets. | X            | The Precinct is not located in a growth area.  |
| The area has been identified in council strategies as being a core or primary industrial area that should be retained, or that provides for significant employment opportunities by virtue of the size of the area.   | X            | The Precinct is identified in council strategies and in the Kingston Planning Scheme for housing redevelopment (Clause 21.07).<br><br>The Kingston Planning Scheme supports redevelopment of industrial land in predominantly residential areas for residential purposes (Clause 21.07).   |
| <b><i>Accessibility and business clustering</i></b>   | <b>0/3</b>   |  |
| The area or precinct can leverage off existing or proposed rail and road networks and infrastructure, including the PFN.  | X            | The Precinct is separated from the PFN and relies on vehicle movements through a residential street (Southern Road) for access and results in a significant existing land use conflict which is known to Kingston CC and DELWP.  |
| The area provides for the clustering of industrial uses with limited or no residential intrusion and can be adequately buffered from sensitive uses.  | X            | The Precinct adjoins a residential area (refer Zone Plan below) and relies on this area for heavy vehicle access.<br><br>The Precinct cannot be adequately buffered from its adjacent existing residential uses.   |
| The precinct provides for contiguous areas of industry with similar, related or dependent industrial or commercial activities.  | X            | The Precinct is fragmented from the nearest Industrial zoned land.   |

|   |              |  |
|---|--------------|--|
| <b><i>Economic or employment contribution</i></b>   | <b>0/2</b>   |  |
| The area generates a relatively high and ongoing economic output contributing to the region and state's economy.                      | <b>X</b>     | <p>The Panel for Kingston Amendment C111 recognised that the precinct was at a competitive disadvantage due to being 'isolated' from the larger established precincts to the east and west.</p> <p>The Panel recognised that this competitive disadvantage meant that the Site was not 'strategically imperative' for retention for employment uses.</p> |
| The area is a location of high levels of employment and/or capital goods, generating wider regional employment and economic benefits. | <b>X</b>     | <p>The Precinct is made up of two larger properties (6.25ha and 1.57ha respectively) and 15 smaller land parcels totalling approximately 1.53ha. The largest property which comprises more than two thirds of the Precinct is currently vacant and contributes no economic benefit to the region.</p>  |
| <b>TOTAL</b>  | <b>0.5/8</b> | <b>The Precinct only satisfies half of one of the 8 criteria</b>   |