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?

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.

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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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: CLAYTON BUSINESS PARK

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 the Clayton Business Park (CBP), located at 1500 Centre, Road, Clayton South.

Background

GMG has been working jointly with Victorian Planning Authority (VPA) and Kingston City Council (KCC) on the Strategic Site Assessment of CBP since June 2015 as a result of a Ministerial Nomination for the strategic site assessment;

Since this time, it has been a collaborative approach between the VPA, KCC and GMG, with GMG entering into a 3rd Party Funding Agreement with VPA in August 2018 to finalise the background technical reporting and strategic justification for the site.

The subject site is included in the Monash National Employment and Innovation Cluster (NEIC) as outlined in Plan Melbourne 2017-2050 and within the draft ‘Monash National Employment and
Innovation Cluster Framework Plan' (March 2017) prepared by the Victorian Planning Authority (Figure 1).

![Framework Plan Image]

**Figure 1:** Framework Plan (Source: Monash National Employment and Innovation Cluster Draft Framework Plan, 2017)

GMG has and continues to work closely with the VPA and KCC to develop a Comprehensive Development Plan (CDP) and rezone the land to a Comprehensive Development Zone that will facilitate the redevelopment of the site for a mixed use development, building on the aspirations and outcomes outlined in the Monash NEIC and Plan Melbourne 2017-2050;

As noted in Figure 1 above, the CBP is nominated as a ‘Strategic Site’ and that is likely to accommodate a future ‘activity centre’. The Monash NEIC Draft Framework plan also nominates the site as an ‘Urban Renewal Precinct’. This re-zoning will enable increased industrial employment densities and opportunities, whilst also supporting other land uses including commercial and accommodation (in suitable locations). The site will take advantage of the benefits offered by its access to Westall Station (and ultimately its proximity to the Suburban Rail Loop located at nearby Clayton Station), Westall Road, Monash University and Monash Medical Precinct.
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, with the future land use of the CBP intended to provide for increased employment densities and innovative employment opportunities, in line with the principals the MICLUP seeks to achieve.

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.

- In regard to Action 12 (Planning for future employment growth), the MICLUP does not provide guidance and direction to assess the ongoing suitability of established industrial and commercial areas for different types of employment uses. It appears to lock in the
status quo, i.e. existing industrial precincts should remain industrial and existing commercial areas should remain commercial. The MICLUP would be an ideal opportunity to demonstrate how regional employment forecasts can be translated into floorspace and land requirements. However, it is not possible to determine how the MICLUP has arrived at its demand forecasts for industrial or commercial land. Not only does this not provide guidance for Councils, but it does not allow scrutiny of the forecasts to determine their validity.

- MICLUP should also provide guidance and direction on assessing the ongoing suitability of established industrial and commercial areas for different types of employment uses. Again where higher order employment density, worker output and economic benefit can be assessed and demonstrated, combined with appropriate zoning (discussed in more detail below), allow transitioning and change in an ever evolving employment sector.

- 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.

- MICLUP ignores a critical driver of employment location, namely accessibility from residential catchments to employment precincts through improved road, public transport and active transport infrastructure. There is no discussion of how the future metro, suburban rail loop or airport rail link will affect future demand for commercial and industrial land, or how this will change the nature of employment. The concept of a 20-minute city as encouraged by Plan Melbourne, can be achieved through high density employment locating close to existing and future population. It is submitted that high density employment precincts should incorporate high density living, retail and leisure/entertainment opportunities, so that people can live close to their work and the 20-minute city becomes accessible through not only public transport and cars, but also active transport.

- With regard to future land use, the MICLUP only addresses a very limited suite of zones with an industrial land use focus. The MICLUP determines the supply and take-up of industrial land-uses is based upon the Urban Development Program. However, the MICLUP does not include the vital methodology that was used in defining this land, which includes Industrial Zones (1, 2 and 3), Business Zones (3 and 4), Commercial Zone (2) and in certain circumstances, the Special Use Zone, Comprehensive Development Zone, Activity Centre Zone and Urban Growth Zone, where industrial use is still a key focus. This is crucial to the methodology in defining and determining the zoning of future land uses and needs to be included.

- Moreover, the MICLUP states that a “mixed use” should be a feature of new business parks, including those that are created from the redevelopment of old industrial areas. A distinction needs to be made between the Mixed Use Zone and a mix of uses, given the Mixed Use Zone is a residential zone.
- 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 the VPA in relation to the redevelopment of the CBP and its significance within the Monash NEIC.

More specifically it is submitted:

- The MICLUP needs to specifically recognise and address the CBP’s importance and designation as an ‘Urban Renewal Site’ and ‘Strategic Site’, pursuant to the Monash NEIC draft Framework Plan, making explicit reference to this document. The rezoning of this site is supported within Plan Melbourne at a State level, but also within the Kingston Planning Scheme at a local level. It is important that the MICLUP does not undermine the substantial strategic work already completed for the Monash NEIC and the CBP.

- It is submitted that more commentary needs to be included that is tailored specifically to the CBP, within the ‘Southern Region’ of the MICLUP. It is noted that the MICLUP addresses the work VPA has completed in relation to numerous currently zoned industrial sites identified for transition, however, CBP has only very briefly referred to. Given the strategic support at both State and local government level (i.e. location with the Monash NEIC), and its highly accessible location (adjacent to an existing train station), the CBP needs to be addressed in more specific detail. It is noted that Part A of the MICLUP supports the rezoning of the CBP from an employment density perspective and opportunity for extra industrial and commercial floorspace.

- Whilst it is acknowledged the importance around the retention and protection of existing industrial land, the imminent rezoning of the CBP does not seek to remove industrial land uses from the site rather it seeks to intensify employment opportunities associated with industrial and commercial lands uses. It has been forecasted that the CBP will provide for approximately 163,000 square metres of industrial and office space over the next 15 years, which equates to more than the total amount of the Kingston City Council’s requirements as outlined in the MICLUP (i.e. 140,000 square metres of office floorspace to 2031). The MICLUP shows the CBP as existing regionally significant industrial land, however there is no designation for the CBP within the ‘Southern Region
Future Direction Map - Commercial Land’. In other words, despite CBP transitioning from older industrial uses, and being the subject of a specific VPA investigation, (as acknowledged briefly in the MICLUP), the maps only shows its future as regionally significant industrial land. It is submitted that the designation of this site in both the industrial and commercial ‘Southern Region Future Direction’ maps (Maps 12 and 13) should be reviewed, with its inclusion as future commercial land (given both the office and retail uses that it will ultimately support).

However, to reaffirm the role and future direction of the CBP, GMG is of the firm view that the MICLUP needs to further enshrine its status and expected key elements. In this regard, the MICLUP needs to address the significantly progressed body of work that the VPA 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

[Signatures]

General Manager – VIC/SA/WA

General Manager – Australia

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