

# Submission Cover Sheet

Fishermans Bend Planning Review Panel

# 148

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**Request to be heard?:** No - Copy of Directions and

**Precinct:** General

**Full Name:** Carmel McCormack

**Organisation:** Planning Institute Australia - Victoria

**Affected property:**

**Attachment 1:** Fishermans\_Bend

**Attachment 2:**

**Attachment 3:**

**Comments:** Attached.

15 December 2017



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**SUBMISSION BY THE PLANNING INSTITUTE OF AUSTRALIA (VICTORIAN DIVISION)  
to Draft Planning Scheme Amendment GC81 (Melbourne P.S. and Port Phillip P.S.)**

Thank you for the opportunity to comment on the proposed reforms to public and shared housing.

As you would be aware PIA is the national voice for planning and the planning profession with more than 5,200 members nationally, over 1100 of whom are in Victoria. This submission has been prepared by the Victorian Committee of PIA.

This submission is lodged on behalf of the Victorian Division Committee of the Planning Institute of Australia [PIA (Vic)].

Consistent with PIA's role as an advocate for great planning outcomes, and for processes and mechanisms that support the achievement of these, this submission primarily focuses on whether the proposed Amendment provides an adequate and appropriate basis for delivering what is one of the most ambitious urban transformation areas in Victoria's history, in addition to review of the proposed component provisions.

PIA continues to advocate for the following key fundamentals for this precinct.

**A Generational Opportunity**

The Fishermans Bend area provides Melbourne with excellent potential for its orderly transformation from previously low-density service and industrial uses to a vibrant 'twenty-first century' mixed use urban area located within close proximity to central Melbourne. PIA commends the initiative of planning for the transformation of this area. As an area that is largely capable of 'wholesale' transformation, this provides an opportunity – or rather an obligation – to set a benchmark in delivery of urban areas that are sustainability, liveable and healthy.

A major component of creating such an urban environment is by ensuring that it is not 'car-dependent'. As found through the recent Infrastructure Victoria research, it is predicted that by 2030 Melbourne is likely to remain a car dominated city, with driving still accounting for more than 70 per cent of trips. It is important that Fishermans Bend develops in a way that ensures all residents, employees and visitors can access and move throughout the area practically and easily without the need to utilise private motor vehicles. This is a key characteristic of great urban places globally. Fishermans Bend provides the opportunity to replicate this characteristic, which needs to be a priority and implemented as areas are developed, which will result in a requisite behaviour change that yields the full benefits.

Sustainability and Innovation have been at the core of the Fishermans Bend Framework and this importance is elevated through the 8 sustainability goals in the Framework. Alternative and innovative transport options including autonomous vehicles would assist in achieving these goals while contributing to the delivery of a world class, sustainable and admirable urban renewal precinct.

### **Land Use and Infrastructure Nexus**

This requires alignment of land use planning and statutory regulation with the planning and delivery of infrastructure ('hard' and 'soft') and other facilities required to service and support the new population and economic activity. A vital component of this is delivery of infrastructure in parallel with land development and evolution of new communities. In turn, this requires clarity about funding sources that ensure timely delivery of services as the areas grow, avoiding backlogs or periods where new residents are under-served.

Enhanced public transport infrastructure is a particularly important element required for the transformation of Fishermans Bend. This should be delivered concurrently with development, or ideally in advance of it as a catalyst stimulus. Beneficiaries landowners may be willing contributors to assist early delivery, reflecting enhanced development and sales potential.

Supporting documentation for proposed Amendment GC81 and the draft Framework include statements about the merit and possible location of various infrastructure and community facilities, but do not contain clear and refined mechanisms for delivery.

It is concerning that key infrastructure to this precinct is still yet to be confirmed with a business case being submitted for the proposed tram line next year. PIA continues to advocate for early delivery of this fundamental infrastructure as a priority.

### **Development Contributions and Value Capture**

Public decisions resulting in allocating land for intensified development generate substantial 'windfall' uplifts in the value of land. Concurrently, the approval for intensification generates additional demand for new or supplemented infrastructure and facilities to support the areas being developed. If poorly managed, this can result in 'externalised' costs being borne by the wider community (local and state government or infrastructure agencies) with little contribution by those able to capitalise the financial benefits of this public decision.

An equitable balance should be found between the financial benefits and costs involved in designating areas for intensified development. The optimal outcome would be for all additional costs supporting the development of an area to be fully met through 'capturing' a portion of the uplift of value (or 'betterment') that will result from the public decision.

A Development Contributions Plan (DCP) would provide more certainty upfront and be consistent with the planning for all other future precincts across Melbourne.

### **Developer Certainty**

It is important to align clarity about the scale of development that will be approved with an indication of the contributions that will need to be made to enable this development to occur. An informed land market can then price this into transactions, reducing speculation, stabilising prices and providing certainty of demand outcomes for infrastructure and service providers. This also provides certainty of outcomes (for both private and public components) to affected communities.

The proposed Amendment does not appear to be adequately equipped to achieve this. It lacks clarity about the aggregate level of development and does not provide clear mechanisms that will ensure sufficient or timely delivery of supportive infrastructure. Reference is made to subsequent tools being devised that will address this in the future.

The appropriate timing for these mechanisms to be put in place clearly and transparently is at the point of approval of development controls, which sets the potential scale of development. Deferring this to the stage of individual development approvals reduces certainty and transparency and does not give the market a strong incentive to reflect true costs, in turn reducing the market's capacity to feasibly provide a proportionate contribution.

### **Certainty of Built Form Outcomes**

The proposed planning provisions do not provide clarity about the eventual scale or composition of residential or non-residential uses. Greater use of mandated scale, guided by strong urban design guidance, would reduce this risk and enable more sophisticated forward service planning and concurrent provision. It is also important to ensure that the anticipated built form outcomes to be achieved through the proposed floor area ratios in the zones are consistent with the built form requirements hoped to be achieved through the relevant Design and Development Overlays (DDO).

The proposed use of the Floor Area Ratio is anticipated to direct use and built form. This is complicated by the DDO which derives preferred built form outcomes, which is not clear when the FAR is applied.

Unlike Amendment C270 (Melbourne Central City Built Form Review), no guidelines have been developed to assist in determining how to calculate the Floor Area Uplift (FAU). PIA strongly urge the Taskforce to consider a similar approach and prepare supporting guidelines for this precinct.

### **Employment Precinct**

PIA acknowledge that the Employment Precinct has not been included in the proposed planning controls however, as a cohesive and integrated precinct and to avoid piecemeal planning, PIA believe that the mechanisms of all precincts should be considered concurrently.

### **Affordable Housing**

PIA applauds the Taskforce for setting a target for the inclusion of affordable housing to be included in this area, in addition to including this provision as a public benefit option for floor area uplift. Although PIA would advocate for more than 6%, we support this initiative and its implementation through proposed Local Planning Policy 22.27.

If you wish to discuss any aspect of this submission, please do not hesitate to contact the Victorian Executive Officer, Carmel McCormack or myself on 03 9654 3777.

Yours sincerely



Laura Murray  
**President PIA Victoria**