EXECUTIVE SUMMARY

This Context Report sets out a spatial framework for employment precincts and activity centres across the cities of Greater Dandenong, Casey and Cardinia Shire (the South East Economic Corridor, or SEEC). It will inform the planning of future Employment Precinct Structure Plans (e-PSPs) and the employment and economic components of DELWP’s South East Land Use Framework Plan and the South East Melbourne Councils Vision and Action Plan.

The Strategy provides an evidence base for the preservation of employment land in these future e-PSPs to facilitate the long-term economic success of the region and local community.

Economic outlook and policy context for the SEEC

_Plan Melbourne: 2017 – 2050_ (Plan Melbourne) and the _Melbourne Industrial and Commercial Land Use Plan_ (MICLUP) provide a broad spatial planning framework for the SEEC. This state policy is interpreted through the PSP process to define the role and function for future urban land.

However, the Melbourne and SEEC economies are undergoing significant structural change linked to globalisation, technology, and demographic shifts. A shift from traditional manufacturing and industrial activities towards population- and knowledge-intensive activities together with strong population growth and other factors mean the context for employment planning, in particular, is evolving quickly.

Various economic trends are influencing new and hybridized development models that transcend the traditional notions of industrial estates, business parks and town centres. Without an appropriate understanding of the current and emerging economic context and changes to development models, decision making for the planning and development of these future employment PSPs (e-PSPs) has become more contested.

This Strategy seeks to address this issue by outlining a vision and seeks to define the strategic role and drafting instructions for future employment Precinct Structure Plans (e-PSPs) within the SEEC.

Planning for the long-term evolution of the SEEC

The SEEC population in 2060 will comprise a large and highly skilled local workforce, supporting maturing local economy and generating demand for a wide range of goods and services.

The SEEC contains:

- two Metropolitan Activity Centres (Dandenong and Frankston)
- 12 major activity centres
- two State-Significant Industrial Precincts (Southern and Officer-Pakenham)
- six future e-PSPs comprising 2,500 hectares.

The population and economy of the SEEC will undergo significant transformation over the timeframe of this Strategy. Demand for population-serving jobs will be strong initially, but the SEEC economy will evolve to include a more diverse mix of business activity and employment as population growth stabilises.

The SEEC will be almost fully developed by 2060. By then, existing activity centres and employment precincts will have undergone urban renewal, and new precincts will have transitioned from primarily industrial uses to include a wider mix of commercial and advanced industrial activities.

Long-term planning for the evolution, continued renewal and reinvention of the SEEC region employment areas is ensure a sustainable, mature economy and local job self-containment aspirations.
This strategy has considered:

The impact of a future airport in the southeast on the SEEC economy and individual precincts. As a seriously entertained, but as yet unfunded development, a new airport would have a transformational effect on the SEEC economy.

The potential impact of COVID-19 on the SEEC economy and repercussions for implementation of this strategy.
Implementing the vision: A three horizon approach

In order to achieve significant transformation, places need to plan across three horizons simultaneously. For the SEEC, these are:

- **Horizon 1: Consolidate** the existing hierarchy and support long term options through flexible planning.
- **Horizon 2: Reinforce** and augment a maturing regional economy by enhancing existing infrastructure, diversifying land use, creating amenity.
- **Horizon 3: Transform** the economy through innovation, major investment, and new opportunities.

Planning occurs in parallel across all horizons; there are short, medium, and long-term actions for each horizon, acknowledging benefits for Horizon 2 and 3 will be realised over a longer period.

The SEEC vision is achieved through several core strategic imperatives, which guide the focus of the strategy over three outcome Horizons:

1. Plan for **flexibility, uncertainty, and renewal** to ensure the long-term supply of employment land
2. Enable the **manufacturing and industrial** base to mature, diversify and transform
3. Promote **knowledge-based enterprises** to establish in the established locations first
4. Target the high-growth **health and education sectors** across centres, with supporting manufacturing, value-adding and research activities directed into SSIPs and e-PSPs
5. Support local prosperity through a focus on **circular economies and bottom up community wealth building**
6. Plan for **high amenity industrial and mixed use commercial precincts**
7. Reserve land for and promote the development of **economic gateways and anchors**
8. Create a network of **digital and transport connections**
9. Create exemplars in **technology and local sustainability**
10. Ensure **housing in mixed use areas supports (rather than challenges) employment** and aligns with 20-minute neighbourhood principles.

A set of key actions for each Horizon provide line-of-sight to the tangible activities that will support delivery of this Context Strategy. These actions are grouped into five categories:

- **Planning to enable growth**: Components of planning that need to be completed across the SEEC and within the e-PSPs to underpin the desired outcomes.
- **Precinct activation**: Infrastructure, investment, and land configuration requirements to establish conditions for plan implementation to deliver land use outcomes.
- **Development facilitation**: Governance, partnerships and systems that will create smooth processes for development within the SEEC and e-PSPs (for example, streamlined processes for complying development).
- **Employment delivery**: Economic development steps that will attract businesses, workers, or investment to the SEEC or e-PSPs.

**Sustainable and liveable communities**: Actions that relate to resource and energy use/production, utility provision, or those which relate to the physical amenity of the SEEC and e-PSPs.

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**Future e-PSPs**

- Officer South Employment
- Cardinia Road Employment
- Pakenham South Employment
- Pakenham East Employment
- Croskell
The South East Economic Corridor in 2060

FIGURE 1: THE SEEC 2060 STRATEGY MAP

The SEEC Strategy outcomes in a snapshot

<table>
<thead>
<tr>
<th>Horizon 1 to 2030:</th>
<th>Horizon 2 to 2040:</th>
<th>Horizon 3 to 2060:</th>
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</thead>
<tbody>
<tr>
<td><strong>Consolidate</strong></td>
<td><strong>Reinforce</strong></td>
<td><strong>Transform</strong></td>
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- **Core businesses, functions and attributes** which currently support the region’s prosperity are protected and retained.
- **Higher order economic and employment opportunities** are driven to existing nodes (Dandenong, Monash, Fountain Gate-Narre-Warren) with local demand largely focused on serving population development and growing needs.
- **Investment** is consolidated in **existing activity centres** and employment locations, delivering knowledge-based employment growth and support growth of industry and population serving activities in greenfield locations.
- **New flexible plans for e-PSPs** guide desired strategic outcomes and set land aside for growth over the long term.
- **Key infrastructure** to link employment nodes identify and prioritise and coordinate growth.
- **Existing core functions diversify through related activities, supply chains or aligned businesses.** These are organic innovations, building on existing strengths.
- **The region matures with a skilled workforce and new economic opportunities emerge.**
- **North-East Link, High Capacity Metro Trains project (HCMT), and local transport infrastructure upgrades create a more connected local economy with strong connections into Melbourne and Gippsland.**
- **Combined with a focus on design and sustainability, there is increased local skills, knowledge, and technology-based firms along with logistics, manufacturing, construction, and health sectors.**
- **The region is transformed through new opportunities that are not currently present but which still draw on the region’s advantages and current functions.**
- **Residential growth is largely complete, major infrastructure and assets are in place: South-East Airport, new H&EP in Officer/ Pakenham ACs, high speed internet, other key transport links.**
- **Diverse, higher order and new economic opportunities materialise and are acted on through planning.**

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The Strategy for the City of Greater Dandenong

**Horizon 1**
- Guide higher order jobs to Dandenong and enable Dandenong South to continue to build out through development facilitation strategies.

**Horizon 2**
- Leverage the increased development of industrial uses in the Officer-Pakenham corridor to enable Dandenong South to transition from traditional industrial uses to higher order industrial functions

**Horizon 3**
- Dandenong MAC revitalisation completed, centre operating as Melbourne’s "second CBD" with a range of entertainment, hospitality and recreation options alongside knowledge intensive employment opportunities that successfully capture highly skilled workers within the Southern Region.

**FIGURE 2: EMPLOYMENT FORECASTS BY BROAD LOCATION FOR DANDENONG**

Source: SGS Economics and Planning.

Note: Centres includes existing and planned Metropolitan and Major Activity Centres. SSIP includes existing and planned SSIP land. Remainder includes all other employment land.
The strategy for Casey City Council

Horizon 1: Guide higher order jobs to existing major centres, using business attraction strategies and place-making projects.
- Cranbourne West is developing as an industrial and business park, supporting small- to medium enterprises and population serving uses.
- Thomspsons Road and Minta Farm are developing as high-quality mixed-use employment precincts.
- Croskell and Casey Fields South are preserved in their current form, to drive appropriate sequencing for the build-out of existing employment nodes.

Horizon 2: Focus development of employment uses in Minta, Thompsons Rd/Clyde Nth and Clyde south.
- Croskell starts to provide an enhanced local commercial role.
- Casey Fields South is preserved in its current form.

Horizon 3: Employment lands are influenced by the expanding role and function of the Berwick Health and Education Precinct, Officer-Officer South and Minta Farm cluster. They offer strong knowledge intensive and mixed-use activities within high amenity environments.
- Croskell redevelops into an innovation hub in the heart of strong centre network and population mass
- Casey Fields South provides long-term affordable industrial land to enable other locations to transition and growth.

Croskell strategic role:
- Regionally significant commercial area (Business precinct), delivering intensive employment (service industries, offices, and research), located on the future PFN (Thompsons Road), connected to Cranbourne West and Thompsons Road Business Corridor.
- Thompsons Road interface preserved for industrial, freight/logistics and urban services linked to Principal Freight Network (PFN).
- Connected to the Principal Public Transport Network (PPTN) and large established residential catchment, with potential to expand its role to become a business centre serving a larger catchment in future, leveraging high quality public transport links to the broader region.
- Southern part residential, linked to Clyde Creek and Cardinia Creek South.

FIGURE 3: EMPLOYMENT FORECASTS BY BROAD LOCATION FOR CASEY

Source: SGS Economics and Planning. Note: Centres includes existing and planned Metropolitan and Major Activity Centres. SSIP includes existing and planned SSIP land. Remainder includes all other employment land. ePSP includes Thompson Rd, Minta Farm and Cranbourne West. FePSP includes Croskell, Casey Fields South and Devon Meadows.
The Strategy for Cardinia Shire Council

Horizon 1: Guide higher order jobs to existing major centres, using business attraction strategies and place-making projects.
- Officer-Pakenham e-PSPs support existing core employment nodes, providing accessible/affordable employment land on existing lot structures with higher order jobs being focused in existing priority employment nodes (NEICs, Health and Education Precincts and Metropolitan Activity Centres).

Horizon 2: Link local centres, employment lands with Dandenong and broader Melbourne. Preserve the long-term vision but support local economy growth opportunities.
- Officer-Pakenham establishes SSIP role with manufacturing, health, and research functions. SSIP integrates with neighbouring commercial nodes (Officer, Pakenham, Minta Farm).

Horizon 3 Health and Education jobs in Officer and Pakenham provide an important link to advanced manufacturing jobs in the Off-Pak corridor, and links from the Green Wedge into that corridor support a thriving advanced manufacturing and food hub.
- Officer-Pakenham corridor (SSIP and activity centres) work as an integrated economy, offering a high-tech health, research, and distribution node, linked with:
  - The Port of Hastings, Lyndhurst Intermodal Freight Terminal and the potential future South East Airport
  - Gippsland and Bunyip food bowl.
  - Latrobe renewable energy.
  - Local health, research, and manufacturing specialisations.

Officer South Employment strategic role:
- State Significant Industrial Precinct south of Grices/Glasscocks Road.
- Regionally significant commercial area (growth area business precinct with mixed use/residential hub).
- Excellent access to the Principal Freight Network (PFN) via the Princes Freeway.
- Supports business park at Minta Farm and strong links to Officer Town Centre.

Cardinia Road Employment strategic role:
- The Cardinia Road Employment Precinct is partly in the State Significant Industrial Precinct (SSIP), with a business precinct in the Regionally Significant Commercial land.
- Part of the Officer-Pakenham Business Corridor and Pakenham Employment Corridor, excellent access to Principal Freight Network via Princes Freeway.
- Strong road and high-quality public transport links to Officer Town Centre and Cardinia Road train station.
- Potential for health manufacturing and R&D, based on PFN connections to Dandenong, Frankston and Berwick Health and Education Precincts.
- Mixed-use connection over Gum Scrub Creek to Officer South Employment.

Pakenham West strategic role:
- State Significant Industrial Precinct (SSIP) linked to PFN on Princes Freeway, potential for freight and logistics interface with the Princes Freeway.
- Renewable energy, food production/value-adding to produce from Gippsland and the Latrobe Valley.
- Links to the Pakenham Motor-Sports Facility (e.g. R&D).
- Strong links taking freight, produce, to the future Airport via new bypass, and McGregor's Road upgrades.

Pakenham South strategic role:
- State Significant Industrial Precinct (SSIP) with excellent links to possible future South East Airport via McGregor and Koo Wee Rup Roads.
- Market links to South Gippsland, Western Port Green Wedge (inputs).
- 136 ha (net) land available for freight and logistics, food/energy production, manufacturing, light and heavy industry.
- Convenience centre located towards north-western part of precinct, linking to South East Business Park.
FIGURE 4: EMPLOYMENT FORECASTS BY BROAD LOCATION FOR CARDINIA

Source: SGS Economics and Planning

Note: Centres includes existing and planned Metropolitan and Major Activity Centres. SSIP includes existing and planned SSIP land. Remainder includes all other employment land. ePSP includes Thompson Rd, Minta Farm and Cranbourne West. FePSP include Offer South Employment, Cardinia Rd Employment, Pakenham South and Pakenham West.
Major infrastructure and anchor actions

Table 1 shows a list of suggested key connections and anchor projects to support growth in the SEEC sub-region that could be considered across the three horizons. These do not represent a commitment to delivery, but a prioritisation of projects and planning activities to support the realisation of the vision for economic development.

While some projects (for example, a potential future South East Airport) may not be realised in the short- to medium-term, planning for longer-term projects could commence earlier to support the anticipated development of ePSPs. There are various planning tasks, such as business case development, land reservation, preliminary and detailed design, that need to be undertaken before projects are committed.

**TABLE 1: SUGGESTED PRIORITISATION OF CONNECTIONS AND ANCHOR ACTIONS**

<table>
<thead>
<tr>
<th>SUGGESTED PLANNING TIMEFRAME</th>
<th>Short term</th>
<th>Med. term</th>
<th>Long term</th>
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**TRANSPORT ACCESS AND CONNECTIVITY**

| Current planned major transport projects | ✓ |
| E.g. Thompsons Road, and Princes Freeway upgrades | ✓ |
| Freeway interchange at Cardinia Road, and Koo Wee Rup Road upgrade | ✓ |

**Enhanced North-South Regional public transport links**

| E.g. Investigate opportunities from Officer Town Centre to e-PSPs, Cardinia, and Pakenham stations to e-PSPs, along Narre-Warren, Clyde and Soldiers Roads connecting Casey Fields South and Croskell to Fountain Gate-Narre Warren and the Berwick Health and Education Precinct. | ✓ |

**Enhanced freight capacity**

| E.g. Westernport Highway upgrades, completion of North-East Link, M1 Princes Freeway Stage 1 along EastLink-Clyde Road | ✓ |
| E.g. Level crossing removals along the Cranbourne-Pakenham and Dandenong lines | ✓ |

**Enhanced East-West Regional public transport links**

| E.g. Investigate opportunities along Grices Road, Thompsons Road, Camms Road | ✓ |

**Future intermodal infrastructure**

| E.g. potential intermodal freight terminal at Lyndhurst, connecting via rail to the Port of Hastings | ✓ |

**Transport gateways**

| Potential future South East Airport and surrounding employment land | ✓ |

**COMMUNITY, HEALTH AND EDUCATION**

**Health and Education Precincts**

| Education upgrade/expansion at Berwick Health and Education Precinct | ✓ |
| Location of new health services to be determined by DHHS in consultation with SEEC councils to meet future community need | ✓ |

**Hospital upgrades/expansion**

| E.g. at Frankston, Dandenong, and Berwick (Casey Hospital) | ✓ |

**Sustainability systems**

| Integrated water management and closed loop resource/energy systems | ✓ |