

# HUME PLANNING SCHEME AMENDMENT C198

EXPERT WITNESS STATEMENT

MARK WOODLAND

4TH NOVEMBER 2015

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# 1.0 Introduction.

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1. I have been instructed in this matter by Best Hooper who acts for MAB Corporation Pty Ltd who are the owners and developers of own land outside of the PSP area, known as Merrifield, located west of the Hume Highway on Donnybrook Road.
2. I have been requested to prepare and present planning evidence regarding the exhibited Craigieburn North Precinct Structure Plan (Amendment C198). Specifically I have been asked to consider whether the proposed commercial rezoning of land south of Donnybrook Road is consistent with the strategy for retailing and activity centres set out in State Planning Policy and the Growth Corridor Plans.
3. I have not had any involvement in relation to this particular topic or the clients land until being instructed by Best Hooper to prepare and present evidence before the Planning Panel.
4. I was employed at the Metropolitan Planning Authority (then Growth Areas Authority) between July 2010 and June 2012. My role included the preparation of the Growth Corridor Plans. I was not involved in preparing any precinct plans in this area during that time.
5. In preparing this statement I have:
  - Reviewed the exhibited Craigieburn North PSP and the associated document of Amendment C198.
  - Reviewed the State Planning Policy Framework, Growth Corridor Plans and relevant strategic planning documents including the approved Growth Corridor Plans 2012 and 2006.
  - Reviewed the relevant Background Reports commissioned by the Metropolitan Planning Authority for the PSP.
  - Reviewed submissions lodged with the Metropolitan Planning Authority by MAB Corporation and the City of Hume regarding Amendment C198.

## 2.0 Expert Witness Statement.

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**The name and address of the expert.**

Mark Woodland of 420 Victoria Street, Brunswick 3044.

**The expert qualification and experience.**

Mark Woodland holds a Bachelor of Planning and Design from the University of Melbourne. He is a member of the Victorian Planning and Environment Law Association and the Property Council of Australia.

A Curriculum Vitae is included attachment 1.

**The expert's area of expertise to make this report.**

Mark has a broad range of experience in planning and development matters with a sound understanding of statutory planning provisions and significant experience in strategic planning and policy development enabling him to comment on a wide range of planning and development issues.

**Other significant contributors to the report.**

Not applicable.

**Instructions that define the scope of the report**

Mark Woodland has been instructed by Best Hooper who acts for MAB Corporation Pty Ltd in regard to this proceeding.

**The identity of any person who carried out tests or experiments upon which the expert has relied on and the qualifications of that report.**

Not applicable.

**The facts and matters and all assumptions upon which the report proceeds.**

Mark Woodland relies upon the reports and documents listed in section 1.0 of this report.

**Documents and other materials the expert has been instructed to consider or take into account in preparing his report, and the literature of other material used in making the report.**

Mark Woodlands has reviewed and taken into account the following reports and materials listed in section 1 of this report.

**A summary of the opinion or opinions of the expert witness**

A summary of Mark Woodlands opinions are provided for within section 3 of this report.

**Any opinions that are not fully researched for any reason**

Not applicable.

**Questions falling out of the expert's expertise and completeness of the report.**

Mark Woodland has not been asked to make comment on any matters outside of his area of expertise. This report is a complete statement of evidence.

**Expert Declaration**

I have made all the inquiries that I believe are necessary and desirable to prepare and present expert evidence in this matter and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.

Mark Woodland  
November 2015

## 3.0 Summary.

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6. I have been asked to provide my opinion on the following matters:
  - The strategic basis for the planned activity centre hierarchy in the region;
  - The strategic role of the higher order activity centres in the region;
  - The consistency or otherwise of the proposed commercial rezoning with the established strategy for retailing in the region;
  - The extent to which the proposed commercial rezoning will contribute towards achievement of Integrated transport and land use outcomes;
  - The potential impacts of the proposed commercial rezoning on the future supply Industrial land;
  - The contribution that the proposed commercial rezoning might make towards achieving better jobs diversity and containment.
7. The following is a summary of my opinions in relation to these matters.

### 3.1 The Strategic Basis for the Planned Activity Centre Hierarchy in the Region.

8. The activity centre hierarchy identified in the northern Growth Corridor Plan has its strategic basis in State Planning Policy.
9. The activity centre hierarchy shown in the Growth Corridor Plans adopted the activity centre hierarchy described in clause 11.04 of the SPPF as it was in 2012.
10. The Growth Corridor Plans also give effect to Clause 17.01-2 (Out of Centre Development) by directing that retail and commercial activities be located in activity centres, or (in the case of commercial and restricted retail uses) in a limited number of defined Business Precincts.
11. The Growth Corridor Plans give effect to Clause 18.01 (Integrated transport) by proposing a spatial layout of activity centres and business precinct that connect residential districts, Major and Principal Activity centres and business precincts to each other via the Principal Public Transport Network.

### 3.2 The Strategic Role of the Higher Order Activity Centres in the Region.

13. The Donnybrook Principal Town Centre (now known as the 'Lockerbie Metropolitan Activity Centre') is expected to be the regional centre for the whole of the growth corridor and to accommodate the broadest mix of higher-order activities, generating significant numbers of visits.
14. The Mickleham, Wollert and Beveridge activity centres are designated as 'Major Town Centres' (now known as 'Activity Centres') in the Northern Growth Corridor. These centres are defined as having a sub-regional role, and they are expected to accommodate a wide range of shopping, employment, community, health, education and housing options.
15. These Growth Corridor Plans anticipate that these higher order activity centres will be supported by three planned business precincts located in Mickleham (Merrifield) and Donnybrook (Lockerbie). These precincts adjoin the higher order town centres and/or are located on the

designated PPTN route, and they are expected accommodate a range of uses, including restricted retail activities.

### 3.3 The Consistency or Otherwise of the Proposed Commercial Rezoning with the Established Strategy for Retailing in the Region.

16. Amendment C198 envisages the creation of a 'mixed employment' precinct within the Craigieburn Employment Area, and it proposes to apply the Commercial 2 zone to 83.79ha of land in the northern part of the Craigieburn North Employment Area PSP area.
17. The commercial rezoning proposed by Amendment C198 would allow a relatively wide range of non-industrial uses to establish in this location, including a variety of retail and restricted retail activities.
18. The zoning provisions contained within Amendment C198:
  - Allow land to be used for offices, restricted retail (up to 35,000 square metres), a small supermarket and specialty shops, food and drink premises, etc. without the need for a planning permit, and;
  - Allow permits to be considered for larger restricted retail facilities, plus a variety of other retail uses within the precinct.
20. The fact that Amendment C198 proposes to rely on the UGZ schedule to override the standard 'as of right' status for restricted retail uses under the Commercial 2 zone suggests that the Planning Authority recognises that the quantum of such uses in the precinct is an issue that needs to be managed, and that the Commercial 2 zone is not written a manner which enables this to be achieved.
21. The PSP does not contain any requirements or guidelines that directly seek to limit the size of restricted retail uses within the precinct. It is therefore possible that Amendment C198 would enable the establishment of substantial restricted retail uses within the land over time.
22. It is my view that the creation of a potentially sizeable bulky goods facilities in this location is an outcome that is inconsistent with the activity centre framework set out in State Planning Policy and the Northern Growth Corridor Plan.
23. The Growth Corridor Plans identify specific precincts where bulky goods uses in particular are expected to be located. These include activity centres and nominated business precincts. The Craigieburn Northern Employment Area is not designated as an activity centre not is it one of the three locations designated as a business precinct within the Growth Corridor Plan.
24. Whilst the PSP *envisages a mix of* restricted retail and commercial uses in the northern precinct, I consider that zoning the land to Commercial 2 could potentially result in large 'single use' restricted retail proposals on the site in future, and that such an outcome could be reasonably described as 'out of centre' as defined by State planning policy. I do not think that a case has been established that creating a sizeable restricted retail precinct in this location would result in a net community benefit for the wider corridor.
25. Having regard to the above, it is my opinion that the inclusion of the northern part of the land in an applied Commercial 2 zone as proposed (which expressly encourages bulky goods to locate within the zone, and where the UGZ (Schedule 8) permits up to 35,000 square metres of such uses to be developed without a permit) is not consistent with the strategies established in relation to activity centres and retail activities in the region.

26. It is my opinion that land shown as 'Commercial' in the Craigieburn North Area PSP should have the Industrial 1 zone applied to it. The Industrial 1 zone would ensure that the use of land for non-industrial purposes could be better managed over time so as to avoid adversely impacting on the achievement of the employment and land use outcomes in the Activity Centres and business precincts located elsewhere across the northern Growth Corridor.

### **3.4 The Extent to Which the Proposed Commercial Rezoning will Contribute Towards Achieving Integrated Transport Outcomes.**

30. State Planning Policy (clause 18.01-1) requires that Planning Authorities plan urban development to make jobs and community services more accessible by requiring that substantial increases in activity in employment corridors are connected to the Principal Public Transport Network. It seeks to encourage higher land use densities and mixed use developments near railway stations, major bus terminals, transport interchanges, tramways and principal bus routes.
31. Whilst the precinct will be served by local bus services, it is not directly accessible to the PPTN. In the absence of access to direct access to the PPTN, I have reservations about the suitability of the land being developed as a higher density employment precinct that would attract relatively higher density jobs and visitation than an industrial precinct otherwise would.

### **3.5 The Potential Impacts of the Proposed Commercial Rezoning on the Future Supply of Industrial Land.**

32. State planning policy seeks to protect large areas of industrial land of state significance to ensure availability of land for major industrial development, and to avoid approving non-industrial land uses which will prejudice the availability of land for future industrial requirements in such locations.
33. I do not consider that the partial development of 83.79 ha of industrial land in the norther part of the PSP for uses other than industrial activities will unreasonably prejudice the overall availability of land for future industrial requirements. However, as already noted I consider that there are other strategic planning reasons to restrict the type and extent of non-industrial activities that might locate within this land.

### **3.6 The Contribution that the Proposed Commercial Rezoning Might Make Towards Achieving Better Jobs Diversity and Containment.**

34. The Growth Corridor Plan sets out a land use framework that is intended to facilitate the realisation of at least one job per new household within the growth corridor over the longer term. It identifies a number of locations within the corridor that are intended to deliver land uses that will support job creation and diversity. These include residential neighbourhoods, activity centres, business precincts and industrial areas.
35. The subject land is identified in the Northern Growth Corridor Plan for industrial purposes. In my opinion, the strategic role of this land in contributing towards achieving wider job diversity and containment goals within the northern corridor is intended to be limited to the creation of industrial and related activities with relatively lower job densities than would be expected in activity centres and business precincts.



## 4.0 The Amendment.

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36. Amendment C198 to the Hume Planning Scheme ('the amendment') applies to land included in the Craigieburn North Employment Area Precinct Structure Plan ('the PSP'). The PSP area ('the land') comprises approximately 488 hectares of land and is generally bound by Donnybrook Road to the north, the Sydney to Melbourne railway line to the east, the Amaroo Business Park to the south and the Hume Highway to the west.
37. The amendment seeks to insert the *Craigieburn North Employment Area Precinct Structure Plan* and *Craigieburn North Employment Area Development Contributions Plan* as incorporated documents under the Hume Planning Scheme. It also seeks to rezone the land to Urban Growth Zone (Schedule 8) to facilitate the urban development of land.
38. The amendment proposes a series of other changes to the planning provision in relation to the land, including:
  - Revising the Rural Conservation Zone (RCZ) along the Merri Creek;
  - Applying an Incorporated Plan Overlay (IPO) to the Merri Creek,
  - Removing the Rural Flood Overlay (RFO) and the Environmental Significance Overlay Schedule 2 & 10 (ESO2 & ESO10);
  - Applying a Public Acquisition Overlay (PAO1) to facilitate the widening of Donnybrook Road and an off-ramp to the western side of the Hume Freeway, outside the precinct;
  - Applying a new Special Use Zone (SUZ8) to the transmission line;
  - Applying the Development Contributions Plan Overlay Schedule 8 (DCPO8);
  - Deleting the Design and Development Overlay Schedule 1 (DDO1);
  - Amending the Land Subject to Inundation (LSIO) to update maps in line with Melbourne Water mapping;
  - Amending the schedule to Clause 52.01 to require public open space contributions;
  - Amending the schedule to Clause 52.17 to identify native vegetation that can be removed without the need for a planning permit;
  - Amending the schedule to Clauses 94 and 95 to include VicSmart provisions for certain classes of development.

## 4.1 Proposed Craigieburn North Employment Area Precinct Structure Plan.

### 4.1.1 Precinct Vision.

39 The PSP proposes the following vision for the land:

*“The Craigieburn North Employment Area will be a well-presented, mixed employment area. Development of the precinct will accommodate a range of businesses and jobs and foster diverse employment opportunities for workers. This will promote local employment opportunities to draw workers from the surrounding suburban and peri-urban areas, and contribute to the MPA’s broad goal of creating one job per new household in the Northern Growth Corridor, and Hume City Council’s aspirations for greater employment diversity...”*

### 4.1.2 Employment objectives.

40 The most relevant employment land use objectives within the PSP include the following:

- O1 Create a high amenity industrial and commercial precinct to attract a diversity of different businesses and employers.
- O6 Encourage a range of businesses to provide local employment opportunities to meet the needs of existing and future surrounding residential populations.
- O7 Promote local employment opportunities to encourage counter-cyclical travel patterns to alleviate congestion on Melbourne’s roads.
- O8 Maximise accessibility of the precinct through the strengthening of links to the Hume Freeway and to the surrounding arterial road network.
- O9 Encourage a diversity in lot sizes at subdivision to meet the needs of a range of businesses.
- O10 Capitalise on proximity and access to major freight hubs and distribution networks, including Melbourne Airport, Port, Melbourne Market, future OMR/E6 roads and the potential Beveridge Interstate Freight Terminal by encouraging allied industries to situate in the precinct, maximising connectivity to the surrounding road network.
- O11 Encourage the provision of local services to meet needs generated within the precinct, without compromising the functions and roles of surrounding existing and planned activity centres.

### 4.1.3 Retail and other floorspace.

41 Whilst the PSP does not make specific reference to floorspace limits for retail or other uses, the following table sets out the expected number of jobs that the precinct might deliver, based on assumptions in relation to job densities and floorspace:

**Table 1** Anticipated employment creation in Craigieburn North Employment Area

JOB	MEASURE	JOB
Restricted Retail @ 60 jobs per sqm retail	25,000 m2	417
Commercial @ 30 jobs/ha	84.08 ha	2,522
Industrial @ 20 jobs/ha	262.59 ha	5,252
Convenience Centre @ 40 jobs/ha	0.15 ha	6
<b>TOTAL</b>		<b>8,197</b>

#### 4.1.4 Transport and Access.

42. The PSP vision describes the proposed access to the land as follows:

*“...Brookville Drive/Amaroo Road will be upgraded, with a new link to be constructed across Merri Creek in order to connect to Donnybrook Road in the east and Hume Freeway in the west. These projects will provide a strong north-south connection through the precinct, connecting the Amaroo Business Park in the south to the Lockerbie Precinct to the north. Construction of a new half-diamond freeway interchange and bridge will provide strengthened connections with Melbourne via the Hume Freeway as well as to new industrial areas and residential communities to the west. These links will also promote integration with the Principal Public Transport Network (PPTN), including improved accessibility to the existing Donnybrook train station.....”*

43. The Future Urban Structure for the PSP provides for road access to the land as follows:

- Access from the south and south-west directions via a potential new freeway interchange (south ramps only) potential freeway overpass at Summerhill Road and via a connection to the existing Amaroo Road;
- Access from the north to Donnybrook Road via an existing road connection (described as an interim connection) and then ultimately via a new bridge crossing to English Street.

44. The land does not have direct access to the Principal Public Transport Network (PPTN) but the PSP proposes arterial and local roads that are capable of accommodating local bus services (refer PSP Plan 7). The proposed bridge crossing of Merrie Creek will facilitate local bus access to the train station on the north side of Donnybrook Road (approximately 1.2 km).

45. Table 4 in the PSP (Precinct Infrastructure Plan Staging) describes the delivery, timing and funding responsibility of access to the land (refer overleaf).

### 3.6.2 Precinct Infrastructure Plan

Table 4 Precinct Infrastructure Plan

CATEGORY	TITLE	DESCRIPTION	LEAD AGENCY	STATUS S.B.L.	NOTIFIED IN DOP	DOP REFERENCE No.
<b>Road Projects</b>						
Road	Donnybrook Road	4 lane arterial road (suburban) – land (WIM)	Verdeco	M	No	N/A
Road	Hume Freeway	On-ramp from English Street (west)	Verdeco	L	No	N/A
Road	English Street (West)	4 lane arterial road (suburban) – land (HMC)	Hume City Council	M L	No (Interim) No (Suburban)	RD-25.1.1
Road	Brookville Drive / Ardenau Road	4 lane arterial road (suburban) – land for road widening to 34m	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.1
Road	Summerhill Road	4 lane arterial road (suburban) – land for road widening to 34m	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.4
Road	English Street (west) to interchange with Hume Freeway	Land for Freeway interchange and bridge (Interim treatment)	Hume City Council	S	No (Interim only)	RD-25.1.2
Road	Summerhill Road overpass of Hume Freeway	Land for Freeway overpass (bridge (Interim treatment)	Hume City Council	S	No (Interim only)	RD-25.1.3
Road	Summerhill Road overpass of Sydney-Melbourne railway line	Land for overpass (bridge (Interim treatment)	Hume City Council	S	No (Interim only)	N/A
<b>Bridge Projects</b>						
Bridge	Hume Freeway – Interchange and overpass	Freeway full diamond interchange comprising bridge overpass and bus & city bus rapid transit on-ramps	Verdeco	M	No	N/A
Bridge	Summerhill Road overpass of Hume Freeway	Bridge over the Hume Freeway to connect Mt Riley Road to Summerhill Road	Verdeco	L	No	N/A
Bridge	Summerhill Road overpass of Sydney-Melbourne railway line	Bridge over the railway line to provide for grade separation	Verdeco	L	No	N/A
Bridge	Merr Creek Road Bridge	4 lane bridge crossing of Merr Creek – 2 lane sections	Hume City Council and City of Melbourne	M L	No (Interim) No (Suburban)	RD-25.1.5
Bridge	Merr Creek Pedestrian Bridge	Shared foot bridge crossing of Merr Creek	Hume City Council and City of Melbourne	M	No in DOP for PSP 20.2	RD-25.2.2
<b>Intersection Projects</b>						
Intersection	English Street (West) / North-South Connector road	Purchase of land for intersection (suburban treatment) and construction of 4-way arterial to connector roundabout (Interim treatment)	Hume City Council	M L	No (Interim) No (Suburban)	RD-25.1.1
Intersection	Brookville Drive / English Street (West)	Purchase of land for intersection (suburban treatment) and construction of arterial to arterial signalised 4-way intersection (Interim treatment)	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.2
Intersection	Brookville Drive / east-west access road / Kalliah Court	Purchase of land for intersection (suburban treatment) and construction of arterial to access road 4-way roundabout (Interim treatment)	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.4
Intersection	Brookville Drive / East-West access	Purchase of land for intersection (suburban treatment) and construction of arterial to connector road 4-way roundabout (Interim treatment)	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.4
Intersection	Brookville Drive / Ardenau Road / Summerhill Road	Purchase of land for intersection (suburban treatment) and construction of arterial to arterial signalised 4-way intersection (Interim treatment)	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.5
Intersection	Summerhill Road / North-South connector road	Purchase of land for intersection (suburban treatment) and construction of arterial to connector 4-way roundabout (Interim treatment)	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.6
Intersection	Brookville Drive / Ardenau Road / East-West connector road (South)	Purchase of land for intersection (suburban treatment) and construction of arterial to connector 4-way roundabout (Interim treatment)	Hume City Council	S M	No (Interim) No (Suburban)	RD-25.1.7

## 4.2 Proposed Urban Growth Zone Schedule 8.

46. The proposed Urban Growth Zone Schedule 8 (Craigieburn North Employment Area Precinct Structure Plan) sets out the future urban structure proposed in the Craigieburn North Employment Area Precinct Structure Plan, and it applies the following zoning provisions to precincts within the PSP area:

Precinct:	Applied zone provisions:
Commercial precinct A and B	Commercial 2 zone
Industrial precinct	Industrial 1 zone
Local convenience centre	Industrial 1 zone
Secondary arterial road	Road zone - category 1
Connector street	Road Zone - category 2

47. The use of land for a restricted retail premises does not require a planning permit under the Commercial 2 zone. The use of land for a shop (other than restricted retail or convenience shop) is prohibited under the Industrial 1 zone. However, the following specific provisions apply in the zone to the use of land for restricted retail and shop:

Use:	Requirement:
Restricted Retail Premises where the applied zone is Commercial 2 Zone	Where land is shown as Commercial Precinct B in the Craigieburn North Employment Area PSP: <ul style="list-style-type: none"> <li><i>Restricted retail is a Section 2 use.</i></li> </ul>
Restricted Retail Premises where the applied zone is Commercial 2 Zone	Where land is shown as Commercial Precinct A in the Craigieburn North Employment Area PSP: <p><i>A permit is required to use land for a restricted retail premises if the combined leasable floor area of all restricted retail premises exceeds:</i></p> <ul style="list-style-type: none"> <li><i>35,000 square metres</i></li> </ul>
Shop where the applied zone is Industrial 1 Zone	Where land is shown as Local Convenience Centre the Craigieburn North Employment Area PSP: <ul style="list-style-type: none"> <li><i>Shop is a Section 2 use.</i></li> </ul>



## 5.0 Commercial 2 and Industrial 1 zones.

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48. The following summarises the purpose/features of the Commercial 2 and Industrial 1 zones.

### 5.1 The Commercial 2 zone.

49. The Commercial 2 zone has the following statements of purpose:
- *To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.*
  - *To encourage commercial areas for offices, appropriate manufacturing and industries, bulky goods retailing, other retail uses, and associated business and commercial services.*
  - *To ensure that uses do not affect the safety and amenity of adjacent, more sensitive uses.*
50. This zone was created to replace the former Business 3 Zone and Business 4 Zone. The Victorian Government Fact sheet on the reformed commercial zones (July 2013) notes that the Commercial 2 zone:
- “Provides more opportunities for office, commercial businesses, restricted retail premises, trade supplies and some limited retail activity. Floor area restrictions for office and some retail uses will be removed in many instances to create new opportunities for office and retail growth.”*
51. The Victoria Government Advisory Note on the reformed commercial zones notes the following in respect to the Commercial 2 Zone:
- It does not require a permit to use land for a Cinema, Cinema-based entertainment facility, Food and drink premises, Office, Restricted retail premises and Trade supplies;
  - It removes the maximum floor area restriction for an Office;
  - It allows use for a small-scale Supermarket (less than 1800sqm) and associated Shops (less than 500sqm) without a permit in the Melbourne metropolitan area;

## 5.2 The Industrial 1 zone.

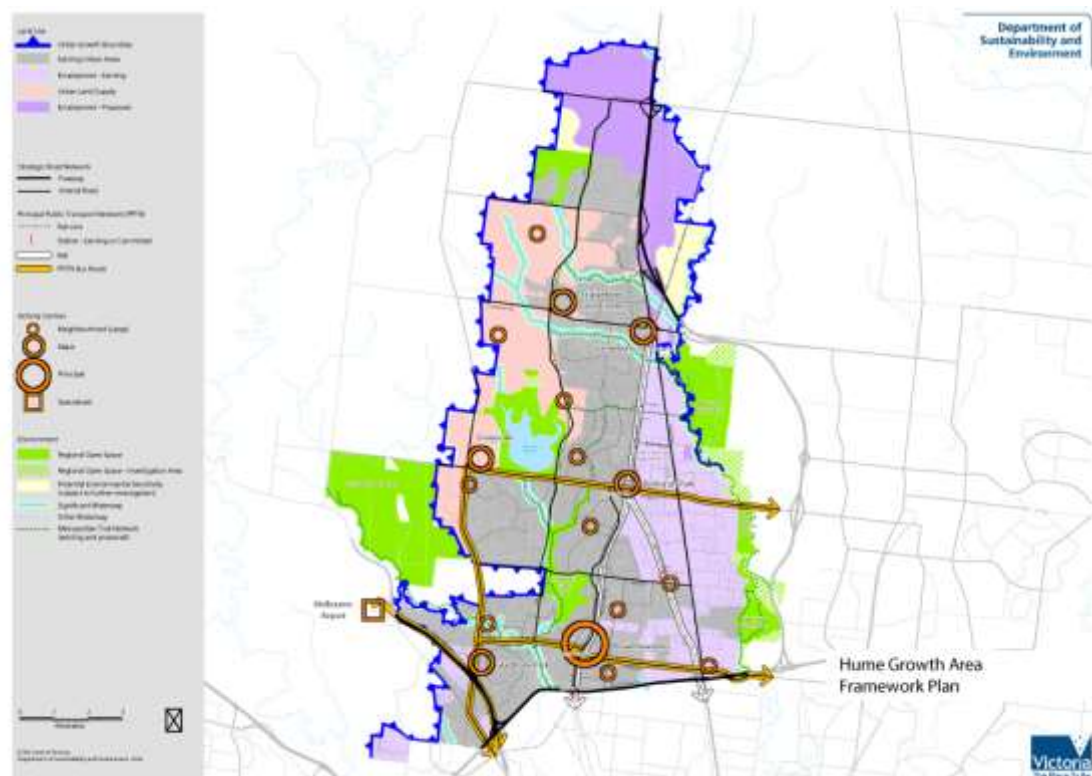
52. The Industrial 1 zone has the following statements of purpose:
  - *To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.*
  - *To provide for manufacturing industry, the storage and distribution of goods and associated uses in a manner which does not affect the safety and amenity of local communities.*
  
53. Under the industrial 1 zone:
  - A permit is not required to use land for industry or warehouse activities (subject to certain conditions being met);
  - A permit is required to use land for Convenience shops, Offices, Restricted retail premises and the following other types of retail premises:
    - Food and drink premises;
    - Landscape gardening supplies;
    - Manufacturing sales;
    - Motor vehicle, boat or caravan sales;
    - Trade supplies;
  - The use of land for shops (including a supermarket, but excluding a convenience shop and restricted retail premises) is prohibited;
  - A schedule can be included in the zone to set a limit on the leasable floor area for offices.

## 6.0 The PSP Land – History and Context.

54. The land to which the PSP applies was originally included within Melbourne's Urban Growth Boundary in November 2005 (Amendment C66 to the Hume Planning Scheme). This amendment rezoned the land to the Farming zone<sup>1</sup>.
55. A Growth Area Framework Plan for Melbourne's Growth Corridors ('the GAFFPs (2006)') was incorporated into the Hume Planning Scheme in September 2006 (Amendment VC41 to the Victoria Planning Provisions). Amendment VC41 also included new policies into Clause 12 of the State Planning policy requiring the implementation of the strategic directions of the Growth Area Framework Plans, as well as the preparation of precinct structure plans before land is zoned for urban settlement.
56. The Hume growth plan included within the GAFFP (2006) identifies the land as '**employment-proposed**', and it notes the following in relation to the land:

*'...the Plan provides for economic and employment growth by...preserving land along the Hume Highway/Freeway and railway corridor for future industrial and freight uses.'*<sup>2</sup>

**Figure 1 – Northern Growth Area Framework Plan (Amendment VC41)**



<sup>1</sup> The land was subsequently rezoned to the Urban Growth Zone in June 2008 (Amendment VC48). This rezoning was done as part of a wider rollout of the newly-created UGZ across all of Melbourne's growth areas.

<sup>2</sup> Refer page 12 GAFFP (2006)

57. Since that time there have been a number of wider strategic planning reviews and a number of precinct-specific plans approved across the northern growth corridor, all of which have re-shaped the strategic planning context of the land. These are summarised in chronological order as follows:

- March 2008** The *Merrifield Employment Precinct* was rezoned from the Farming zone to the Comprehensive Development Zone, and a Comprehensive Development Plan approved for that land (Hume Amendment C92).
- August 2010** A revised UGB was put in plan for the wider northern growth corridor (Amendment VC68)
- June 2012** The Victorian Government released *final Growth Corridor Plans (GCPs)* for all land included within the revised UGB in 2010. The final GCP for Melbourne's north (refer figure 2) contains the following employment and town centre related elements:

*'Industrial' precincts:*

- The 'Mickleham' precinct – a corridor of land extending from the Craigieburn Employment PSP land to the proposed Outer Metropolitan Ring Transport Corridor
- The proposed Beveridge intermodal Freight Terminal
- A 215 ha industrial precinct in Wollert
- A 100ha industrial precinct along Donnybrook Road (west of the rail line)

*Activity Centres:*

- Donnybrook Principal Town Centre (otherwise known as Lockerbie)
- Mickleham Town Centre (otherwise known as Merrifield)
- Craigieburn Town Centre
- Beveridge Town Centre
- Wollert Town Centre
- Various other town centres within the established urban footprint

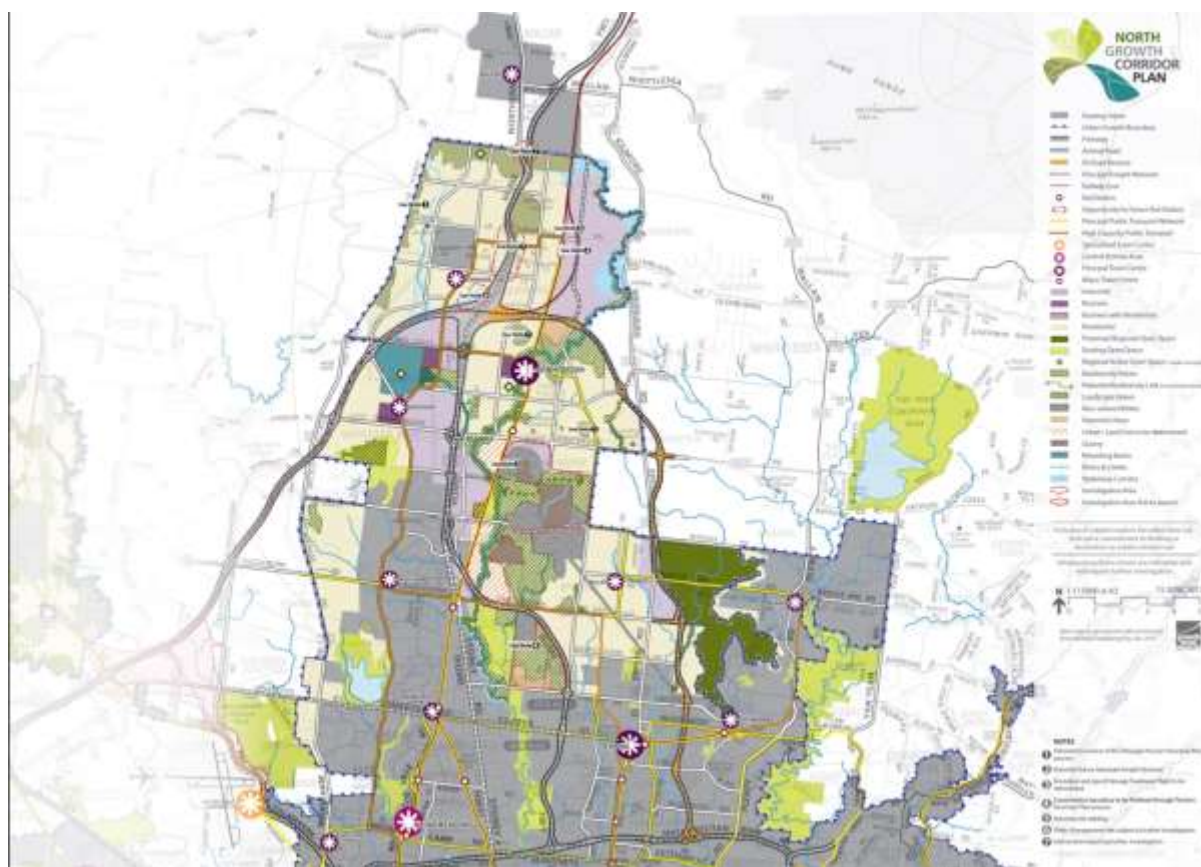
*Business Precincts:*

- Adjacent to the Lockerbie and Merrifield Town Centres
- Adjacent to the Kalkallo Retarding Basin (on Gunns Gully Road)

- June 2012** The following Precinct Structure Plans were gazetted at the same time as the release of the final GCP:
- *Lockerbie* (Hume Amendment C161),
  - *Merrifield West* (Hume Amendment C162)
  - *Lockerbie North Precinct* (Mitchell Amendment C82)

**September 2012** Further changes were made to the UGB as a result of the '*Logical Inclusions*' UGB Review. This included extending the UGB to the township of Wallan.

**Figure 2 – Northern Growth Corridor Plan.**



**May 2014**

*Plan Melbourne* released<sup>3</sup>. It identified the following employment and town centre related elements for the northern growth corridor (refer figure 3):

*‘State significant Industrial’ precincts:*

- The corridor of land extending from the Craigieburn Employment PSP land to the proposed Outer Metropolitan Ring Transport Corridor.

*The proposed Beveridge intermodal Freight Terminal.*

*Activity Centres:*

- ‘Lockerbie’ Metropolitan Activity Centre
- Mickleham Activity Centre (otherwise known as Merrifield)
- Craigieburn Activity Centre
- Beveridge Activity Centre
- Wollert Activity Centre
- Wallan Activity Centre
- Various other Activity Centres within the established urban footprint

<sup>3</sup> Amendment VC106 (May 2014) amended clauses 9 and 11.04 of the State Planning Policy Framework to give effect to Plan Melbourne.

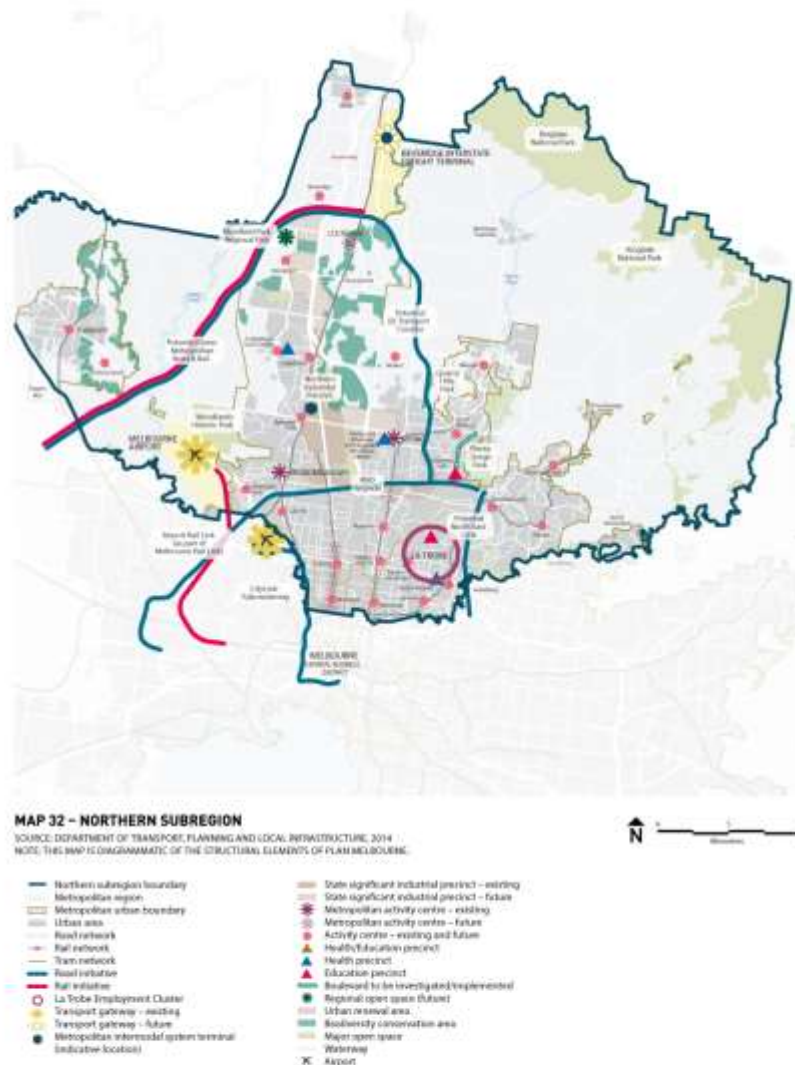


**Current**

A number of precinct structure plans and other planning frameworks are now at an advanced stage of preparation across the northern growth corridor. These include:

- English Street precinct (Panel)
- Wollert precinct (Panel)
- Quarry Hills precinct (Panel)
- Beveridge North-west precinct (public exhibition)
- Donnybrook precinct (public exhibition in November)
- Woodstock precinct (public exhibition in November)
- Merrifield City Centre Development Co-ordination Plan (lodged with Council for approval)
- Wallan - an overall plan for the wider Wallan area (Panel)
- Beveridge Central (pre-planning stage)

**Figure 3** –Northern Sub-region plan from Plan Melbourne (2014).



## 7.0 State Planning Policy

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58. Given the employment-creation focus of the Craigieburn North Employment Area PSP, the following aspects of State Planning Policy are of relevance:

- Activity Centre Networks;
- Integrating transport and land use.
- Industrial land;
- Planning to achieve better jobs diversity and containment;

### 7.1 Activity Centre Networks.

59. Clause 11.01-1 of the SPPF (**'Activity Centre Network'**) has the following relevant objectives and strategies:

*(Objective) To build up activity centres as a focus for high-quality development, activity and living for the whole community by developing a network of activity centres.*

*(Strategy) Support the role and function of the centre given its classification, the policies for housing intensification, and development of the public transport network.*

60. Clause 11.01-2 of the SPPF (**'Activity Centre Planning'**) had the following relevant objective and strategies:

*(Objective) To encourage the concentration of major retail, residential, commercial, administrative, entertainment and cultural developments into activity centres which provide a variety of land uses and are highly accessible to the community.*

*(Strategy) Give clear direction in relation to preferred locations for investment.*

*(Strategy) Provide a focus for business, shopping, working, leisure and community facilities.*

*(Strategy) Improve the social, economic and environmental performance and amenity of the centre.*

61. At the time that the GCP's were prepared, Clause 11.04-2 of the SPPF (**'Metropolitan Melbourne'**) contained the following Activity Centre hierarchy<sup>4</sup>:

- Central Activities Districts;
- Principal and Major Activity Centres;
- Specialised Activity Centres;
- Neighbourhood Activity Centres.

62. Clause 11.04-2 specified that Principal and Major Activity Centres should:

- Have a mix of activities that generate high number of trips including business, retail, services and entertainment;

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<sup>4</sup> The entirety of Clause 11.04 was subsequently replaced by a new clause in May 2014 (Amendment VC 106) which set out the general strategic directions contained within Plan Melbourne

- Be well served by multiple public transport routes and be on the Principal Public Transport Network or capable of linking to that network;
- Have a large catchment covering several suburbs and attracting activities that meet metropolitan needs.

63. It also included the following relevant strategies:

- Give priority to Principal Activity Centres for investment and the location of significant land uses where catchments overlap in any part of the network of centres;
- Encourage Major Activity Centres with good public transport links to grow in preference to other centres with poor public transport links serving the same catchment.

64. Clause 11.04 has now been updated following the release of Plan Melbourne. Whilst this clause does not contain specific directions in relation to activity centre hierarchies, Clause 9 of the SPP was amended to require planning and authorities to consider and apply Plan Melbourne. Plan Melbourne itself contains activity-centre related initiatives:

- Support development of Metropolitan Activity Centres;
- Support planning for other Activity Centres.

65. Clause 17.01-02 of the SPPF (***‘Out of centre development for Metropolitan Melbourne’***) has the following relevant strategies:

*(Strategy) Ensure that proposals or expansion of single use retail, commercial and recreational facilities outside activity centres are discouraged by giving preference to locations in or on the border of an activity centre.*

*(Strategy) Ensure that out-of-centre proposals are only considered where the proposed use or development is of net benefit to the community in the region served by the proposal, or provides small scale shopping opportunities that meet the needs of local residents and workers in convenient locations.*

## 7.2 Integrating transport and land use.

66. Clause 18 of the SPPF (***‘Transport’***) contains the following relevant strategies in relation to integrating transport and land use:

*“Develop transport networks to support employment corridors that allow circumferential and radial movements.*

*Plan urban development to make jobs and community services more accessible by:*

*...*

*Concentrating key trip generators such as higher density residential development in and around Central Activities Districts, Principal, Major and Specialised Activity Centres on the Principal Public Transport Network.*

*...*

*Requiring that substantial increases in activity in employment corridors are connected to the Principal Public Transport Network.*

*...*

*Encourage higher land use densities and mixed use developments near railway stations, major bus terminals, transport interchanges, tramways and principal bus routes.*

*...*

*Ensure careful selection of sites for freight generating facilities to minimise associated operational and transport impacts to other urban development and transport networks.”*

67. Clause 11.02-1 (**'Activity Centre Planning'**) of the SPPF contains the following strategy:

*"Reduce the number of private motorised trips by concentrating activities that generate high numbers of (non-freight) trips in highly accessible activity centres."*

### 7.3 Industrial land.

68. Clause 17.02 (**'Industrial land'**) of the SPPF contains the following strategies in relation to industrial land development:

*"Identify land for industrial development in urban growth areas where:*

- *Good access for employees, freight and road transport is available;*
- *Appropriate buffer areas can be provided between the proposed industrial land and nearby sensitive land uses;*

*Protect and carefully plan existing industrial areas to, where possible, facilitate further industrial development;*

*Provide an adequate supply of industrial land in appropriate locations including sufficient stocks of large sites for strategic investment;*

*Protect industrial activity in industrial zones from the encroachment of unplanned commercial, residential and other sensitive uses which would adversely affect industry viability;*

*...*

*Avoid approving non-industrial land uses, which will prejudice the availability of land for future industrial requirements, in identified industrial areas."*

69. Clause 17.02 of the SPPF contains the following strategy in relation to State-significant industrial land:

*"Protect large areas of industrial land of state significance to ensure availability of land for major industrial development, particularly for industries and storage facilities that require significant threshold distances from sensitive or incompatible uses."<sup>5</sup>*

### 7.4 Planning to achieve better jobs diversity and containment.

73. Clause 11.04 requires Planning Authorities to *'Plan for jobs closer to where people live'*.

74. Plan Melbourne itself contains the following initiative related to achieving better jobs diversity and containment:

*"Accelerate investment in Melbourne's outer areas to increase local access to employment."*

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<sup>5</sup> Plan Melbourne has identified the land as forming part of Melbourne's future supply of 'State significant industrial land'.

## 8.0 The Role of the Growth Corridor Plans

75. The Growth Corridor Plans set out the strategic direction for future urban development in Melbourne's growth corridors. Clause 11.02-3 of State Planning Policy requires that growth corridor plans must be developed, and it sets out the issues that must be addressed by such plans.
76. Clause 11.02.2 ('**Planning for Growth Areas**') requires Planning Authorities to:

*'Implement the strategic directions with the Growth Area Framework Plans (2006)'<sup>6</sup>.*
77. Ministerial Direction No. 12 ('**Urban Growth Areas**') applies to the preparation of any planning scheme amendment that provides for the incorporation of a precinct structure plan in the scheme, or changes to an incorporated precinct structure plan, applying to land in the Urban Growth Zone. It also applies to the introduction of, or changes to, provisions in a schedule to the Urban Growth Zone.
78. This Ministerial Direction provides for the orderly implementation of Corridor Plan via Precinct Structure Plans and in turn the provisions of the Urban Growth Zone. It sets out the following requirements:
  - *In preparing an amendment a planning authority must evaluate and include in the explanatory report a discussion about how the amendment implements any Growth Area Framework Plan applying to the land.*
  - *In preparing an amendment to incorporate a precinct structure plan in the scheme, or change an incorporated precinct structure plan, a planning authority must demonstrate and show in the explanatory report that the precinct structure plan or any changes to it are in accordance with any applicable Precinct Structure Plan Guidelines approved by the Minister for Planning.*
  - *In preparing an amendment to introduce or change provisions in a schedule to the Urban Growth Zone, a planning authority must evaluate and include in the explanatory report a discussion about:*
    - *How the provisions give effect to the intended outcomes of the precinct structure plan.*
    - *How a translation of the provisions can be achieved, once development anticipated by the precinct structure plan is substantially complete.*
79. The Growth Corridor Plan themselves notes the following:

*'Before development can commence, detailed planning for each precinct must occur in the form of individual Precinct Structure Plans (PSPs), which must be 'generally in accordance' with the Growth Corridor Plans.'<sup>7</sup>*

<sup>6</sup> Whilst the final Growth Corridor Plans were released by the State Government in June 2012, they are yet to be incorporated into metropolitan planning schemes, and the relevant parts of the State Planning Policy Framework are yet to be updated. Notwithstanding, the Explanatory Report for Amendment C198 relies on the 2012 Northern Growth Corridor Plan for the purposes of addressing State Policy and the requirements of Ministerial Direction No. 12.

<sup>7</sup> GCP, page 7



## 9.0 The Growth Corridor Plans – Activity Centres & Employment.

80. Given the employment-creation focus of the Craigieburn North Employment Area PSP, the following aspects of the Growth Corridor Plans are of relevance:

- Activity Centre Networks;
- Integrating transport and land use;
- Industrial land;
- Planning to achieve better jobs diversity and containment.

### 9.1 Activity Centre Network.

81. Chapter 3 of the GCP sets out how the state planning policy in relation to the activity centre network. It notes the following in relation to the activity centre network in Melbourne's growth areas<sup>8</sup>.
82. The GCP defines local neighbourhoods are the basic community building block within growth areas, and that these neighbourhoods should be planned in clusters to create residential district of a sufficient size and density to support the provision of regional and local infrastructure and services.
83. Each neighbourhood is intended to be of sufficient size to support a local town centre, and each district large enough to support a Principal or Major town centre. Each district (and the larger town centres within them) are planned to be connected to each other via the Principal Public Transport Network. The application of this concept for the north is illustrated in the following plan from the GCP itself (figure 4).

**Figure 4 – Community Concept Plan.**



<sup>8</sup> The report *Growth Corridor Plans - Activity Centre and Employment Planning* (Essential Economics, November 2011) sets out the research undertaken to inform the application of an activity centre network for the northern growth corridor.

84. The activity centre framework shown in the Northern GCP includes the following Principal and Major town centres:

Centre Type	Nominated new centres
Major	Mickleham (otherwise known as Merrifield) Beveridge Wollert
Principal	Donnybrook (otherwise known as Lockerbie)

85. The GCP also identified the Broadmeadows Central Activities Area, Epping Principal Activity Centre, and existing/emerging Major town centres at Craigieburn, Mernda and Wallan.
86. The final GCP did not nominate the specific number of location of local town centres, but instead set out the principles that should guide the number and location of such centres. The key principle of the GCP in this regard is to create a well-distributed network of accessible local town centres, based on the 'square mile' neighbourhood unit.

87. In relation to the **retail framework** for these activity centres, the GCP notes the following:

*'Within the Town Centre framework, the highest order Centres, (CAA s & PTC s), will accommodate the broadest range of retail activity because they will be the most accessible to a regional catchment and supported by integrated high capacity public transport. They will also be the location for regional scale facilities, and more intensive and large scale employment opportunities.*

*The network of Town Centres across the growth areas has been informed by an analysis of catchments, taking into account both existing and planned centres in urban areas. MTC s and LTC s will be expected to provide retail activity commensurate to a level that their catchment and accessibility can support.<sup>9</sup>*

88. In relation to planning for **bulky goods (restricted retail) facilities**, the GCPs note the following:

*'Bulky Goods (referred to as 'restricted retail' in Planning Schemes) should ideally be located in or adjacent to higher order town centres or in strategic locations within business precincts as part of a cluster of similar uses. Co-location of bulky goods in these locations is preferred and can allow for a more efficient use of infrastructure, greater accessibility by public transport, combined purpose trips and better employment opportunities.<sup>10</sup>*

89. As noted earlier, the GCP identifies a number of **'business precincts'**, and it says the following in relation to the range of activities envisaged in such precincts:

*"Business precincts are expected to deliver more intensive forms of employment generating uses in comparison to industrial areas. They will accommodate a wide range of employment generating uses including service industry, office and commercial activity, and research and development and some bulky goods (restricted retail)<sup>11</sup>."*

<sup>9</sup> Refer GCP, page 16

<sup>10</sup> ibid

<sup>11</sup> Ibid, pg 22

## 9.2 Integrating Transport and Land Use.

90. Chapter 3 of the GCP sets out how the state planning policy in relation to integrating transport and land use planning. It notes the following in relation to transport and land use:

*'A need to travel long distances for everyday purposes such as going to work or school is costly in terms of time, environmental impact and to household budgets. The Growth Corridor Plans seek to reduce the length of such trips within the Growth Corridors and to other destinations in Melbourne. The Plans:*

- *Encourage self-containment at the neighbourhood and district levels;*
- *Promote efficient and compact communities with higher residential densities, close to facilities and supported by integrated public transport;*
- *Promote concentrated and mixed use activities – from Local through to the Principal Town Centres;*
- *Encourage an increased number and range of employment opportunities within Growth Corridors....<sup>12</sup>,*

91. The main integrated transport and land use planning elements set out within the plan can be summarised as follows:

- Connecting residential districts, Major and Principal Activity centres and business precincts to each other via the Principal Public Transport Network and the arterial road network;
- Connecting residential districts to the wider metropolitan region via high capacity public transport services (such as rail lines);
- Applying the 'Smart Roads' framework to determine which roads will have a public transport priority and which will have a priority for longer distance freight and passenger travel;
- Establishing a Principal Freight Network with sufficient capacity to meet future freight demand associated with industrial precincts within each corridor.

92. The application of this concept for the north is illustrated in the following plans from the GCP itself (figures 5 & 6).

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<sup>12</sup> Refer GCP, page 18

Figure 5—Public Transport Concept Plan.

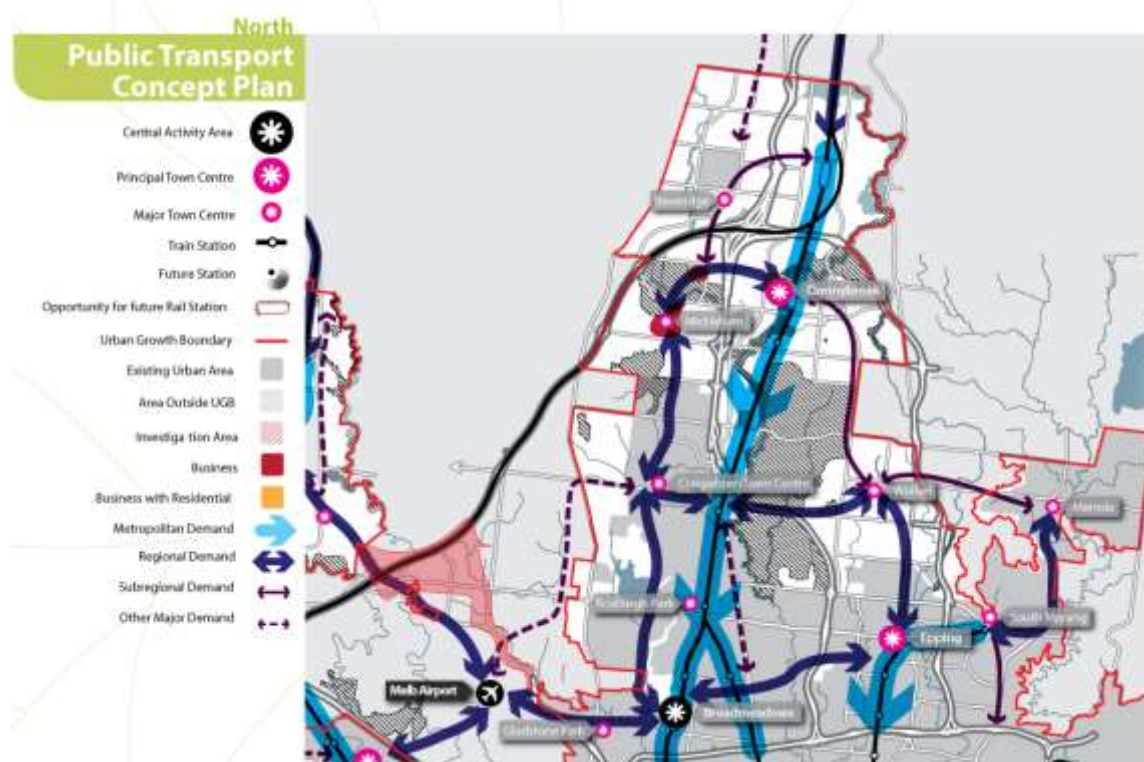
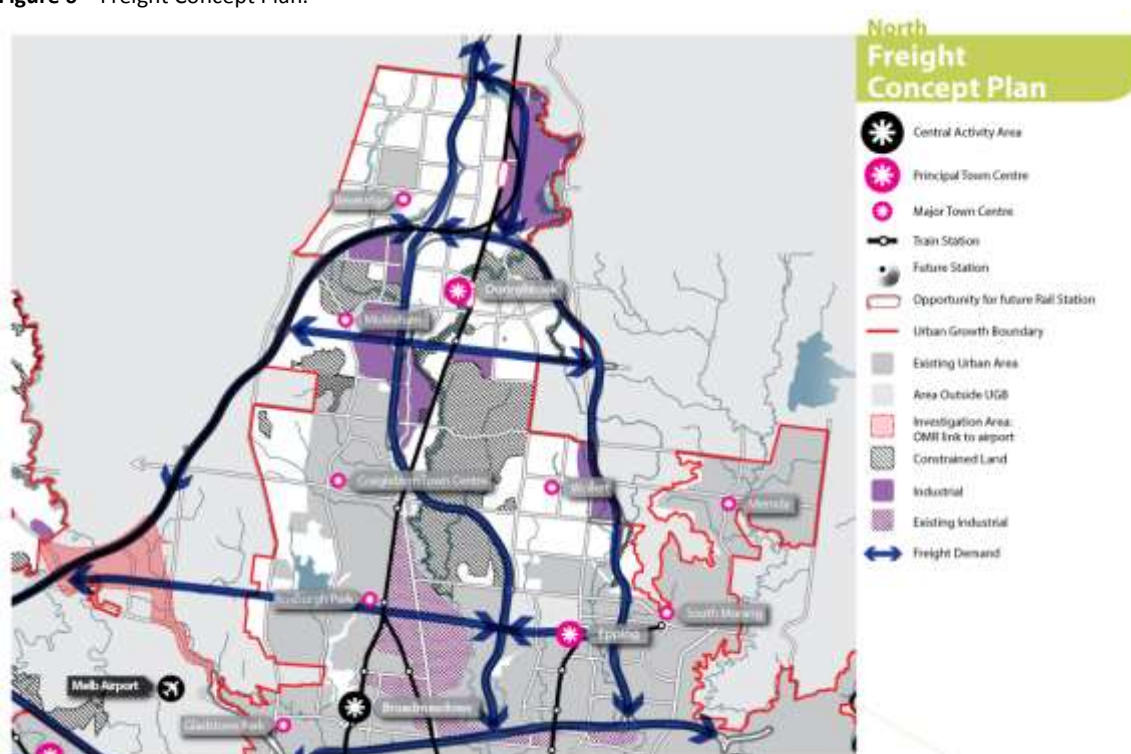


Figure 6 – Freight Concept Plan.



93. The GCPs note the following in relation to integrating public transport and land use:

*'The PPTN routes are expected to be supported by land uses that can generate demand for public transport trips. In the Growth Corridors, the following activities are expected to be located along the PPTN:*

- *Principal and Major Town Centres (including retail, high density residential development and regional health, education and community facilities); and*
- *Higher density employment precincts.*

*Prioritising investment in high capacity public transport (especially rail stations) requires that land uses capable of generating significant public transport patronage levels are co-located in order to facilitate combined purpose trips, ideally in PTCs or MTCs or employment precincts<sup>13</sup>.*

94. In relation to planning freight routes, the northern GCP notes a particular challenge associated with ensuring that future development within the corridor does not unduly diminish capacity of the nationally significant Hume Freeway corridor:

*'In order to provide future access between urban communities in the corridor, the Growth Corridor Plan proposes a new grid of north-south and east-west arterial roads crossing the freeways. These roads will provide critical access across local communities and between housing, jobs and services.*

*The Corridor Plan recognises the potential for additional access onto the Hume Freeway, north and south of the OMR, and also recognises the need for further investigation of these interchanges. There is a need to ensure that this important national freight route does not become congested with local traffic, but there is also a need to provide some additional access to the Freeway to serve the new homes and jobs proposed. Further investigations regarding this issue are required.<sup>14</sup>*

### 8.3 Industrial land.

95. Chapter 3 of the GCP sets out how the state planning policy in relation to industrial land. It notes the following in relation to the allocation of industrial land in Melbourne's growth corridors<sup>15</sup>:

*'Safeguarding strategically located industrial land over the entire lifetime of the Growth Corridor Plans is critical because the opportunity to 'retro-fit' industrial precincts into any Corridor is not possible once sensitive land uses (e.g. residential) are allowed to establish. Melbourne currently has sufficient land to meet the needs of largescale industrial development for the next 25 years. However, planning for additional industrial areas must occur well before the existing land supply nears its end. The Growth Corridor Plans currently allow for 10- 15 years of additional broad hectare industrial land in addition to the existing supply.<sup>16</sup>*

96. Additional industrial land supply is shown in the northern corridor, along the Hume Freeway and as an adjunct to the proposed Beveridge Interstate Freight Terminal and the Outer Metropolitan Ring/E6 transport corridor. The specific industrial precincts are as follows:

<sup>13</sup> Refer GCP, page 21

<sup>14</sup> Refer GCP page 72.

<sup>15</sup> The report Refer 'Planning for Employment and Industry in Melbourne's Growth Areas' (GAA, October 2011 summarises the research basis for the allocation of industrial land supplies in Melbourne's growth corridors.

<sup>16</sup> Refer GCP, page 23



- The 'Mickleham' precinct – a corridor of land extending from the Craigieburn Employment PSP land to the proposed Outer Metropolitan Ring Transport Corridor
- The proposed Beveridge intermodal Freight Terminal
- A 215 ha industrial precinct in Wollert
- A 100ha industrial precinct along Donnybrook Road (west of the rail line)

## 9.4 Planning to achieve better jobs diversity and containment.

97. Chapter 3 of the GCP sets out how the state planning policy in relation to achieving better employment diversity and containment has been used to inform the activity centre and employment framework for each of Melbourne's growth areas.
98. The GCP has a stated aim to facilitate the creation of at least one new job for each additional household across the Growth Corridors and also to increase the diversity of employment opportunities available to its residents.
99. The GCP adopts establishes a land use framework that is intended to enable the realisation of this employment target over the longer term<sup>17</sup>. It notes that around *one third* of job opportunities might be created within local neighbourhoods (via home-based employment, neighbourhood town centres, local schools, etc.), with the *balance of jobs* to be established across subregions, within a network of higher order town centres, business and industrial precincts.
100. The planning framework provides for a network of **town centres** aimed at providing a sufficient amount of retail and other services so as to maximise self-containment of such activities and create significant employment opportunities at the neighbourhood and sub-regional scale:

*'Principal and Major Town Centres are expected to cater for a substantial component of employment choice across the Growth Corridors. These centres are likely to include a broad range of retail facilities, as well as a wide mix of commercial, community, education, health, cultural, recreation and leisure facilities.'*<sup>18</sup>

101. The GCP also separately identifies '**business precincts**' (as distinct from either activity centres or industrial areas) and it notes that:

*"Business precincts identified on the Growth Corridor Plans are large flexible multi-use areas that provide for a wide range of employment opportunities. They are located so as to have excellent access to the arterial road and Principal Public Transport Network and a local resident workforce.*

*The Growth Corridor Plans generally locate such precincts adjacent to town centres or along PPTN routes, so as to facilitate the provision of public transport access as employment levels grow over time. The integration of public transport in these business precincts is considered to be an important component of any future PSP development and delivery.*<sup>19</sup>

102. The quantum of land set aside for **industrial areas** is intended to ensure that such areas can also make a significant contribution towards achieving regional employment goals, although the job densities in such locations are expected to be considerably lower than in town centre and business park settings.

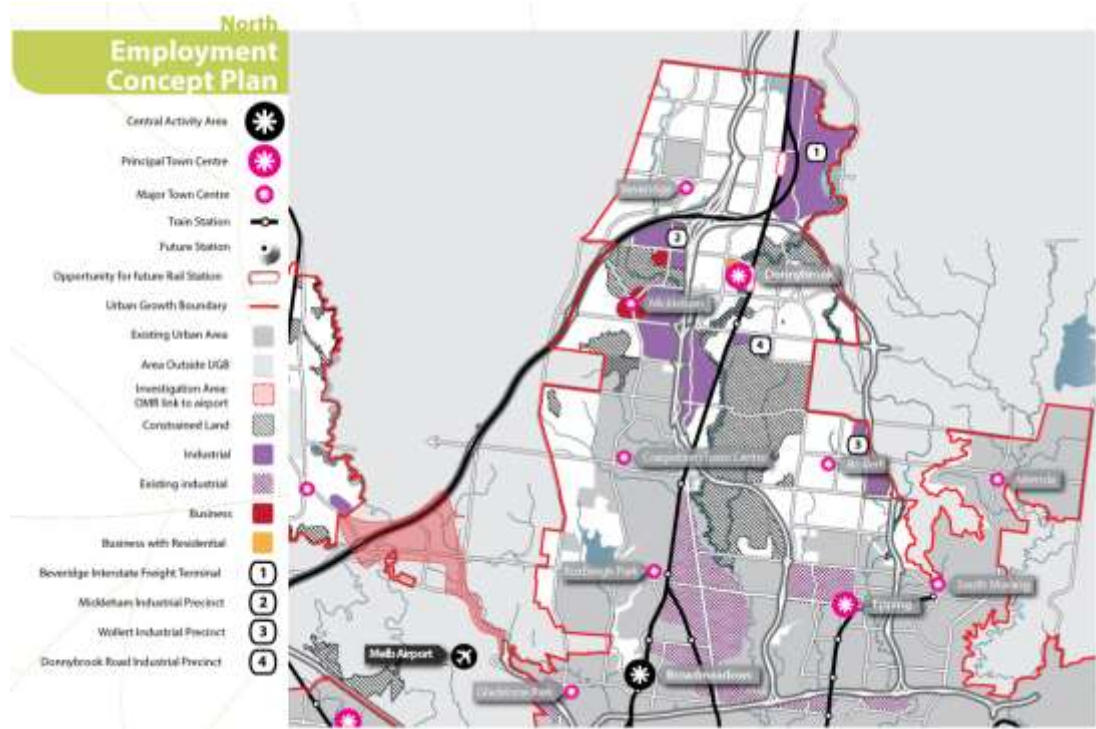
<sup>17</sup> The report *Growth Corridor Plans - Activity Centre and Employment Planning* (Essential Economics, November 2011) sets out the research undertaken to inform the allocation of land for employment purposes for the northern growth corridor.

<sup>18</sup> Refer GCP, page 22

<sup>19</sup> Refer GCP, page 22

103. The application of these concept for the north is illustrated in the following 'Employment Concept Plan' from the GCP itself (refer figure 7).

**Figure 7 – Employment Concept Plan.**



## 10.0 Planning Assessment.

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104. I have been asked to provide an expert opinion on the following matters:

- The strategic basis for the planned activity centre hierarchy in the region
- The strategic role of the higher order activity centres in the region.
- The consistency or otherwise of the proposed commercial rezoning with the established strategy for retailing in the region.
- The extent to which the proposed commercial rezoning will contribute towards achievement of Integrated transport and land use outcomes;
- The potential impacts of the proposed commercial rezoning on the future supply Industrial land;
- The contribution that the proposed commercial rezoning might make towards achieving better jobs diversity and containment.

### 10.1 The Strategic Basis for the Planned Activity Centre Hierarchy in the Region.

105. The activity centre hierarchy identified in the northern Growth Corridor Plan has its strategic basis in State Planning Policy. In particular, the activity centre hierarchy gives effect to the following State Planning policies:

Clause 11.01 – Activity Centre Network  
 Clause 11.02 – Activity Centre Planning  
 Clause 11.04 – Metropolitan Melbourne  
 Clause 17.01-2 – Out of centre development for metropolitan Melbourne  
 Clause 18.01 – Integrated transport

106. I note that Clause 11.04 (Metropolitan Melbourne) was amended by Amendment VC106 on 30<sup>th</sup> May 2014. Prior to this date, clause 11.04-2 set out the following activity centre hierarchy:

- Central Activities Districts;
- Principal and Major Activity Centres;
- Specialised Activity Centres;
- Neighbourhood Activity Centres.

107. The activity centre hierarchy contained within the Growth Corridor Plans adopts this activity centre hierarchy, but names the centres as Principal and Major Town Centres, Specialised Town Centres and Local Town Centres.

108. Clause 11.04 now references Plan Melbourne, and as a result the Donnybrook Principle Activity Centre is now defined as a “Metropolitan Activity Centre”, whilst the remaining Major Activity Centres in the corridor are now defined as ‘Activity Centres’, and ‘Neighbourhood Activity Centres’ are now defined as ‘Neighbourhood Centres’. The regional and sub-regional roles of higher order activity centres within the northern corridor remain unchanged in the Plan Melbourne activity centre hierarchy.

109. The Growth Corridor Plans give effect to Clause 17.01-2 (Out of Centre Development) by directing that retail and commercial activities be located in activity centres or in a limited number of defined Business Precincts. Specific reference is made in the Corridor Plan to

directing Restricted retail uses to locate ‘in or on the edges of higher order activity centres or in strategic locations within business precincts as part of a cluster of similar uses’<sup>20</sup>.

110. The Growth Corridor Plans give effect to Clause 18.01 (Integrated transport) by connecting residential districts, Majors and Principal Activity centres and business precincts to each other via the Principal Public Transport Network.

## 10.2 The Strategic Role of the Higher Order Activity Centres in the Region.

111. The strategic role of higher order activity centres in the Northern region is clearly set out in the Growth Corridor Plans, and can be summarised as follows:

- The Donnybrook Principal Town Centre (‘now the Lockerbie Metropolitan Activity Centre’) is expected to be the regional centre for the whole of the growth corridor and to accommodate the broadest mix of higher-order activities, generating significant numbers of visits. This activity centre is expected to accommodate the broadest range of retail activity because it will be the most accessible to a regional catchment by road and public transport. The planned public transport network in the northern corridor including a proposed rail station at the Lockerbie MAC, as well as high capacity transport corridor connecting the eastern western flanks of the growth corridor. This Lockerbie MAC centre is expected to be the location for regional scale facilities, and more intensive activities comprising jobs, shopping, leisure and recreation.
- The Mickleham, Wollert and Beveridge activity centres are designated as ‘Major Town Centres’ (now ‘Activity Centres’) in the Northern Growth Corridor. These centres are defined as having a sub-regional role, and they are expected to accommodate a wide range of shopping, employment, community, health, education and housing options. They are all located on the PPTN and have good access to the arterial road network.
- These higher order activity centres will be supported by planned business precincts at Mickleham (Merrifield) and Donnybrook (Lockerbie). These precincts are intended to accommodate activities that are not necessarily well suited to be located directly within town centres. They adjoin the higher order town centres and/or are located on the designated PPTN route, and they are expected accommodate a range of employment generating uses including service industry, office and commercial activity, and research and development and some restricted retail activities. The Corridor Plan notes that the integration of public transport in such business precincts is an important component of any future PSP development and delivery.

## 10.3 The Consistency or Otherwise of the Proposed Commercial Rezoning with the Established Strategy for Retailing in the Region.

112. Amendment C198 does not propose to create an activity centre on the land (other than a ‘local convenience centre’). However, it does envision the creation of a ‘mixed employment’ precinct, and the zoning provisions set out for the northern part of the PSP area in Amendment C198 would allow a relatively wide range of non-industrial uses to establish in this location, including a variety of retail and restricted retail activities.
113. Amendment C198 proposes to apply the Commercial 2 zone to 83.79ha of land in the northern part of the Craigieburn North Employment Area PSP area. The apparent purpose of applying

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<sup>20</sup> Refer GCP, page 16.

the Commercial 2 zone in this location is to give effect to the commercial development elements of the 'mixed employment' vision set out in the PSP.

114. One of the primary purposes of the Commercial 2 zone is to *'encourage commercial areas for offices, appropriate manufacturing and industries, bulky goods retailing, other retail uses, and associated business and commercial services.'*
115. The use of land for Restricted retail purposes is 'as of right' (permit not required) under the Commercial 2 zone. However, Amendment C198 (at clause 2.4 of the Urban Growth Zone Schedule 8) proposes to modify the requirements of the Commercial 2 zone as it relates to Restricted retail uses on land in commercial precincts 'A' and 'B' within the PSP area.
116. These modifications will mean that a planning permit is required to use land for Restricted retail uses in precinct B, and a 'soft cap' of 35,000 square metres of restricted retail floorspace will apply in Precinct A (above which a permit will be required).
117. As drafted, the zoning provisions contained within Amendment C198:
  - Allow land to be used for offices, restricted retail (up to 35,000 square metres), a small supermarket and specialty shops, food and drink premises, etc. *without the need for a planning permit*, and;
  - Allow permits to be considered for larger Restricted retail facilities, plus a variety of other retail uses within the precinct.
118. The Commercial 2 zone was created in 2013 with an express purpose to encourage a range of commercial and retail activities, including restricted retail uses and other limited forms of retail activity. The proposed inclusion of restricted retail floorspace and permit triggers in UGZ8 has come about because the Commercial 2 zone does not otherwise allow limitations on restricted retail land use.
119. The fact that Amendment C198 proposes to rely on the UGZ schedule to override the standard 'as of right' status for restricted retail uses under the Commercial 2 zone suggests that the Planning Authority recognises that the quantum of such uses in the precinct is an issue that needs to be managed, and that the Commercial 2 zone is not written a manner which enables this to be achieved.
120. However, it is not clear that the drafting of the PSP and UGZ schedule would prevent the establishment of very substantial restricted retail uses on the site in future. I say this because such proposals might be argued to be consistent with the purpose of the Commercial 2 zone, and there are no requirements or guidelines within the PSP that directly seek to limit the size of restricted retail uses within the precinct.
121. The application of the Commercial 2 zone raises some questions about the likely future expectations in relation to such uses in the longer term. At some point in the future the zoning of the land within the PSP area will revert from the 'applied' Commercial 2 zone to a Commercial 2 zone. At that time, there will be no mechanism within the planning scheme to implement the restricted retail floorspace and permit triggers proposed within the UGZ Schedule 8.
122. It is my opinion the creation of a sizeable mixed employment precinct (including bulky goods facilities) is inconsistent with the activity centre framework set out in State Planning Policy and the Northern Growth Corridor Plan.

123. The activity centre framework set out in the Northern GCP establishes a hierarchy of activity centres, supported by a limited number of business precincts, located on the Principal Public Transport Network.
124. The Growth Corridor Plans identify specific precincts where bulky goods uses in particular *are expected to be located*:  
  
*'Bulky Goods (referred to as 'restricted retail' in Planning Schemes) should ideally be located in or adjacent to higher order town centres or in strategic locations within business precincts as part of a cluster of similar uses. Co-location of bulky goods in these locations is preferred and can allow for a more efficient use of infrastructure, greater accessibility by public transport, combined purpose trips and better employment opportunities.'*<sup>21</sup>
125. The Growth Corridor Plan recognises that there will be circumstances where certain types of commercial and restricted retail activities may not be well suited to locating within activity centres. In these circumstances, the Growth Corridor Plans acknowledge that some bulky goods activities will be located within designated business precincts<sup>22</sup>.
126. The Craigieburn Northern Employment Area is not designated as an activity centre or one of the three locations designated as a business precinct within the Growth Corridor Plan.
127. Clause 17.01-2 of the SPPF *seeks to ensure that proposals for single use retail facilities outside activity centres are discouraged by giving preference to locations in or on the border of an activity centre. It only contemplates out-of-centre proposals where the proposal is of net benefit to the community in the region served by the proposal.*
128. Whilst the PSP envisages a *mix* of restricted retail and commercial uses in the norther precinct, I consider that zoning the land to Commercial 2 could potentially result in large 'single use' restricted retail proposals on the site in future, and that such uses could be reasonably described as 'out of centre', as defined in State policy. I do not think that the case for there being a net community benefit to the wider region in the current circumstances has been clearly established.
129. The practical effect of Amendment C198 (in particular, applying the Commercial 2 zone to the northern part of the precinct) will be to facilitate the establishment of range of commercial and retail activities that may otherwise have sought locations either within the planned Activity Centre network or within one of the nominated business precincts in the northern growth corridor.
130. There are a number of alternative locations where restricted retail uses can locate within the corridor. The detailed planning for the Lockerbie and Merrifield Town Centres has expressly factored in the establishment of such uses. There are other town centres such as Wollert and Beveridge that are at a less advanced stage of planning that are also candidate locations for such uses. There are three business precincts located on the PPTN where restricted retail activities can be contemplated.
131. Having regard to the above, it is my opinion that the inclusion of the northern part of the land in a Commercial 2 zone (which expressly encourages bulky goods to locate within the zone, and which allows up to 35,000 square metres of such uses without a permit) is not consistent with the strategy established in relation to activity centres and retail activities in the region.

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<sup>21</sup> *ibid*

<sup>22</sup> GCP, page 22.



132. It is my opinion that land shown as 'Commercial' in the Craigieburn North Area PSP should have the Industrial 1 zone applied to it. The Industrial 1 zone would ensure that the use of land in the region for non-industrial purposes could be better managed over time so as to avoid adversely impacting on the achievement of the employment and land use outcomes in the Activity Centres and business precincts located elsewhere across the northern Growth Corridor.

## 10.4 The Extent to Which the Proposed Commercial Rezoning will Contribute Towards Integrated Transport Outcomes.

133. The subject land adjoins Hume Freeway, which forms an essential part of Melbourne's Principal Freight network. The PSP proposes to connect the precinct to the Hume Freeway via a potential for a new half-diamond interchange (south bound ramps only) and via Donnybrook Road. The Donnybrook Road connection will require a new road bridge crossing of the Merri Creek and a road link through the English Street PSP area to Donnybrook Road.
134. The subject land also adjoins the Sydney-Melbourne rail line which forms part of Melbourne's Principal Public Transport Network. However, the subject land does not have direct access to the PPTN set out in the Growth Corridor Plans. The connection from the precinct to the PPTN is proposed via the following links:
- A 'bus capable' arterial road link through the English Street PSP area to the Donnybrook train station (circa 1.8km);
  - A 'bus capable' arterial road link through the Folkstone employment precinct to the Aitkin Boulevard PPTN corridor (circa 1.6km);
  - A 'bus capable' arterial road link along Mt Ridley Road to the Aitkin Boulevard PPTN corridor (circa 1.8km).
135. State Planning Policy (clause 18-01-1) requires that Planning Authorities plan urban development to make jobs and community services more accessible by requiring that substantial increases in activity in employment corridors are connected to the Principal Public Transport Network. It seeks to encourage higher land use densities and mixed use developments near railway stations, major bus terminals, transport interchanges, tramways and principal bus routes.
136. Whilst I acknowledge that the PSP proposes to road layout that can accommodate local bus services, the subject land does not have direct access to the PPTN (either existing or planned). For this reason, I have reservations about the suitability of the land as a location as a higher density employment area that will attract relatively higher density jobs and visitation than an industrial precinct otherwise would.
137. If the vision contained within the PSP is realised, then the precinct is expected to generate circa 8,200 jobs (3,000 of which will be in the 83.79 ha northern commercial precinct). The northern commercial precinct is expected to generate jobs at around 30+ jobs per hectare (potentially double or even triple the employment densities of the industrial precincts to its south).
138. Given that the precinct is expected to generate significant employment and visitation, then I consider that it would ideally have direct access to the Principal Public Transport Network so that it can be readily accessed by workers and visitors across the wider northern metropolitan growth area by public transport. The current PSP does not envisage this level of public transport accessibility to the precinct.

## 10.5 The Potential Impacts of the Proposed Commercial Rezoning on the Future Supply of Industrial Land.

139. State planning policies seeks to protect large areas of industrial land of state significance to ensure availability of land for major industrial development, and to avoid approving non-industrial land uses which will prejudice the availability of land for future industrial requirements in such locations.
140. The Growth Corridor Plans note that Melbourne had sufficient industrial land in 2012 to meet the needs of largescale industrial development for the next 25 years, and that an additional 10-15 years supply of broad hectare industrial land in addition to the existing supply.
141. The Northern Growth corridor Plan provided for circa 2,810ha (gross) of industrial land, as well as a possible further 440ha of land that might be made available for industrial purposes within defined 'investigation areas' and within smaller industrial precincts in residential precinct plans.
142. Including the northern part of within this precinct in a zone that allows a mixture of industrial and non-industrial uses will have not in my view have any discernible impact on the overall supply of industrial land within the Northern growth area. The zoning proposed for this land encourage manufacturing and industries (amongst other uses), and the use of land for industry and warehousing is 'as of right' under that zone. I would therefore expect that at least of the 'Commercial' precinct will be developed for industrial and warehousing purposes over time.
143. I do not consider that the partial development of 83.79 ha of industrial land for uses other than industrial activities will unreasonably prejudice the overall availability of land for future industrial requirements. However, as noted elsewhere I consider that there are other strategic planning reasons to restrict the type and extent of non-industrial activities that might locate within this land.

## 10.6 The Contribution that the Proposed Commercial Rezoning Might Make Towards Achieving Better Jobs Diversity and Containment.

144. The Craigieburn Northern Employment Area PSP has a stated aim of '*contributing to the MPA's broader goal of creating one job per new household in the Northern growth corridor, and Hume City Council's aspirations for grater employment diversity*'.
145. These broader goals of achieving better job diversity and containment are supported by State Planning Policy. Plan Melbourne seeks to '*accelerate investment in Melbourne's outer areas to increase local access to employment*'.
146. The Growth Corridor Plans have an underlying aspiration of facilitating the creation of at least one new job for each additional household across the Growth Corridors, and also to increase the diversity of employment opportunities available to residents within the corridor. The corridor plans set out a spatial land use and infrastructure framework to assist in realising this aspiration, and it includes the following elements:
  - **Neighbourhood level** employment (including local town centres, community facilities and smaller dispersed industrial commercial precincts)
  - Employment in **principal and major town centres** – such centres are expected to cater for a substantial component of employment across each growth corridor
  - Employment in **business precincts** – Such precincts are expected to deliver more intensive and diverse forms of employment generating uses in comparison to industrial areas.

Business precincts are expected to deliver minimum job densities of 30-40 jobs per (gross) hectare of land.

- Employment in **industrial precincts** – such precincts are expected to generate substantial employment, albeit at considerably lower than in town centre or employment precinct settings. Industrial precincts are expected to realise job densities of 15-20 jobs per hectare.

147. The subject land is identified in the Northern Growth Corridor Plan for industrial purposes.

148. In my opinion, the strategic role of this land in contributing towards achieving wider job diversity and containment goals within the northern corridor is intended to be limited to the creation of industrial and related activities with lower job densities than would be expected in activity centres and business precincts.

# 11 Conclusions:

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149. The activity centre hierarchy identified in the northern Growth Corridor Plan has its strategic basis in State Planning Policy.

150. The 'higher order' elements of this hierarchy include the following:

- The Donnybrook Metropolitan Activity Centre is planned to be the regional centre for the whole of the growth corridor;
- The Mickleham, Wollert and Beveridge Activity Centres are defined as having a sub-regional role, and they are expected to accommodate a wide range of shopping, employment, community, health, education and housing options.
- Three business precincts are located in Mickleham (Merrifield) and Donnybrook (Lockerbie). These precincts adjoin the higher order town centres and/or are located on the designated PPTN route, and they are expected to accommodate a range of uses, including restricted retail activities.

151. The subject land is identified in the Northern Growth Corridor Plan for industrial purposes.

152. Amendment C198 envisages the creation of a 'mixed employment' precinct within the Craigieburn Employment Area, and it proposes to apply the Commercial 2 zone to 83.79ha of land in the northern part of the Craigieburn North Employment Area PSP area.

153. The commercial rezoning proposed by Amendment C198 would allow a relatively wide range of non-industrial uses to establish in this location, including a variety of retail and restricted retail activities.

154. It is my view that the creation of potentially large bulky goods facilities in this location is an outcome that is inconsistent with the activity centre framework set out in State Planning Policy and the Northern Growth Corridor Plan.

155. In my opinion, the strategic role of this land in contributing towards achieving wider job diversity and containment goals within the northern corridor is intended to be limited to the creation of industrial and related activities with relatively lower job densities than would be expected in activity centres and business precincts.

156. I note that whilst the precinct can be accessed by local bus services, it is not directly accessible to the PPTN. In the absence of access to direct access to the PPTN, I have reservations about the suitability of the land being developed as a higher density employment precinct that would attract relatively higher density jobs and visitation than an industrial precinct otherwise would.

157. Having regard to State Policy and the Growth Corridor Plans, it is my opinion that the inclusion of the northern part of the land in an applied Commercial 2 zone as proposed is not consistent with the strategies established in relation to activity centres and retail activities in the region.

158. I consider that this land should be included within the Industrial 1 zone so as to ensure that the use of land for non-industrial purposes could be better managed over time.

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