FISHERMANS BEND PLANNING REVIEW PANEL: DRAFT AMENDMENT GC81

SUPPLEMENTARY INFORMATION NOTE

SIN NUMBER: 6
DATE: 28 March 2018
PRECINCT: N/A
FRAMEWORK REFERENCE: N/A
SUBJECT: Floor Area Uplift (FAU) as considered under C270 controls.
NOTE: N/A
REQUEST: The Panel seeks information on the operation of the Floor Area Uplift (FAU) in the Melbourne Planning Scheme.

RESPONSE:

1. The Panel has sought information as to the nature of the public benefit secured by the FAU mechanism since the introduction of the FAU into the Melbourne Planning Scheme.

2. Amendment C270 to the Melbourne Planning Scheme was gazetted on 23 November 2016. Amendment C270 introduced an FAU in the Melbourne Planning Scheme.

3. Amendment C270 amended Schedules 1, 2 and 3 to the Capital City Zone and Design and Development Overlay, Schedule 10 (DDO10) to introduce FARs and also introduced the opportunity for an FAU with delivery of associated public benefit(s). Attachment 1 to this SIN is a copy of the Capital City Zone, Schedule 1. Attachment 2 is the Design and Development Overlay, Schedule 10.

4. Clause 4.0 of CCZ1 provides:

   A permit must not be granted or amended (unless the amendment does not increase the extent of non-compliance) to construct a building or construct or carry out works with a floor area ratio in excess of 18:1 on land to which schedule 10 to the Design and Development Overlay applies unless:

   a. a public benefit as calculated and specified in a manner agreed to by the responsible authority is provided; and
b. the permit includes a condition (or conditions) which requires the provision of a public benefit to be secured via an agreement made under section 173 of the *Planning and Environment Act 1987*.

For the purpose of this schedule the floor area ratio is the gross floor area above ground of all buildings on a site, including all enclosed areas, services, lifts, car stackers and covered balconies, divided by the area of the site. Voids associated with lifts, car stackers and similar service elements should be considered as multiple floors of the same height as adjacent floors or 3.0 metres if there is no adjacent floor.

5. All other planning controls, specifically, all the applicable built form requirements, must be met. The provision of an FAU does not justify or enable ‘relaxing’ of specified built form requirements. An application (including an amended permit) requirement within the schedules to the Capital City Zone requires the application to be accompanied by an assessment and report from an independent quantity surveyor which establishes the FAR for the proposal.

6. The requirements of the schedules to the Capital City Zone are clear in that a permit cannot be granted over 18:1 unless a public benefit is provided and is secured via a s173 agreement condition. The provision of an FAU is voluntary.

7. A local policy, Clause 22.03: Floor Area Uplift and Delivery of Public Benefits (Clause 22.03) (Attachment 3) was also inserted into the Planning Scheme by Amendment C270 and guides the exercise of discretion. Clause 22.03 requires that in considering any FAU the Responsible Authority, in consultation with the receiving agency of the proposed public benefit(s) must assess whether the FAU is appropriately matched by the public benefit(s) to be provided, by considering the following:

   • whether the public benefit(s) is consistent with state and local policy, strategic initiatives and relevant guidelines; and
   • whether the quantity and value of the Floor Area Uplift has been appropriately calculated and the proposed public benefit(s) is of a matching value; and
   • whether the proposed public benefit(s) can be realistically delivered and secured by a suitable legal agreement; and
   • whether the proposed public benefit is supported by the proposed receiving agency and can be maintained for a reasonable period of time.

8. Clause 22.03 references a guideline: ‘How to Calculate Floor Area Uplifts and Public Benefits, Department of Environment, Land, Water and Planning (as amended from time to time) (the FAU Guideline) The most recent version of that guideline is dated November 2016.

9. The FAU is that part of a building without which the building would not exceed a floor area ratio of 18:1. The value of an FAU is calculated in accordance with the Floor Area Uplift Calculation Schedule provided in the FAU Guideline.

10. A Public Benefit should be within a Public Benefit category listed in the Public Benefits Schedule, and will be valued in accordance with the Public Benefits Schedule. Public Benefits listed in the Schedule are:

    • Publicly accessible open space areas on site (additional to any public open space contribution under Clause 52.01 of the Planning Scheme).
    • Publicly accessible enclosed areas within proposed building.
• Social housing within proposed building.
• Competitive design process for design of proposed building.
• Commercial office use on site or within proposed building.

11. The Guidelines provide detail on the requisite components of various categories and the valuation method to be applied. The public benefit must be provided on the permit site. The Public Benefit must be of equal or greater value than the value of the FAU that forms part of the proposed development. The value of the public benefit is determined by the Responsible Authority in line with specified Gross Realisation Values (GRV) per square metre in areas affected by DDO10 (see Tables 1 and 2 of the FAU Guideline)

12. The GRV’s inform the initial discussions with proponents and the value of the public benefit is indexed from the date the permit is issued. The agreed FAU is secured by why of permit condition requiring preparation of a legal agreement under Section 173 of the Planning and Environment Act, 1987.

13. The specified GRV rates included within the reference document ‘How to calculate floor area uplifts and public benefits’ is to be reviewed by the Minister for Planning in consultation with the Melbourne City Council annually by 1 July with any updates taking effect from 1 January following. A review was undertaken prior to 1 July 2017. No increases were made to the GRV rates at that time.

Operation of the FAU provision to date

14. To date there have been three planning permits granted which include an FAU. The Minister for Planning was the Responsible Authority for two of the permits granted. The Melbourne City Council was the Responsible Authority for granting one permit.

15. There is one other application which is currently the subject of a Notice of Decision to Refuse a Permit which is the subject of an Application for Review before the Victorian Civil and Administrative Tribunal relating to 97 Franklin Street.

16. See the Table below which sets out the relevant details of the permits issued which include an FAU and Public Benefit.
Permits issued within the City of Melbourne which include a Public Benefit

<table>
<thead>
<tr>
<th>Address, Permit number and date of issue</th>
<th>Permit Allows</th>
<th>FAR</th>
<th>Nature of the Public Benefit and mechanism for securing its implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>263-283 Spencer Street, Docklands</strong></td>
<td>Construction of a building, development of the site for a helicopter landing, provide car parking in excess of the car parking rates in PO 1 vary an easement, waive visitor bicycle parking requirements, alter access to a road in a RZ1.</td>
<td>21.83:1 (112,123m² GFA above ground / 5,136m² site area)</td>
<td>Public benefit secured is 38,553 square metres of office with a s 173 Agreement with the Melbourne City Council to secure the office use for 30 years from the date of issue of the occupancy permit (which exceeds the 10 year minimum provided in the FAU Guidelines).</td>
</tr>
<tr>
<td>PA1600197 issued 21 June 2017 by the Minister for Planning</td>
<td>Demolition of the existing building and construction of a mixed use development comprising student accommodation, retail premises and office, display of business identification signage and a reduction in the visitor bicycle parking.</td>
<td>23.3:1 (46,653m² GFA above ground / 2,000 site area)</td>
<td>A Notice of Decision to Refuse a planning permit was issued on 5 March 2018. The application proposed provision of an Office and pedestrian link as a public benefit under the FAU. The application was considered unacceptable on built form grounds.</td>
</tr>
<tr>
<td><strong>97 Franklin Street, Melbourne</strong> VCAT proceeding. No: P421/2018 Permit Application No. PA1700226 Hearing listed 6 August 2018</td>
<td>Demolition of existing buildings, construction of a multi storey office building and reduction in the loading bay requirements in accordance with the endorsed plans.</td>
<td>23:1 (76,445m² GFA above ground / 3,375m² site area)</td>
<td>Public benefit secured is office of 20,090m² Permit requirement for a s 173 Agreement with the Melbourne City Council to secure the office use for 10 years from the date of issue of the occupancy permit. The office use is defined as ‘land used for administration or clerical, technical, professional or other like business activity. No goods or materials intended for manufacture, sale or hire may be stored on the land’ which must be physically separated and administratively independent of any other use within the building.</td>
</tr>
<tr>
<td>PA170207, issued 31 December 2017</td>
<td>Partial demolition of the existing building, development of a multi-storey mixed use tower, and alteration of access to a Road Zone, Category 1, in accordance with the endorsed plans</td>
<td>20.6:1</td>
<td>Provision of offices. The permit includes a requirement for a section 173 Agreement which acknowledges the provision of a public benefit, namely the office use of Level 1 and Level 2 of the building which must be secured for a minimum of 10 years from the date of issue of a certificate of occupancy for the building.</td>
</tr>
<tr>
<td><strong>150 Lonsdale Street, Melbourne</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>204-208 King Street, Melbourne</strong> TP-2016-1105/A granted 4 August 2017 (City of Melbourne, the Responsible Authority)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ATTACHMENTS:

Attachment 1: Capital City Zone, Schedule 1.
Attachment 2: Design and Development Overlay, Schedule 10.
Attachment 3: Clause 22.03: Floor Area Uplift and Delivery of Public Benefits.
## SCHEDULE 1 TO CLAUSE 37.04 CAPITAL CITY ZONE

Shown on the planning scheme map as **CCZ1**.

### OUTSIDE THE RETAIL CORE

**Purpose**

To provide for a range of financial, legal, administrative, cultural, recreational, tourist, entertainment and other uses that complement the capital city function of the locality.

### Table of uses

1. **Table of uses**

<table>
<thead>
<tr>
<th>Section 1 - Permit not required</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Use</strong></td>
</tr>
<tr>
<td>-------------------------------------------------</td>
</tr>
<tr>
<td>Accommodation (other than Corrective institution)</td>
</tr>
<tr>
<td>Apiculture</td>
</tr>
<tr>
<td>Education centre</td>
</tr>
<tr>
<td>Home occupation</td>
</tr>
<tr>
<td>Informal outdoor recreation</td>
</tr>
<tr>
<td>Mineral exploration</td>
</tr>
<tr>
<td>Mining</td>
</tr>
<tr>
<td>Minor sport and recreation facility</td>
</tr>
<tr>
<td>Office</td>
</tr>
<tr>
<td>Place of assembly (other than Amusement parlour and Nightclub)</td>
</tr>
<tr>
<td>Pleasure boat facility</td>
</tr>
<tr>
<td>Railway</td>
</tr>
<tr>
<td>Railway station</td>
</tr>
<tr>
<td>Retail premises (other than Adult sex bookshop, Department store, Hotel, Supermarket, and Tavern)</td>
</tr>
<tr>
<td>Road</td>
</tr>
<tr>
<td>Search for stone</td>
</tr>
<tr>
<td>Tramway</td>
</tr>
</tbody>
</table>

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*Zones – Clause 37.04 – Schedule 1*
## Use Condition

<table>
<thead>
<tr>
<th>Use</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any other use not in Section 3</td>
<td>A use conducted by or on behalf of Melbourne Parks and Waterways or Parks Victoria under the Water Industry Act 1994, the Water Act 1989, the Marine Act, the Port of Melbourne Authority Act 1958, the Parks Victoria Act 1998 or the Crown Land (Reserves) Act 1978.</td>
</tr>
</tbody>
</table>

### Section 2 - Permit required

<table>
<thead>
<tr>
<th>Use</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult sex bookshop</td>
<td></td>
</tr>
<tr>
<td>Amusement parlour</td>
<td></td>
</tr>
<tr>
<td>Car park</td>
<td>Must meet the requirements of Clause 52.06.</td>
</tr>
<tr>
<td></td>
<td>Must not be an open lot car park.</td>
</tr>
<tr>
<td>Corrective institution</td>
<td></td>
</tr>
<tr>
<td>Department store</td>
<td></td>
</tr>
<tr>
<td>Hotel</td>
<td></td>
</tr>
<tr>
<td>Industry</td>
<td>Must not be a purpose listed in the table to Clause 52.10 (other than Materials Recycling)</td>
</tr>
<tr>
<td>Leisure and recreation (other than Informal outdoor recreation)</td>
<td></td>
</tr>
<tr>
<td>Mineral, stone, or soil extraction (other than Extractive industry, Mineral exploration, Mining, and Search for stone)</td>
<td></td>
</tr>
<tr>
<td>Nightclub</td>
<td></td>
</tr>
<tr>
<td>Supermarket</td>
<td></td>
</tr>
<tr>
<td>Tavern</td>
<td></td>
</tr>
<tr>
<td>Utility installation (other than Minor utility installation)</td>
<td></td>
</tr>
<tr>
<td>Warehouse (other than Freezing and cool storage, and Liquid fuel depot)</td>
<td></td>
</tr>
<tr>
<td>Any other use not in Section 1 or 3</td>
<td></td>
</tr>
</tbody>
</table>

### Section 3 - Prohibited

<table>
<thead>
<tr>
<th>Use</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cold store</td>
<td></td>
</tr>
<tr>
<td>Extractive industry</td>
<td></td>
</tr>
<tr>
<td>Freezing and cool storage</td>
<td></td>
</tr>
<tr>
<td>Liquid fuel depot</td>
<td></td>
</tr>
</tbody>
</table>

### Subdivision

### Exemption from notice and review

An application to subdivide land 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.
3.0 Buildings and works

Prohibitions

The construction of footbridges, pedestrian ways, vehicle bridges and links across the above ground level of Bourke Street, Collins Street, Swanston Street and Elizabeth Street, Melbourne is prohibited.

Permit Requirement

A permit is required:

- To construct a building or construct or carry out works.
- To construct a building which does not extend to the road boundary of the site.
- To construct a building providing fewer than one bicycle parking space per 500 square metres of gross floor area in the case of a new building without on site car parking.
- To construct a building providing fewer than one bicycle parking space for every 100 car parking spaces in the case of a new building with on-site car parking.

A permit must not be granted or amended (unless the amendment does not increase the extent of non-compliance) to construct a building or construct or carry out works with a floor area ratio in excess of 18:1 on land to which schedule 10 to the Design and Development Overlay applies unless:

- a public benefit as calculated and specified in a manner agreed to by the responsible authority is provided; and
- the permit includes a condition (or conditions) which requires the provision of a public benefit to be secured via an agreement made under section 173 of the Planning and Environment Act 1987.

For the purpose of this schedule the floor area ratio is the gross floor area above ground of all buildings on a site, including all enclosed areas, services, lifts, car stackers and covered balconies, divided by the area of the site. Voids associated with lifts, car stackers and similar service elements should be considered as multiple floors of the same height as adjacent floors or 3.0 metres if there is no adjacent floor.

No Permit Required

A permit is not required for:

- Buildings or works carried out by or on behalf of Melbourne Parks and Waterways or Parks Victoria under the Water Industry Act 1994, the Water Act 1989, the Marine Act, the Port of Melbourne Authority Act 1958, the Parks Victoria Act 1998 or the Crown Land (Reserves) Act 1978.
- Buildings or works for Railway purposes.
- Alterations to a building authorised under the Heritage Act, provided the works do not alter the existing building envelope or floor area.
- Footpath vehicle crossovers provided they are constructed to the satisfaction of the responsible authority.
- Bus and tram shelters required for public purposes by or for the Crown or a public authority in accordance with plans and siting to the satisfaction of the responsible authority.
- Decorations, gardens and planting required for public purposes by or for the Crown, a public authority or the City of Melbourne.
- Street furniture.
- A work of art, statue, fountain or similar civic works required for public purposes by or for the Crown, a public authority or the City of Melbourne.
- Buildings or works or uses on public land for which a current permit exists under a City of Melbourne local law.
- The erection of information booths and kiosks required for public purposes by or for the Crown, a public authority or the City of Melbourne.
- Traffic control works required by or for the Crown, a public authority or the City of Melbourne.
- The construction, or modification, of a waste pipe, flue, vent, duct, exhaust fan, air conditioning plant, lift motor room, skylight, security camera, street heater or similar minor works provided they are to the satisfaction of the responsible authority.
- A flagpole.
- A modification to the shop front window or entranceway of a building to the satisfaction of the responsible authority having regard to the architectural character of the building.
- An addition or modification to a verandah, awning, sunblind or canopy of a building to the satisfaction of the responsible authority.
- The painting, plastering and external finishing of a building or works to the satisfaction of the responsible authority.
- Changes to glazing of existing windows to not more than 15% reflectivity.
- External works to provide disabled access that complies with all legislative requirements to the satisfaction of the responsible authority.

**Application Requirements**

An application for a permit must be accompanied by a written urban context report documenting the key planning influences on the development and how it relates to its surroundings. The urban context report must identify the development opportunities and constraints, and document the effect of the development, as appropriate, in terms of:

- Built form and character of adjacent and nearby buildings.
- Heritage character of adjacent and nearby heritage places.
- Microclimate, including sunlight, daylight and wind effects on streets and other public spaces.
- Energy efficiency and waste management.
- Ground floor street frontages, including visual impacts and pedestrian safety.
- Public infrastructure, including reticulated services, traffic and car parking impact.
- Vistas.

An application to construct a building or to construct or carry out works must include, as appropriate, upgrading of adjacent footpaths or laneways to the satisfaction of the responsible authority.

An application for a permit to construct or carry out works for development of a building listed in the Heritage Overlay must be accompanied by a conservation analysis and management plan in accordance with the principles of the Australian ICOMOS Charter for the Conservation of Places of Cultural Significance 1992 (The Burra Charter) to the satisfaction of the responsible authority.

An application to construct a building or to construct or carry out works for a residential use must be accompanied by an Acoustic Assessment which must show how the proposal meets the following requirements:
- Habitable rooms of new dwellings adjacent to high levels of external noise should be designed to limit internal noise levels to a maximum of 45dB in accordance with relevant Australian Standards for acoustic control.

An application to construct a building or construct or carry out works on land to which schedule 10 to the Design and Development Overlay applies must:
- be accompanied by an assessment and report of the proposed floor area ratio from an independent quantity surveyor; and
- if the proposed floor area ratio exceeds 18:1, include details of the public benefit to be provided.

**Exemption from notice and review**

An application to construct a building or construct or carry out works for a use in Section 1 of Clause 37.04-1 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.

**Decision guidelines**

Before deciding on a permit application under this schedule the responsible authority must consider, as appropriate:
- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- The comments and requirements of relevant authorities.
- The size and shape of the parcel of land to which the application relates, the siting of the proposed development and the area to be occupied by the development in relation to the size and shape of the land, adjoining land and adjoining development.
- The movement of pedestrians and cyclists, and vehicles providing for supplies, waste removal, emergency services and public transport.
- The provision of car parking, loading of vehicles and access to parking spaces and loading bays.
- The adequacy of entrance to and egress from the site.
- The streetscape, the scale and height of the neighbouring buildings and the proposed development, the proximity to heritage places, the design of verandahs, access from street frontages, the protection of active frontages to pedestrian areas, the treatment of the front and backs of buildings and their appurtenances, illumination of buildings or their immediate spaces and the landscaping of land adjoining a road.
- The existing and future use and amenity of the land and the locality.
- The location, area, dimensions and suitability of use of land proposed for public use.
- The provision of landscaping.
- The responsibility for the maintenance of buildings, landscaping and paved areas.
- The impact on the amenity of any existing dwellings on adjacent sites.
- Where new buildings incorporate dwellings, that the design respects and anticipates the development potential of adjacent sites, to ensure that the future development of the adjacent site does not cause a significant loss of amenity to the subject site.
Habitable rooms of new dwellings adjacent to high levels of external noise should be designed to limit internal noise levels to a maximum of 45 dB in accordance with relevant Australian Standards for acoustic control.

The design of buildings to provide for solar access, energy efficiency and waste management.

The impact on amenity of existing or proposed sensitive land uses susceptible to the off-site effects of industry.

Whether the development would compromise the function, form and capacity of public spaces and public infrastructure.

If the floor area ratio of the proposal exceeds 18:1, the extent to which it will deliver a commensurate public benefit.

Securing the floor area ratio across a site where a site is developed in part to ensure:

- that an agreement be entered into to acknowledge that the remaining site cannot be later developed;
- that a heritage building being retained that an agreement be entered into to conserve the heritage building in perpetuity;
- that the proposed building is sited so that adequate setbacks are maintained in the event that the land is subdivided or separate land holdings are administratively effected to create a future development site.

**Decision Guidelines – Bicycle Parking**

Before deciding on an application involving bicycle parking facilities, the responsible authority must consider, as appropriate:

- The design and location, accessibility and security (ie. suitable lighting, locking devices) of the facilities.
- Local Planning Policy Framework.

**Demolition or Removal of Buildings**

A permit and prior approval for the redevelopment of the site are required to demolish or remove a building or works.

This does not include:

- Demolition or removal of temporary structures.
- Demolition ordered or undertaken by the responsible authority in accordance with the relevant legislation and/or local law.

Before deciding on an application to demolish or remove a building, the responsible authority may require an agreement pursuant to Section 173 of the Planning and Environment Act 1987 between the landowner and the responsible authority requiring, as appropriate:

- Temporary works on the vacant site should it remain vacant for 6 months after completion of the demolition.
- Temporary works on the vacant site where demolition or construction activity has ceased for 6 months, or an aggregate of 6 months, after commencement of the construction.

Temporary works must be constructed to the satisfaction of the responsible authority.

Temporary works may include:

- The construction of temporary buildings for short-term retail or commercial use. Such structures shall include the provision of an active street frontage.
- Landscaping of the site for the purpose of public recreation and open space.
Exemption from notice and review

An application to demolish or remove a building or works 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.

5.0 Advertising signs

A permit is required to erect an advertising sign, except for:

- Advertising signs exempted by Clause 52.05.4.
- An under-verandah business sign if:
  - It does not exceed 2.5 metres measured horizontally, 0.5 metres vertically and 0.3 metres between the faces of the sign;
  - It is located between 2.7 metres and 3.5 metres above ground level and perpendicular to the building facade; and
  - It does not contain any animation or intermittent lighting.
- A ground floor business sign cantilevered from a building if:
  - It does not exceed 0.84 metres measured horizontally, 0.61 metres vertically and 0.3 metres between the faces of the sign;
  - It is located between 2.7 metres and 3.5 metres above ground level and perpendicular to the building facade; and
  - It does not contain any animation or intermittent lighting.
- A window display.
- A non-illuminated sign on a verandah fascia, provided no part of the sign protrudes above or below the fascia.
- Renewal or replacement of an existing internally illuminated business identification sign.

Exemption from notice and review

An application to erect or construct or carry out works for an advertising sign, 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.

6.0 Referral of applications

An application that includes the creation or alteration of access to the arterial road – Wurundjeri Way must be referred in accordance with section 55 of the Act to the referral authority specified in the schedule to clause 66.04.

An application for development with a gross floor area exceeding 25,000 square metres must be referred in accordance with section 55 of the Act to the referral authority specified in the schedule to clause 66.04.

7.0 Transitional arrangements

The requirements of this schedule do not apply to:

- an application (including an application to amend a permit) made before the commencement of Amendment C262 to this planning scheme. For such applications, the requirements of this schedule, as they were in force immediately before the commencement of Amendment C262, continue to apply.
- an application (including an application to amend a permit) made after the commencement of Amendment C262 but before the commencement of Amendment C270 to this planning scheme. For such applications, the
requirements of this schedule, as they were in force immediately before the commencement of Amendment C270, continue to apply.
SCHEDULE 10 TO CLAUSE 43.02 DESIGN AND DEVELOPMENT OVERLAY

Shown on the planning scheme map as DDO10.

GENERAL DEVELOPMENT AREA- BUILT FORM

1.0 Design objectives

- To ensure development achieves a high quality of pedestrian amenity in the public realm in relation to human scale and microclimate conditions such as acceptable levels of sunlight access and wind.
- To ensure that development respects and responds to the built form outcomes sought for the Central City.
- To encourage a level of development that maintains and contributes to the valued public realm attributes of the Central City.
- To ensure that new buildings provide equitable development rights for adjoining sites and allow reasonable access to privacy, sunlight, daylight and outlook for habitable rooms.
- To provide a high level of internal amenity for building occupants.
- To ensure the design of public spaces and buildings is of a high quality.
- To encourage intensive developments in the Central City to adopt a podium and tower format.

2.0 Buildings and works

2.1 Definitions

For the purpose of this schedule:
- **street** means a road reserve of a public highway more than 9 metres wide.
- **main street** means a road reserve of a public highway more than 20 metres wide.
- **laneway** means a road reserve of a public highway 9 metres or less wide.
- **street wall** means any part of the building constructed within 0.3 metres of a lot boundary fronting the street.
- **street wall height** means the vertical distance between the footpath or natural surface level at the centre of the site frontage and the highest point of the street wall, with the exception of non-habitable architectural features not more than 3.0 metres in height and building services setback at least 3.0 metres behind the street wall.
- **total building height** means the vertical distance between the footpath or natural surface level at the centre of the site frontage and the highest point of the building, with the exception of non-habitable architectural features not more than 3.0 metres in height and building services setback at least 3.0 metres behind the façade.
- **tower** means a building that exceeds the street wall, excluding an addition.
- **addition** means a building that exceeds the street wall and which is less than 40 metres in height.
- **floorplate** means the area of each floor above the street wall defined by the setback from street frontages and setbacks from side and rear boundaries.
- **Setback** is the shortest horizontal distance from a building façade, including projections such as balconies, building services and architectural features greater than 300mm, to the boundary.

- **separation** is the shortest horizontal distance from a building façade, including projections such as balconies, building services and architectural features greater than 300mm to another building on the same site.

- **unsafe wind conditions** means the hourly maximum 3 second gust which exceeds 20 metres/second from any wind direction considering at least 16 wind directions with the corresponding probability of exceedance percentage.

- **comfortable wind conditions** means a mean wind speed from any wind direction with probability of exceedance less than 20% of the time, equal to or less than:
  - 3 metres/second for sitting areas
  - 4 metres/second for standing areas
  - 5 metres/second for walking areas.

- **mean wind speed** means the maximum of:
  - Hourly mean wind speed, or
  - Gust equivalent mean speed (3 second gust wind speed divided by 1.85).

- **additional shadow** means any shadow cast outside any existing shadow from buildings or works, but not a shadow cast by incidental elements such as canopies, kiosks, artworks, screens or trees.

### 2.2 Buildings and works for which no permit is required

A permit is not required for:

- Buildings and works at ground level, including external works to provide access for persons with disabilities that comply with all legislative requirements.

- Buildings and works to install or modify plant and service fixtures to an existing building.

- Buildings and works to an existing building(s) which do not alter the height or setback of any part of an existing building or result in any additional habitable or occupiable floor area.

- Buildings and works which would cast a shadow across the Yarra River Corridor between 11.00 am and 2.00 pm on 22 June caused by unenclosed structures associated with the construction of gangways, mooring poles and pontoons which are constructed by or on behalf of Melbourne Parks and Waterways or Parks Victoria under the Water Industry Act 1994, the Water Act 1989, the Marine Act 1988, the Port of Melbourne Authority Act 1958, the Parks Victoria Act 1998, or the Crown Land (Reserves) Act 1978.

### 2.3 Requirements

#### Built form

Buildings and works:

- must meet the Design Objectives specified in this schedule;

- must satisfy the Built Form Outcomes specified for each relevant Design Element in Table 3 to this schedule; and

- should meet the Preferred Requirement specified for each relevant Design Element in Table 3 to this Schedule.

An application to vary the Preferred Requirement for any Design Element specified in Table 3 to this schedule must document how the development will achieve the relevant Design Objectives and Built Form Outcomes.
An application which does not meet the Preferred Requirement, must be considered under the Modified Requirement for each relevant Design Element.

A permit must not be granted or amended (unless the amendment does not increase the extent of non-compliance) for buildings and works that do not meet the Modified Requirement for any relevant Design Element specified in Table 3 to this schedule.

**Wind effects**

A permit must not be granted for buildings and works with a total building height in excess of 40 metres that would cause unsafe wind conditions in publicly accessible areas within a distance equal to half the longest width of the building above 40 metres in height measured from all façades, or half the total height of the building, whichever is greater as shown in Figure 1.

A permit should not be granted for buildings and works with a total building height in excess of 40 metres that do not achieve comfortable wind conditions in publicly accessible areas within a distance equal to half the longest width of the building above 40 metres in height measured from all façades, or half the total height of the building, whichever is greater as shown in Figure 1.

**Figure 1**

![Diagram](image)

Assessment distance $D$ = greater of:
- $L/2$ (Half longest width of building)
- $H/2$ (Half overall height of building)

**Overshadowing**

With the exception of minor works or minor changes to existing buildings within that defined space, a permit must not be granted for buildings and works which would cast any additional shadow across a space listed within Table 1 to this schedule and shown in Figure 2 of this schedule during the hours and dates specified as follows:

**Table 1 to Schedule 10**

<table>
<thead>
<tr>
<th>Space</th>
<th>Hours between</th>
<th>Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Yarra River corridor, including 15 metres from the edge of the north bank of the river</td>
<td>11.00am and 2.00pm</td>
<td>22 June</td>
</tr>
<tr>
<td>Location</td>
<td>Time</td>
<td>Dates</td>
</tr>
<tr>
<td>-------------------------------------------------------</td>
<td>-----------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Federation Square City Square</td>
<td>11.00am and 3.00pm</td>
<td>22 April to 22 September</td>
</tr>
<tr>
<td>State Library Forecourt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shrine of Remembrance and its northern forecourt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bourke Street Mall south of tram tracks</td>
<td>12.00pm and 2.00pm</td>
<td>22 April and 22 September</td>
</tr>
<tr>
<td>Boyd Park</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Figure 2

Defined Space

Federation Square

City Square

State Library Forecourt

Bourke Street Mall
A permit must not be granted for buildings and works which would cast any additional shadow across a space listed within Table 2 to this schedule during the hours and date(s) specified, unless the overshadowing will not unreasonably prejudice the amenity of the space:

**Table 2 to Schedule 10**

<table>
<thead>
<tr>
<th>Space</th>
<th>Hours between</th>
<th>Date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parliament Gardens</td>
<td>11.00am and 3.00pm</td>
<td>22 April to 22 September</td>
</tr>
<tr>
<td>Treasury Gardens</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gordon Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parliament Steps and Forecourt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Old Treasury Steps</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flinders Street Railway Station</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steps</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Batman Park</td>
<td>11.00am and 2.00pm</td>
<td>22 April to 22 September</td>
</tr>
<tr>
<td>Birrarung Marr</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sturt Street Reserve</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Street Reserve and the Australian Centre for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contemporary Art Forecourt, south side of Grant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street between Sturt Street and Wells Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dodds Street between Southbank Boulevard and Grant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Swanston Street between south bank of the Yarra</td>
<td>12.00pm and 2.00pm</td>
<td>22 April to 22 September</td>
</tr>
<tr>
<td>River and Latrobe Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elizabeth Street between Flinders Street and Flinders Lane</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hardware Lane and McKillop Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The southern footpath of Bourke Street between</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spring Street and Exhibition Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The southern building line of Little Bourke Street</td>
<td>12.00pm and 2.00pm</td>
<td>22 April and 22 September</td>
</tr>
<tr>
<td>and Swanston Streets and Cohen</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Space</td>
<td>Hours between</td>
<td>Date(s)</td>
</tr>
<tr>
<td>-------</td>
<td>---------------</td>
<td>---------</td>
</tr>
<tr>
<td>Place/Chinatown Plaza</td>
<td>11.00am and 2.00pm</td>
<td>22 June</td>
</tr>
<tr>
<td>Liverpool Street and Crossley Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Street between Collins Street and Flinders Lane</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flagstaff Gardens and proposed new public open space within Queen Victoria Market</td>
<td>11.00am and 2.00pm</td>
<td>22 September</td>
</tr>
<tr>
<td>Any public space, public parks and gardens, public squares, open spaces associated with a place of worship and privately owned public spaces accessible to the public</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 3 to Schedule 10**

<table>
<thead>
<tr>
<th>Design Element</th>
<th>Preferred Requirement (Figure 3)</th>
<th>Modified Requirement (Figure 3)</th>
<th>Built Form Outcomes</th>
</tr>
</thead>
</table>
| Street wall height | Up to 20 metres | The street wall height must be no greater than:  
• 40 metres; or  
• 80 metres where it:  
• defines a street corner where at least one street is a main street and the 80 metre high street wall should not extend more than 25 metres along each street frontage, and/or  
• fronts a public space including any road reserve wider than 80 metres. | Street wall height is scaled to ensure:  
• a human scale.  
• an appropriate level of street enclosure having regard to the width of the street with lower street wall heights to narrower streets.  
• consistency with the prevalent parapet height of adjoining buildings.  
• height that respects the scale of adjoining heritage places.  
• adequate opportunity for daylight, sunlight and skyviews in the street.  
• definition of main street corners and/or public space where there are no significant impacts on the amenity of public spaces.  
• maintenance of the prevailing street wall height and vertical rhythm on the street. |
| Building setback(s) above street wall | Above the street wall, towers and additions should be setback 10 metres from the title boundary. | Above the street wall, towers must be setback a minimum of 5 metres from the title boundary. | Towers and additions are setback to ensure:  
• large buildings do not visually dominate the street or public space.  
• the prevalent street wall scale is maintained.  
• overshadowing and wind impacts are mitigated.  
• The tower or addition includes a distinctly different form or |

**OVERLAYS – CLAUSE 43.02 - SCHEDULE 10**
### Design Element

<table>
<thead>
<tr>
<th>Preferred Requirement (Figure 3)</th>
<th>Modified Requirement (Figure 3)</th>
<th>Built Form Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building setbacks from side boundaries and rear boundaries</strong> (or from the centre line of an adjoining laneway) and tower separation within a site</td>
<td>Above the street wall or 40 metres (where there is no street wall), towers and additions should be setback a minimum of 5 metres or 6% of the total building height whichever is greater.</td>
<td><strong>Towers and additions up to 80 metres in height:</strong> Above the street wall or 40 metres (where there is no street wall), towers and additions must be setback a minimum of 5 metres. Towers and additions of no more than 80 metres in height may be constructed up to one side or rear boundary, excluding a laneway, if an existing, approved, proposed or potential building on an adjoining site is built to that boundary and if a minimum setback of 5 metres is met to all other side and rear boundaries and the centre line of any adjoining laneway. Buildings of no more than 80 metres in height, may be constructed to a second side or rear boundary if an adjoining site cannot, by legal restriction benefiting the application site, be developed above the street wall height. <strong>Towers exceeding 80 metres in total height:</strong> Above the street wall or 40 metres (where there is no street wall), towers and additions must be setback a minimum of 5 metres and must meet the design element requirements for tower floorplate. <strong>Tower separation within a site:</strong> Towers must be separated by a minimum of 10 metres.</td>
</tr>
<tr>
<td><strong>Towers and additions are designed and spaced to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- sun penetration and mitigation of wind impacts at street level.</td>
<td></td>
<td>- sun penetration and mitigation of wind impacts at street level.</td>
</tr>
<tr>
<td>- provision of reasonable sunlight, daylight, privacy and outlook from habitable rooms, for both existing and potential developments on adjoining sites.</td>
<td></td>
<td>- provision of reasonable sunlight, daylight, privacy and outlook from habitable rooms, for both existing and potential developments on adjoining sites.</td>
</tr>
<tr>
<td>- floorplate layout or architectural treatment limits direct overlooking between habitable rooms.</td>
<td></td>
<td>- floorplate layout or architectural treatment limits direct overlooking between habitable rooms.</td>
</tr>
<tr>
<td>- buildings do not appear as a continuous wall at street level or from nearby vantage points and maintain open sky views between them.</td>
<td></td>
<td>- buildings do not appear as a continuous wall at street level or from nearby vantage points and maintain open sky views between them.</td>
</tr>
<tr>
<td>- buildings do not visually dominate heritage places and streetscapes, nor significant view lines..</td>
<td></td>
<td>- buildings do not visually dominate heritage places and streetscapes, nor significant view lines..</td>
</tr>
</tbody>
</table>

**Notes:**
- The tower floorplate is determined by the preferred requirement for building setbacks from side and rear boundaries and tower separation within a site, and the modified requirement for building setback(s) above the street.
- The tower floorplates above the street wall for a tower above 80 metres in height may be adjusted in terms of location and/or shape but must not:
  - Result in an increase in the floorplate area;
  - Be situated less than 5 metres from a side or rear boundary (or from the centre line of an adjoining laneway);
  - Be less than 5 metres to a street boundary;
- The adjusted floorplate is designed and spaced to:
  - Reduce impact on existing and potential neighbours in terms of privacy, outlook, daylight and sunlight access.
  - Minimise visual bulk.
  - Reduce impact on public spaces, including overshadowing and wind effects and reduced visual dominance.
  - Buildings do not visually dominate heritage places.
<table>
<thead>
<tr>
<th>Design Element</th>
<th>Preferred Requirement (Figure 3)</th>
<th>Modified Requirement (Figure 3)</th>
<th>Built Form Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>wall</td>
<td></td>
<td>• be less than 10 metres to an adjoining tower on the site.</td>
<td>and streetscapes, nor significant view lines.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• buildings do not appear as a continuous wall at street level or from nearby vantage points and maintain open sky views between them.</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 3 to Table 3**

**TOWERS UP TO 80 METRES IN TOTAL HEIGHT**

<table>
<thead>
<tr>
<th>Preferred Requirement:</th>
<th>Modified Requirement:</th>
<th>Modified Requirement:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street setbacks ~ 10m minimum</td>
<td>Building to one boundary</td>
<td>Building to corner or public space</td>
</tr>
<tr>
<td>Side &amp; rear setbacks = 5m minimum</td>
<td>Street setbacks = 5m minimum</td>
<td></td>
</tr>
</tbody>
</table>

![Diagram showing towers up to 80 metres in total height with preferred and modified requirements.](image-url)
**2.4 Exemption from notice and appeal**

An application to construct a building or construct or carry out works 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.

**2.5 Application Requirements**

If in the opinion of the responsible authority an application requirement listed below is not relevant to the assessment of the application, the responsible authority may waive or reduce the requirement.

**Urban context report**

An application for permit must be accompanied by a written and illustrated urban context report.

The urban context report must:

- explain the key planning, design and contextual considerations and influence on the proposed buildings and works.
- describe the existing urban context of the area in which the proposed buildings and works are to be located.
- explain how the proposed buildings and works relate to and respond to their urban context including:
  - built form character of adjacent and nearby buildings.
  - equitable outcomes for potential development on adjoining sites.
  - heritage character of adjacent and nearby heritage places.
- identify the key opportunities and constraints supporting the design response.
- explain the effect of the proposed buildings and works, including on:
microclimate, including sunlight, daylight and wind impacts on streets and other public spaces.

vistas.

- Explain how the proposed buildings and works respond to each of the Design Objectives and the Built Form Outcomes in Table 3 of this schedule, as appropriate.

Wind analysis report

An application for a permit for a building with a total building height in excess of 40 metres must be accompanied by a wind analysis report prepared by a suitably qualified person. The wind analysis report must:

- explain the effect of the proposed development on the wind conditions in publicly accessible areas within a distance equal to half the longest width of the building, measured from all façades, or half the total height of the building, whichever is greater.
- at a minimum, model the wind effects of the proposed development and its surrounding buildings (existing and proposed) using wind tunnel testing.
- identify the principal role of each portion of the publicly accessible areas for sitting, standing or walking purposes.
- not rely on street trees or any other element such as screens, within public areas for wind mitigation.

3D digital model of buildings and works

An application for a permit must be accompanied by a 3D digital model of the proposed buildings and works in a format to the satisfaction of the responsible authority. The model may be used for assessing overshadowing and visual impacts caused by the proposal and for general archive, research and public information purposes.

3.0 Subdivision

A permit is not required to subdivide land.

4.0 Advertising signs

None specified.

5.0 Decision guidelines

Before deciding on an application, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:

- The Design Objectives.
- The Built Form Outcomes of Table 3 to this schedule.
- Whether the development respects the built form scale and urban structure of the precinct where it is located.
- Whether the development provides a high quality architectural response.
- Whether the cumulative effect of the proposed development in association with adjoining existing and potential development supports a high quality of pedestrian amenity in the public realm, in relation to human scale and microclimate conditions including overshadowing and wind impacts.
- Whether the development provides a high level of amenity for building occupants.
Whether the proposed street wall height responds appropriately to the prevalent parapet height of adjoining buildings, respects the scale of adjoining heritage places and provides a human scale.

Whether the proposed tower setbacks are sufficient to allow for equitable access to privacy, sunlight, daylight and outlook from habitable rooms for both existing and potential development of adjoining sites.

An appropriate mechanism to restrict development on an adjoining site where the proposed development relies on that site.

Securing the floor area ratio across a site where a site is developed in part to ensure:
- that an agreement be entered into to acknowledge that the remaining site cannot be later developed;
- that when a heritage building being retained, that an agreement be entered into to conserve the heritage building in perpetuity;
- that the proposed building is sited so that adequate setbacks are maintained in the event that the land is subdivided or separate land holdings are administratively effected to create a future development site.

The location of the site and whether it has an interface with the Westgate Freeway and/or is an island site.

The effect of the proposed buildings and works on solar access to existing and proposed open spaces and public places.

The potential for increased ground-level wind gust speeds and the effect on pedestrian comfort and the amenity of public places, with allowance to exceed uncomfortable conditions only if the wind effects of the proposed development do not exceed the existing wind condition(s).

### 6.0 Reference documents

23/11/2016 C270


### 7.0 Transitional arrangements

The requirements of this schedule do not apply to:

- an application (including an application to amend the permit) made before the commencement of Amendment C262 to this planning scheme. For such applications, the requirements of this scheme, as they were in force immediately before the commencement of Amendment C262, continue to apply.

- an application (including an application to amend the permit) made after the commencement of Amendment C262 but before the commencement of Amendment C270 to this planning scheme. For such applications, the requirements of this schedule, as they were in force immediately before the commencement of Amendment C270, continue to apply.
FLOOR AREA UPLIFT AND DELIVERY OF PUBLIC BENEFITS

This policy applies to land within Schedules 1, 2 and 3 of the Capital City Zone that are also subject to Schedule 10 to the Design and Development Overlay.

Policy Basis

The State Planning Policy Framework sets out objectives to ensure that planning in Victoria is fostered through appropriate land use and development planning policies and practices which integrates relevant environmental, social and economic factors in the interests of net community benefit and sustainable development. Similarly, the Municipal Strategic Statement at Clause 21.04 sets out objectives to provide for the anticipated growth in the municipality over the next twenty years.

Objectives

- To ensure that a development delivers a commensurate public benefit when Floor Area Uplift is sought.

Policy

When a Floor Area Uplift requires the delivery of a public benefit, it is policy to:

- ensure the appropriateness and value of the public benefit(s); and
- ensure the management and maintenance of the public benefit(s); and
- ensure the complete and timely delivery of the public benefit(s).

Policy Implementation

In considering any Floor Area Uplift as set out in this policy, the responsible authority in consultation with the receiving agency of the proposed public benefit(s) must assess whether the Floor Area uplift is appropriately matched by the public benefit(s) to be provided, by considering the following:

- whether the public benefit(s) is consistent with state and local policy, strategic initiatives and relevant guidelines; and
- whether the quantity and value of the Floor Area Uplift has been appropriately calculated and the proposed public benefit(s) is of a matching value; and
- whether the proposed public benefit(s) can be realistically delivered and secured by a suitable legal agreement; and
- whether the proposed public benefit is supported by the proposed receiving agency and can be maintained for a reasonable period of time.

Definitions

Floor Area Ratio means the gross floor area above ground of all buildings on a site, including all enclosed areas, services, lifts, car stackers and covered balconies, divided by the site area. Voids associated with lifts, car stackers and similar service elements should be considered as multiple floors of the same height as adjacent floors or 3.0 metres if there is no adjacent floor.

Floor Area Uplift means the part of the building(s) containing the uppermost floor area of the building, without which the building(s) would not exceed a floor area ratio of 18:1.
Policy Reference

*Central City Built Form Review Synthesis Report, Department of Environment, Land, Water and Planning, April 2016*

*How to Calculate Floor Area Uplifts and Public Benefits, Department of Environment, Land, Water and Planning (as amended from time to time)*
This document provides guidance about how to calculate the value of a Floor Area Uplift and what equivalent Public Benefits may be provided to satisfy Schedules 1, 2 and 3 to the Capital City Zone in the Melbourne Planning Scheme, for land to which Schedule 10 to the Design and Development Overlay also applies.

This publicly available document is to be reviewed by the Minister for Planning in consultation with Melbourne City Council annually by 1 July with any updates taking effect from 1 January following.

**Floor Area Uplift and Public Benefit**

For the purposes of this document:

- The *Floor Area Uplift* is that part of a building containing the uppermost floor area of the building, without which the building would not exceed a floor area ratio of 18:1.
- The floor area and floor area ratio of a building are calculated in accordance with Schedules 1, 2 or 3 to the Capital City Zone, as applicable.
- The value of a *Floor Area Uplift* is calculated in accordance with the Floor Area Uplift Calculation Schedule.

A Public Benefit provided should be:

- within a *Public Benefit* category listed in the Public Benefits Schedule;
- valued in accordance with the Public Benefits Schedule; and
- of equal or greater value than the value of the *Floor Area Uplift* that forms part of the proposed development.

**Floor Area Uplift Calculation Schedule**

The value of any *Floor Area Uplift* is measured as 10% of the gross realisation value per square metre (GRV/m²) for all additional floor area above the allowable 18:1 floor area ratio.

For the purposes of this schedule:

- The GRV/m² depends on the corresponding use(s) and the precinct in which the development is located. It is based on gross floor area calculated in accordance with Schedules 1, 2 or 3 to the Capital City Zone, as applicable.
- The corresponding *Use(s)* of the *Floor Area Uplift* is the use or uses listed in Table 1 that most closely resemble the proposed use(s) of the *Floor Area Uplift*.
- The *Precinct* in which the development is located is identifiable in Figure 1.
Table 1 – GROSS REALISATION VALUES per square metre (GRV/m²)  1 January 2016

<table>
<thead>
<tr>
<th>USE</th>
<th>PRECINCT</th>
<th>(see Fig.1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>Eastern Core</td>
<td>$17,000</td>
</tr>
<tr>
<td></td>
<td>North Eastern</td>
<td>$14,000</td>
</tr>
<tr>
<td></td>
<td>Civic</td>
<td>$16,000</td>
</tr>
<tr>
<td></td>
<td>Flagstaff</td>
<td>$15,000</td>
</tr>
<tr>
<td></td>
<td>Western Core</td>
<td>$17,000</td>
</tr>
<tr>
<td></td>
<td>Spencer</td>
<td>$14,000</td>
</tr>
<tr>
<td></td>
<td>Southbank</td>
<td>$12,000</td>
</tr>
<tr>
<td></td>
<td>Docklands</td>
<td>$14,000</td>
</tr>
<tr>
<td>Hospitality</td>
<td>$9,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$8,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$8,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$7,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$7,500</td>
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<td></td>
<td>$6,500</td>
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<td></td>
<td>$6,500</td>
<td></td>
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<tr>
<td></td>
<td>$6,500</td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>$9,000</td>
<td></td>
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<tr>
<td></td>
<td>$6,000</td>
<td></td>
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<tr>
<td></td>
<td>$7,000</td>
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<td></td>
<td>$5,500</td>
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<tr>
<td></td>
<td>$5,000</td>
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</tr>
<tr>
<td>Residential</td>
<td>$9,000</td>
<td></td>
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<tr>
<td></td>
<td>$8,000</td>
<td></td>
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<tr>
<td></td>
<td>$8,000</td>
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<td></td>
<td>$7,000</td>
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<td>$7,500</td>
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<td></td>
<td>$6,500</td>
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<td></td>
<td>$6,500</td>
<td></td>
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<tr>
<td></td>
<td>$6,500</td>
<td></td>
</tr>
</tbody>
</table>

Source: SGS using EY data

Figure 1 – GRV PRECINCTS MAP

Source: Precincts reflect Property Council of Australia “Melbourne Markets”
Public Benefits Schedule

The categories and valuation of available Public Benefits are listed in the Table below. Other proposals may be considered if the Public Benefit is agreed to be of comparable relevance and value.

The agreement to any Public Benefit is at the discretion of the responsible authority and is conditional on support from the receiving agency (if the receiving agency is not the responsible authority). The Public Benefit should be consistent with government policy.

The receiving agency is the body to which the Public Benefit will be transferred or which will become the formally designated manager of the Public Benefit.

The value of a Public Benefit is determined by the responsible authority according to the method specified in Table 2 below for the category of Public Benefit proposed. The value of the Public Benefit will be indexed from the date the permit is issued.

The Estimated Value provided for each category in the Table 2 below is to guide initial negotiation of the Public Benefit. An independent valuation should be obtained, at the cost of the applicant, to inform the legal agreement required by the Planning Scheme. Any related administrative and/or holding costs agreed with the Responsible Authority, may be added to the valuation.

Agreed Public Benefits must be delivered to the satisfaction of the responsible authority and the receiving agency (if different) prior to the occupation of the development or as otherwise agreed by the Responsible Authority in consultation with any receiving agency. The legal agreement may require a financial bond to guarantee adequate delivery of the Public Benefit.

The Responsible Authority will maintain a register of Public Benefit legal agreements and report on the operation of the process at the time of annual review.
<table>
<thead>
<tr>
<th>Public Benefit category</th>
<th>Description and Components</th>
<th>Valuation (and Estimated Value)</th>
</tr>
</thead>
</table>
| Publicly accessible open areas on site (additional to any public open space contribution under Clause 52.01 of the Planning Scheme) | Plazas, laneways, required setbacks and parks directly accessible from public street or public area. The provision may include one or more of the following components:  
  a) An area whose title is transferred to a public authority, municipal council or the Crown  
  b) An area retained in private ownership with a legal encumbrance to provide unrestricted public access and an appropriate private maintenance regime  
  c) Civil works such as paving, walls, canopies, artworks, furniture, planting, irrigation, drainage and ancillary works necessary for the proper functioning of the area (but excluding site preparation and any sub-structure), to the satisfaction of the receiving agency | The valuation may include one or more of the following components (corresponding to the Description and Components at left):  
  a) Independent market valuation of the transferred land based on location (est. $15,000 - 25,000 / m²)  
  b) Independent market valuation of the land prior to encumbrance based on location (est. $15,000 – 25,000 / m²)  
  c) Independent quantity surveyor valuation of the civil works (Hard landscaped areas: est. $1,500 – 2,500 / m²) (Soft landscaped areas: est. $1,000 – 1,500 / m²)  
  d) In all cases related administrative and/or holding costs, as justified |
| Publicly accessible enclosed areas within proposed building       | Independent floor space suitable for public or a registered not-for-profit use with appropriate access from public area or street. The provision may include one or more of the following components:  
  a) An enclosed area whose title is transferred to a public authority, municipal council or the Crown  
  b) An enclosed area leased at a peppercorn rent to a public authority, municipal council or the Crown for a period of at least 10 years  
  c) Fit-out works such as finishes, fixed furnishings, lighting, air conditioning and other services necessary for the proper functioning of the area to the satisfaction of the receiving agency, but excluding structure, building envelope or general servicing (unless those are transferred to the receiving agency) | The valuation may include one or more of the following components (corresponding to the Description and Components at left):  
  a) Independent market valuation of the transferred area (est. GRV/m² from Table 1 for the predominant building use for the precinct specified in Fig.1)  
  b) Independent market valuation of the leasehold value for the total duration of the lease (est. 5% of GRV/m² per annum for the equivalent building use for the precinct specified in Fig. 1)  
  c) Independent quantity surveyor valuation of the fit-out works (est. $2,000 – 3,000 / m²)  
  d) In all cases, related administrative and/or holding costs as justified |
| Affordable housing within proposed building                       | A dwelling unit or units whose title is transferred free of charge to a not-for-profit registered housing association or provider | Independent market valuation of the transferred dwelling unit (est. GRV/m² from Fig. 1 for residential use for precinct specified in Fig. 1)  
  In all cases, related administrative and/or holding costs as justified. |
| Competitive design process for design of proposed building        | Australian Institute of Architects endorsed applicant sponsored competitive design process utilising Australian Institute of Architects Architectural Competition Guidelines. | Double the cost of documented architectural fees and administration costs associated with the competition including fees of Australian Institute of Architects as the endorsing agency (est. $1.0M – 2.0M) |
| Strategically justified uses including Office on site or within proposed building | Office use (or desirable educational or community related use, agreed with the Responsible Authority) secured by legal agreement for a period of at least 10 years | Independent market valuation of the difference in gross realisation value between commercial office use or other agreed use and residential use for the precinct where the development is located (est. Difference in GRV/m² between commercial and residential uses from Table 1 for precinct where the development is located) |
### Example Calculation

An example of how to calculate the value of any Floor Area Uplift and the value of a corresponding Public Benefit is set out in Table 3.

#### Table 3 – Example Calculation

<table>
<thead>
<tr>
<th>Step</th>
<th>Calculation</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Base Gross Floor Area (ie floor area available based on a floor area ratio of 18:1)</td>
<td>Site Area x 18</td>
</tr>
<tr>
<td>2.</td>
<td>Proposed Development Gross Floor Area</td>
<td>Floor Area calculated in accordance with Schedule 1, 2 or 3 of the Capital City Zone, as applicable</td>
</tr>
<tr>
<td>3.</td>
<td>Floor Area Uplift (FAU) sought in square metres</td>
<td>Proposed Gross Floor Area (from Step 2) minus Base Gross Floor Area (from Step 1)</td>
</tr>
<tr>
<td>4.</td>
<td>Base data for valuing FAU</td>
<td>GRV/m² associated with applicable Use of FAU in applicable Precinct as derived from Table 1 and Fig.1</td>
</tr>
<tr>
<td>5.</td>
<td>Value of each square metre of FAU</td>
<td>10% of applicable GRV/m²(from Step 4)</td>
</tr>
<tr>
<td>6.</td>
<td>Total value of FAU</td>
<td>FAU sought (from Step 3) x value of each square metre of FAU (from Step 5)</td>
</tr>
<tr>
<td>7.</td>
<td>Value of Public Benefit to be provided</td>
<td>Equal to (or greater than) the total value of FAU (from Step 6)</td>
</tr>
<tr>
<td>8.</td>
<td>Agreed Public Benefit to be provided</td>
<td>Total value of each component as specified in Table 2. There may be a mix of Benefits from different categories and a combination of components from each category (eg. land and works) Administrative and holding costs may also be agreed</td>
</tr>
</tbody>
</table>

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### Accessibility

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The Victorian Government has introduced new planning controls to guide development and support the long-term liveability of Melbourne’s central city. Developed in collaboration with the City of Melbourne, the new provisions provide adequate separation between tall buildings and to the street, ensure that public space and important landmarks are protected from wind and overshadowing, and establish a reasonable floor area ratio for new developments.

The provisions, which apply to the Hoddle Grid and Southbank, bring Melbourne up to speed with planning rules used in cities across the world, such as New York, Singapore, Vancouver, and Sydney.

Over the past 20 years, Melbourne has experienced significant growth in the number and density of new developments in the central city. This is challenging both the urban amenity that drives Melbourne’s renowned liveability and the efficient operation of the planning process that facilitates it.

Development in the central city has a fundamental influence on Melbourne’s identity and liveability, so it’s important that we plan now for the future we want to see.

The changes that have been introduced will provide improved public amenity and deliver consistency and certainty that will ensure our city grows in a way that enhances all that makes it the world’s most liveable city and an attractive place to live, work, visit and invest.

CENTRAL CITY BUILT FORM REVIEW

In September 2015, the Minister for Planning announced a review of Melbourne’s central city built form and introduced interim controls to manage development outcomes while the review was underway and permanent controls were being developed.

The documentation generated by the review provided the basis for the new planning controls, which were prepared as a planning scheme amendment and underwent a full public exhibition and independent planning panel process.
The new controls apply to Melbourne’s central city, including the Hoddle Grid and Southbank.

CENTRAL CITY AREA

CENTRAL CITY PLANNING PROVISIONS

The new provisions will ensure that there is adequate separation between buildings and the street, public space is protected from wind and overshadowing, and development opportunities provide public benefits.

Reinforced shadowing and wind controls

- Discretionary and mandatory overshadowing requirements to protect key public spaces at key times. The key public spaces include:
  - Federation Square
  - the State Library forecourt
  - the Shrine of Remembrance
  - Yarra River
  - City Square
  - Bourke Street Mall
  - Boyd Park in Southbank.
- Revised wind speed criteria based on average comfort levels and not just extreme wind events.
Floor area ratio with public benefits

- A reasonable base floor area ratio of 18:1, with discretion to agree to a floor area uplift bonus if all relevant built form parameters are met, and an appropriate public benefit is provided to share added value.

Floor area uplift

It is common practice around the world to require public benefits when the floor area ratio exceeds the base level. The value of the extra floor area will be transparently calculated and the public benefits to be provided will be publicly reported.

**Floor Area Uplift Calculation**

- Additional Floor Area
- Extra Commercial Value
- 10% Public Share
- Value of Benefit

**Public Benefits (agreed with council)**

- Public open space and laneways on site
- Strategic use (office)
- Public space in the building
- Affordable housing in the building

Fixed tower setbacks with defined flexibility

- A street wall height (podium) up to 20m, with discretion to increase the street wall height to 40m to match the existing streetscape, and the ability to increase this height for sites on main street corners.
- A preferred street setback of 10m for towers above the street wall (podium) with discretion to reduce to 5m.
- A minimum side and rear setback of 5m for buildings up to 80m high above the street wall (podium), except where it can be demonstrated that building to one boundary is justified by context and does not unduly impact neighbours’ amenity.
- A minimum side and rear setback of 6% of the overall height for buildings over 80m, with discretion to allow the building floor plate to be adjusted.
- A minimum setback between towers within the same site of 6% of the total combined height, with discretion to allow the building floor plate to be adjusted.
Towers up to 80 metres in total height

<table>
<thead>
<tr>
<th>Preferred requirement</th>
<th>Modified requirement</th>
<th>Modified requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street setbacks = 10m minimum</td>
<td>Building to one boundary</td>
<td>Building to corner or public space</td>
</tr>
<tr>
<td>Side &amp; rear setbacks = 5m minimum</td>
<td>Street setbacks = 5m minimum</td>
<td></td>
</tr>
</tbody>
</table>

Towers greater than 80 metres in total height

<table>
<thead>
<tr>
<th>Preferred requirement</th>
<th>Modified requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street setbacks = 10m minimum</td>
<td>No increase in floorplate area</td>
</tr>
<tr>
<td>Side &amp; rear setbacks = 6% total height minimum</td>
<td>Street setback = 5m minimum</td>
</tr>
<tr>
<td></td>
<td>Side or rear setback = 5m minimum</td>
</tr>
</tbody>
</table>

Height controls only in special areas

All pre-existing height controls, such as in Bourke Hill, have been maintained. A revised boundary has been established for the Retail Core height controls to protect the western side of Elizabeth Street which is to generally align with the zoning.
A floor area ratio (FAR), also known as a plot ratio, is a measure representing the density of a building or buildings within a specified area of land. For example, if a site has an area of 1,000m², a FAR of 18:1 allows the construction of 18,000m² of floor space. This might be a building built across the whole site to 18 storeys or a building built on half the site to 36 storeys.

FAR is widely used around the world to assess density, including in Sydney, Chicago, Singapore, New York, Perth and Auckland.

The central city will continue to offer competitive development opportunities, with a FAR of 18:1 that is more generous than what is in place in other Australian and most international cities.
DEVELOPMENT POTENTIAL UNDER NEW CONTROLS

Sample area: Bourke Street and Spencer Street, Hoddle Grid

**FORMER CONTROLS**

**NEW CONTROLS**

Sample area: Queensbridge Street and City Road, Southbank

**FORMER CONTROLS**

**NEW CONTROLS**


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