Flexibility and development incentives

The MAC supports development incentives including
• Planning certainty – no major review before 10 years
• Structuring FAU rules to provide clear ‘win-win’
• Planned early delivery of essential infrastructure
• Certainty of the timeframes for development applications
• Fast tracking for applications meeting 5 Star or higher Green Star (as Built)
• Flexible interpretation of some controls subject to validation by a Development Viability Assessment Panel
• Developer-led Development Plan Overlays allowing performance based flexibility within a master planned area, and
• Greater planning flexibility for specified catalyst projects

The MAC has previously noted that incentives for development need to be put in place to help offset the fact that, given the planning history of the Area, the planning regime in Fishermans Bend must be more directive and more complex than in other locations across Melbourne.

The MAC supports the provision of incentives for development to proceed and to deliver public benefits including
➢ maximising certainty of planning outcomes (do not undertake another major review before 10 years)
➢ structuring density bonus rules to provide clear ‘win-win’ outcomes (see comments on current inadequate FAU provisions and note importance of ‘off site’ delivery of affordable housing)
➢ the early delivery of essential infrastructure (The MAC recommends that the Government put in place a funding and financing strategy and governance arrangements at the same time as introducing new planning controls for the Area)
➢ maximising certainty of the timeframes for development approvals (the MAC recommends establishing benchmark timeframes for FB development decisions supported by an application facilitation service within the proposed new governance arrangements for development proponents in the Area)
➢ Fast tracking for applications meeting 5 Star or higher Green Star (as Built) specifications
- providing for flexible interpretation of some controls (particularly requirement for employment FAR) on the basis of development viability subject to validation by a Development Viability Assessment Panel,
- Providing for developer led Development Plan Overlays which provide for performance based flexibility within a masterplanned area, and
- allowing greater planning flexibility for specified catalyst projects of major significance to the realisation of the Vision while still ensuring good urban design outcomes and providing for transparency in decision making in relation to these projects.
• Time extensions to already approved permits should be limited to those where construction has commenced, where the immediate viability of the development can be demonstrated by anchor tenants or evidence of active development, where the development demonstrates exemplary planning outcomes or where a permit would be likely to be issued for a similar development if a fresh application were made.

• Existing permits are legally binding and must be honoured
• However, given the inconsistency of many of permits with the new controls, the MAC recommends that time extensions on existing permits in the Capital City Zones be granted only under limited conditions
• The Ministerial call-in of existing applications was an option proposed by the MAC in its first Report to address the poor urban outcomes which would ensue if they were assessed under the existing light handed regulation.
• More recently, the MAC has recommended that once the new controls are finalised, the existing ‘live’ permit applications, submitted prior to October 2017, should be assessed against those permanent planning controls that relate to how the development impacts the site itself and its immediate physical surrounds, but that other new controls that relate to other broader planning aspirations (such as 4 Star Green Star and commercial floor space) not be mandated in the assessment of these applications
Transport (including public transport, walking and cycling, parking and freight) – MAC recommendations

- 80:20 mode share - critical to achieve liveability, avoid gridlock and protect access to the Port – but difficult
- Support the Hartley Street tram/walking and cycling alignment
- Early establishment of key trunk cycling and walking corridors between the CBD and Fishermans
- First stage of new tram routes and key bicycle routes completed by 2023

- Support the 80:20 mode share target and the measures outlined to achieve it - critical to achieve liveability, avoid gridlock and protect access to the Port – but difficult to achieve and requires rigorous planning and investment including transformational walking and cycling investment, local jobs to reduce commuter travel, public transport including trams and trains, freight management, restrictions on parking and parking stations
- Support the Hartley Street tram/walking and cycling alignment as shown in the draft Framework
- Support the early establishment of key trunk cycling and walking corridors between the CBD and Fishermans Bend via Montague St in order to demonstrate the transformational approach needed to deliver the 80:20 mode share target.
- Ensure that the construction of the first stage of new tram routes and key bicycle routes is completed within 5 years of the plan’s adoption (ie by 2023)

The tram bridge and its alignment are clearly controversial, and for that reason it received deep consideration by the MAC and it’s transport working group
The group concluded that:
- A new tram service is essential to service FB particularly Lorimer, the Employment Precinct, Sandridge and Wirraway
- New attractive walking and cycling connections to Docklands and the CBD are also essential,
- The Hartley St option is the best available practical option following consideration of all the issues
- The bridge must have at least 6 m clearance from the River
- The design will need to be very carefully developed in consultation with affected residents and businesses
- Alternative arrangements will need to be developed for those marina berth lessees with boats with tall masts and flybridges

- The development of the new connecting cycling walking and tram alignment as not only a link of transport movement systems but also one of integration of parks to either side with an interconnecting link of high amenity recognizing costs are similar to the costs are comparable to the buying and developing land within adjoining areas but that leverage in this instance is considerable
### Transport – MAC recommendations (cont)

- Freight
- Crossovers
- Precinct parking stations
- Car parking
- Future Metro alignment through Employment Precinct **not** Wirraway
- Public wharves on the Yarra
- Autonomous vehicles

<table>
<thead>
<tr>
<th>Feature</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight</td>
<td>Strongly support the provisions in the draft Framework to limit freight in Lorimer Street in the short and long term consistent with assurances given when Webb Dock container development was proposed ie Access to Webb Dock will be via the new connections to the Westgate Freeway and Lorimer Street will be used only for local freight and overdimensional vehicles (NB This remains the assumption in Infrastructure Victoria’s work on the Port). Provide for the ongoing monitoring of freight relating to Webb Dock</td>
</tr>
<tr>
<td>Crossovers</td>
<td>Support the commitment to design street networks to minimise conflict between modes of transport as proposed in the draft Framework and the proposal to designate a series of streets where no crossovers are to be permitted while recognising the need to ensure the right balance between encouraging active transport and still enabling reasonable access to private properties from public roads.</td>
</tr>
<tr>
<td>Precinct parking stations</td>
<td>Prepare a business case for demonstration precinct parking stations to be constructed in Lorimer and Montague each to provide parking for about 300 cars.</td>
</tr>
<tr>
<td>Car parking</td>
<td>Strictly limit planning approvals for car parking to 0.5 car spaces per dwelling pending evaluation of these demonstration projects.</td>
</tr>
<tr>
<td>Future Metro alignment through Employment Precinct <strong>not</strong> Wirraway</td>
<td>Ensure that planning for the future Metro alignment is through the Employment Precinct <strong>not</strong> Wirraway in order to maximise the capacity of FB to support job growth and to provide access to those jobs from the Western suburbs (and implement early)</td>
</tr>
<tr>
<td>Public wharves on the Yarra</td>
<td>Plan for the early provision of public wharves on the Yarra to support the delivery of ferry and water taxi services</td>
</tr>
</tbody>
</table>
• Consider the FB or at least the Employment precinct as a trial site for autonomous cars and buses
Funding and finance – MAC recommendations

- Finalise the Funding and Finance Plan and governance arrangements to be released at the same time as the planning controls
- Establish a comprehensive value capture scheme
- In consultation with the local government authorities, establish a properly constituted Developer and/or Infrastructure Contribution Plan
- Provide for a 10% open space contribution (currently 8%)
- Establish a mechanism to ensure that rates in Fishermans Bend can be used as a method of value capture within the Area including specifically excluding it from the ‘Fair Go Rates System’
- Engage the Commonwealth Government

- Establish a comprehensive value capture scheme to support the funding of public infrastructure (including Developer/Infrastructure Contribution Plan, Open Space Contributions, Community Infrastructure Levy and Council rates (including special charges) from the renewal area) NB Current provisions established in 2012 should raise about $1.25 Billion by 2050
- In consultation with the local government authorities, establish a properly constituted Developer and/or Infrastructure Contribution Plan that provides for works in kind as well as cash contributions and rewards early provision of social infrastructure.
- Provide for a 10% open space contribution to allow the delivery of the proposed new open space in Fishermans Bend (currently 8%)
- Establish a mechanism to ensure that rates in Fishermans Bend can be used as a method of value capture within the Area to address the unintended consequences arising from rapidly escalating property values failing to lift rate revenue as expected and consider specifically excluding it from the ‘Fair Go Rates System’ on the basis of its unique and State significant urban renewal status.
- Establish administrative procedures across relevant State and local government agencies to ensure that a proportion of the value created by public investment in Fishermans Bend is retained and used to meet the needs of the Fishermans Bend redevelopment.
- Engage the Commonwealth Government under the City Deals and/or other programs to support the Fishermans Bend redevelopment by contributing to early initiatives,
particularly the tram and active transport links and affordable housing.

• It is reasonable to expect that value capture will fund the required open space and local community infrastructure and provide the land needed for education, transport and other State services. Additional mechanisms and/or Budget commitments will be needed to provide early funds for items such as key transport and education facilities.
The MAC has recommended

- Establishment of governance arrangements for Fishermans Bend which bring together ongoing responsibility for land use planning and industry ‘curation’ reflecting the unique circumstances and ambitions for the Area and providing for strong leadership with a concentrated focus and a mandate to drive development, a hands on integrated approach to problem solving and the powers and authority to act
- Reiteration of the commitment to work with the two Councils, local residents and businesses, developers and landowners, the surrounding community, and stakeholders on the development of precinct plans for each of the five precincts, on transition issues and on the longer term implementation of plans for Fishermans Bend
- The governance arrangements and the Funding and Finance plan should be released at the same time as the planning controls
Affordable and diverse housing – MAC recommendations

Affordable housing is a very high priority for the MAC members and submitters, but also the source of much confusion.

The MACs recommendations are:

- Establish a target of **10%** (currently 6%) of all housing to be affordable to **very low** - low and moderate income earners (i.e. social housing as well as key worker housing as currently provided for)
- Deliver affordable housing through the range of strategies outlined in the draft Framework including key worker provision as a standard development approach, provision of government land as an incentive for innovative social housing development, targeting of Government programs to the area, priority to aged care developments, Floor Area Uplift and other strategies
- Establish a voluntary provision via 173 agreements to allow the affordable housing agreed as part of Floor Area Uplift and gifted to a registered housing provider to be delivered off site but within the same precinct as the Uplift is provided and in a location with the same walkability index. (This is essential to make provision attractive and legislation should be changed if necessary)
- Review achievement of the 10% target within 5 years and if progress towards the target is not being made, then mandatory inclusionary zoning at that level should be enacted with the potential for exemptions based on development viability via the FB Development Viability Assessment Panel
Dwelling diversity is also a MAC priority

- Include a provision encouraging the delivery of dwelling diversity as suggested in the draft Framework in a local policy but do not mandate it in planning controls
- Consider the provision of a modest Floor Area Uplift for the provision of 3 or more bedroom apartments
- Require applicants for residential developments over 12 storeys to submit ‘alternative’ floorplates which demonstrates how 1 and 2 Bedroom apartments can be combined to achieve a 3 or more bedroom apartment at a purchaser’s request.
Community infrastructure

- Early Government commitments encouraging
- Community Infrastructure Plan sound
- Investigation areas sensible strategy to ‘nudge’ developer interest
- Community infrastructure delivery funded by Funding and Finance Plan
- FAU should not be source of funding for community infrastructure but only for bringing forward provision
- Uplift benefits should therefore be modest but clearly specified and included in the Planning Scheme
- FAU benefits should not be subject to planning discretion

- Early delivery of the school and community facilities and the new park by the Government and the City of Port Phillip are reassuring for the community and developers about commitment on the delivery of community infrastructure
- MAC supports the proposals for integrated community infrastructure outlined in the Draft Framework and the Community Infrastructure Plan.
- MAC also supports the identification of investigation areas to ‘nudge’ developer interest in provision of planned infrastructure rather than random ‘community facilities’
- Planned community infrastructure is intended to be funded as part of the Funding and Finance Plan (via DCP or the like) and may be delivered as works in kind. This delivery was NOT intended to deliver floor area uplift, and any confusion on this issue in the drafting of the controls should be addressed
- The intention in the Framework is that FAU be provided only for the cost of bringing forward the provision of specified community infrastructure to allow for earlier delivery than proposed in the Community Infrastructure Plan.
- This planning allowed for certainty of delivery of Community Infrastructure and possible early provision delivering very modest FAU benefits, and therefore modest increase in population.
Delivering attractive open space and the public realm and reserving land for future requirements

- Support overshadowing provisions which provide no additional overshadowing at the winter solstice in the middle of the day in each of the precinct parks and no additional overshadowing at the September equinox in the middle of the day in other significant open space (other than linear open space). Existing proposals may need review.
- Ensure that the value capture provisions provide fair consideration of the additional costs imposed on a landowner by the requirement to provide open space and/or roads on their site (i.e., the additional costs of developing the permissible floor area on a smaller site) or alternatively that full compensation be paid and the FAR be adjusted downward accordingly.
- Apply a Public Acquisitions Overlay to land which is required for a public purpose but it is not intended to be supported via a Development Contributions Plan or open space provision.
- Establish a voluntary provision via 173 agreements to allow the open space agreed as part of Floor Area Uplift to be delivered off site but within the same precinct as the Uplift is provided and in a location with the same walkability index.
- As part of the precinct planning process, develop master plans to support the coherent design and planning for the Area and to define the location, scale and typology of the structuring elements of place such as community facilities and open space. Establish a flexible ongoing master planning process to shape development over time.
- Demonstrate early commitment to realising the open space and biodiversity vision for
Fishermans Bend by giving priority to the development of the proposed Turner Street and Normanby Road Boulevards. This will involve the development of high quality pedestrian, public transport and cycling environments and attention to overshadowing and wind effects in land use planning, limiting vehicle access and elimination of crossovers among other things. Comprehensive master planning of abutting sites is essential to achieving this.

- Plan for the connection of Fishermans Bend to the Bay and plan for the upgrade of connections and infrastructure as part of the planning and funding arrangements for Fishermans Bend.
- Optimise the synergy between the draft Framework’s integrated water cycle management strategy and its open space approach to reduce the flood risk.
Sustainability, contamination and environmental issues
Green Star Community – independent certification

• Environmental sustainability has been a strong focus for the renewal of FB since planning commenced in 2011.
• Public and stakeholder consultation has consistently reinforced the priority of measures to ensure environmental sustainability and the opportunity to demonstrate best practice and innovation.
• The MAC is delighted that this emphasis has been directly reflected in the nomination of FB as a Green Star Community and in five of the goals of the draft Framework:
  ➢ a climate adept community
  ➢ a water sensitive community
  ➢ a biodiverse community
  ➢ a low carbon community
  ➢ a low waste community
• After much debate, the MAC endorsed the proposal for mandating as built 4 Star Green Star buildings but also proposed that approvals for buildings with higher Green Star standards should be fast tracked.
Water in the environment

- Green open space
- Green roofs and walls
- Green links through the area
- Integrated water cycle management
- 50% tree canopy cover

Integrated water cycle management requires planning to maximise and retain water in the environment through open space planning including swales, permeable surfaces wherever possible, rain gardens, provision for deep soil planting and clever building design.
The Framework and controls provide for the maximisation of the use of waste water, the retention of water on site and precinct scale sewer mining.

Existing proposed planning provisions in some parts of the Area require no habitable rooms below 3 meters in order to address potential worst case flood contingencies – a requirement which will have negative consequences to the liveability of the area. In view of the other provisions, this seems excessively cautious particularly since much of the Area is less prone to flooding than other parts of Melbourne.

The MAC supports a re-examination of this provision for commercial and retail uses (with requirement for electrical safety).
Sustainability, contamination and environmental issues (cont)

- Contamination is an issue of significant community interest and requires both an effective response and open communication. The MAC is confident that Victoria’s regulatory arrangements for dealing with contamination are effective, but can be costly and do not always facilitate best practice treatment of contamination.
- The MAC strongly supports the strategies in relation to contaminated land as outlined in the draft Framework.
- The MAC specifically supports mechanisms to encourage precinct wide initiatives and street block by street block or super-lot planning to achieve environmental outcomes where it will be more cost effective for developers and/or will result in a better outcome for the public realm (see Development Plan Overlay recommendations).
Smart Cities – utilities and the Internet of Things

• The MAC supports the approach to utilities development as outlined in the draft Framework.
• The MAC recommends establishing the principle of considering distributed systems and precinct wide solutions first in utilities planning for Fishermans Bend, while at the same time ensuring streamlined processes and rapid decision making about utility delivery (common trenching, very fast broadband, centralized heating and cooling, pneumatic waste collection and other approaches should all be promoted)
• Promotion the use of developer led Development Plan Overlays to support cost effective and innovative utility provision
• The MAC notes the critical importance of understanding the planning implications of smart cities and the developing Internet of Things and issues of interoperability and data management. Governance and integrated precinct planning are both important here
Smart energy

Precinct scale efforts a priority – via facilitating governance and Development Plan Overlays
Place activation is an essential part of the implementation planning, including immediate and long term opportunities for collaborative development. The MAC has recommended

• In the context of new governance arrangements, establish a transitional planning strategy to attract industry and talent to the Area and to facilitate community building drawing on the respective roles of the different levels of government, non-for-profit and private sector agencies. This strategy should plan for the curation and delivery of interim activities, low-cost and short term service provision and place making.

• Consider enabling transitional use of the former Holden Site – inviting temporary business or events in these spaces while longer-term planning is being undertaken, to build momentum for the change that is coming. This would require ensuring that effective permitting and management procedures can be adopted.

• Consider experimental projects to model new transport behaviours and to test the effectiveness and uptake of the Vision – such as temporary bike lanes, or road narrowing on excess road space, greening of key streets to establish new patterns of use aligned with the future Vision.

• Establish a small innovation fund and invite innovative proposals from residents and businesses, and support these proposals for local activities, events, business uses through a small grants scheme.

• Work in partnership with local government through the community development and arts teams to establish proposals and activities which work towards community
strengthening, alongside physical planning.
Managing the transition

- Community disruption – traffic, parking, construction management
- Existing industry
  - reverse amenity
  - taxation issues
- Monitoring of development outcomes
- Review of strategic and statutory planning in 10 years
• FB has had a difficult past, but there is bipartisan support for the population and employment targets.
• We now need to implement practical and accountable measures that deliver development that achieves the targets
• We need to be bold and accept that different circumstances require different planning arrangements – both controls and incentives
• Early delivery of 80/20 mode share transportation is essential
• Livability and place making are also critical to FB success - street design and the sunlight, wind, overshadowing and density controls are also essential
• Careful curation of the 21st Century job transition and the link between land use planning, industry facilitation and place making are the foundation of FBs success as a centre of innovation jobs. Overseas experience confirms light touch planning will not deliver the outcomes required and the potential economic benefit
• Best practice actions are required to mitigate past land uses and future climate change effects.
• An effective Governance framework and a clear Funding and Finance Plan is required
• We know that we won’t get everything right first go, so we need to commit to ongoing community and stakeholder engagement, ongoing publicly available monitoring and a full review of status to targets, implementation strategies and controls in 10 years