

27 October 2023

Victorian Planning Authority
Level 25, 35 Collins Street
Melbourne VIC 3000

**RE: Officer South Employment Precinct Structure Plan
130 Stephens Road, Officer (Property 16)**

Thank you for the opportunity to make a submission in relation to Amendment C274 to the Cardinia Shire Planning Scheme and specifically the draft *Officer South Employment Precinct Structure Plan (PSP)* and accompanying planning scheme provisions.

Insight Planning Consultants, on behalf of the Mack Brothers (**clients**), are acting for 130 Stephens Road, Officer (**the Site**), and are pleased to provide the following submission in response to Amendment C274card (**the Amendment**).

In general terms, our clients support the progression and approval of the Officer South Employment PSP and the Amendment, however there are some concerns regarding specific matters that are outlined in this submission that we seek to be addressed.

Importantly, we believe that our requested changes will further improve the PSP's ability to guide change, respond to evolving markets, provide flexibility in design and most importantly, encourage early investment in this precinct and the early delivery of state significant industrial land.

This submission relates to the 'Exhibited Documents' that are available on the Engage Victoria website and seeks to outline each issue of concern and a requested change that we believe will enhance the deliverability of the PSP.

This submission has been structured to identify and explain our key issues with the PSP and then to provide a table summary of our requested changes to each of these key issues.

I trust the contents of this submission are clear however, we look forward to working closely with the Victorian Planning Authority (**VPA**) to progress the approval of the Officer South Employment PSP.

1. Subject Site

The Site is located at 130 Stephens Road in Officer and is located within the Officer South Employment Precinct (**the Precinct**). The Site is identified as Property 16 within the PSP, as shown below. The Site is located on the north-western corner of the intersection between Stephens Road to the east and the extension of the Lecky Road reserve to the south. The Site is generally rectangular in shape and has a total area of approximately 12 hectares.

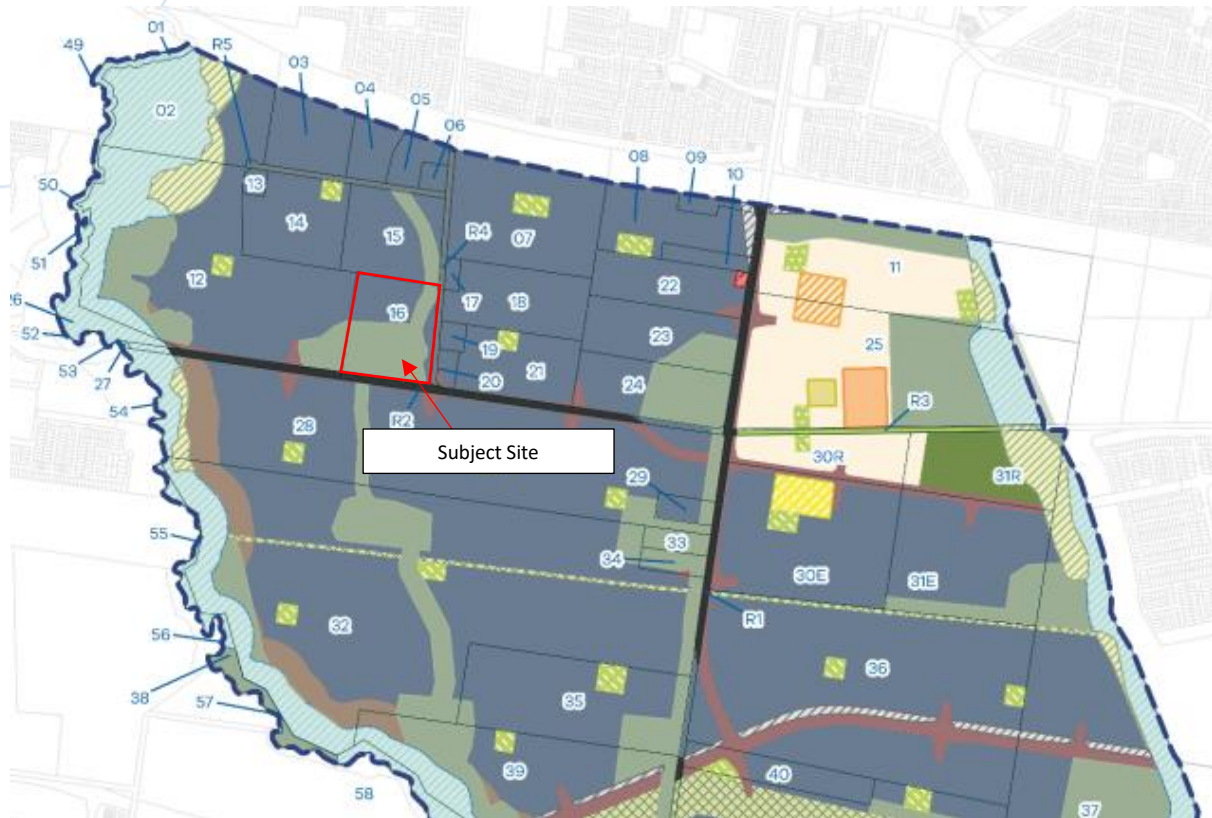


FIGURE 1: EXTRACT OF PLAN 14 – LAND USE BUDGET (OFFICER SOUTH EMPLOYMENT PSP)

The Site is currently occupied by an existing dwelling and associated outbuildings. The Site historically formed part of a larger property named 'Gwinganna', which was purchased by the previous owner in 1979. The property at this time was bound by Stephens Road to the east, Lecky Road to the south, Cardinia Creek to the west and Handford Lane to the north.

The 'waterway' located generally along the eastern boundary of the Site, extending between Lecky Road and Handford Lane, was created by extracting sand, which was dug out to supply to local development projects at the time.

The circular pond near the corner of Lecky Road and Stephens Road was dug out as a bird sanctuary. A bore on the northern boundary was put in to tap into a spring to provide water to their Murray Grey cattle herd.

As such, the current mapping and description of this as an 'existing waterway' is inaccurate as this has been dug out by the previous owner of the Site. An aerial of the Site is shown below.



FIGURE 2: AERIAL OF SITE (LANDCHECKER 2023)

2. Submission

The following submission is provided to assist in ensuring the deliverability of the Site and provision of state significant industrial land within the Site and broader Precinct.

Key Issues

While our client generally supports the approval of the Amendment, there are a number of key issues that we have identified in the Amendment documents, in particular the draft PSP, that relate to the Site at 130 Stephens Road, Officer (Property 16). Many of these issues are intertwined, and it would be difficult to change just one without impacting the others, such as the proposed drainage scheme, road network and precinct staging. In supporting the PSP moving forward, our client is looking to develop the land as soon as possible.

Policy Context

There is substantial strategic direction for the priority of the state significant industrial land within the Precinct, as is outlined within the draft PSP and as follows.

Section 1.4 – Regional and strategic policy context of the draft PSP states,

‘Plan Melbourne 2017–2050, the Melbourne Industrial and Commercial Land Use Plan (MICLUP) and the South-East Growth Corridor Plan (2012) have identified the Officer South Employment Precinct to support a State Significant Industrial Precinct and Regionally Significant Commercial Area (including business with residential uses). These policies envisage the primary role for the precinct to cater for an

employment and economic role, providing a long-term supply of employment land as part of a broader Officer–Pakenham employment corridor in Melbourne’s south-east (refer Plan 1: Regional Context)’ (pg 7).

The PSP Vision at Section 2.1 of the draft PSP identifies that, *‘the precinct forms the core of the Officer–Pakenham State Significant Industrial Precinct and will deliver south-east Melbourne’s next generation of industrial, manufacturing and logistics enterprises estimated to bring approximately 22,000 diverse jobs closer to emerging communities in Cardinia Shire and the City of Casey’ (pg 12).*

Further, the primary PSP Purpose at Section 2.2 of the draft PSP is to *‘provide for employment and industries of the future’,* and for the precinct to provide *‘a Regionally Significant Commercial Area (RSCA) and a State Significant Industrial Precinct (SSIP) as part of the broader Pakenham-Officer SSIP corridor, south-east Melbourne’s future premier economic and employment hub’ (pg 12).*

Ultimately, the draft PSP is inconsistent with and does not support the primary role of the Precinct to provide state-significant industrial land as envisaged by the overarching strategic documents which set its priority. Specifically, the current staging of infrastructure and development proposed, which does not include any industrial land in the first stage, is inconsistent with the role of the Precinct, as will be detailed further in this submission.

Land Use Designation

An extract of the Place Based Plan at Plan 3 of the draft PSP, and how it relates to the Site, is shown below.



FIGURE 3: EXTRACT OF PLAN 3 - PLACE BASED PLAN (OFFICER SOUTH EMPLOYMENT PSP)

The land uses shown on the Site include:

- Industry (IN1Z)
- Uncredited Open Space
- Connector Street – industrial (*Stephens Road*)
- Arterial Road (4 lane) (*Lecky Road*)
- Intersection works between Stephens Road and Lecky Road

While the designation of part of the Site for industrial, with an underlying Industrial 1 Zone (IN1Z), is supported, the other land uses shown on the Site pose significant delivery issues for the developable parts of the Site. In particular, the drainage assets shown on the Site form a considerable constraint to the development of the Site. We understand that Melbourne Water's Draft Drainage Strategy (DSS), which is also currently on exhibition, has informed the drainage assets and infrastructure shown in the PSP. As such, a separate submission to the DSS will also be lodged directly with Melbourne Water, further outlining the below drainage issues.

The proposed Melbourne Water retarding basin and associated drainage reserve takes up a large proportion of the Site, which significantly reduces the amount of developable land within the Site. This is currently shown to be split amongst the Site and the property adjoining the Site to the west (Property 12). It is requested that this retarding basin be redistributed more equally between the Site and adjoining Property 12 to result in a more equitable and regular shaped drainage reserve outcome.

Nina Barich of Incitus has undertaken a preliminary review of the draft PSP and Melbourne Water's DSS and associated modelling, and advised that the proposed drainage reserve across the Site could be reduced in size by up to 1ha in total. This will be further detailed in our submission to Melbourne Water, and it is anticipated that along with a fairer redistribution of this drainage reserve, that the overall size of this asset will be reduced.

Further, between the proposed retarding basin adjacent the southern boundary and the proposed waterway reserve along the eastern boundary, the majority of the developable land within the Site is effectively land-locked, until the proposed connector streets north or west of the Site are developed and connecting road access is provided by these properties. The cost of crossing the waterway to access the balance of the Site directly from Stephens Road will be a significant cost barrier unless the amount of developable land within the Site can be increased.

The current alignment of the waterway reserve is also an issue as it results in a sliver of industrial land, approximately 45 metres wide at its widest part, along the eastern boundary of the Site which effectively cannot be developed. Guideline 10, which discourages crossovers to connector streets, including Stephens Road, and Requirement 18, which requires a minimum 19-metre perimeter road bushfire interface to the drainage reserve and waterway, make it near impossible to realistically develop the sliver of industrial land along the Stephens Road frontage.

Ideally, given that the waterway is man-made, as previously outlined in this submission, this waterway reserve would be realigned along the eastern boundary of the Site to provide a more efficient development outcome. However, if the waterway reserve cannot be realigned, it is requested that one of the local parks in the vicinity of the Site, such as LP-07 to the east of the Site, be relocated to the

land between the waterway and Stephens Road as a linear park, to provide a more integrated planning outcome.

Requested Changes:

- Redistribute a greater portion of the drainage reserve on the Site to the adjoining property to the west (Property 12) and reduce size of overall drainage reserve by up to 1ha, subject to further discussion with Melbourne Water.
- If the waterway cannot be realigned to the eastern boundary of the Site, replace the sliver of industrial land along the Site's eastern boundary with credited open space (linear park).

Precinct Infrastructure Plan

The Precinct Infrastructure Plan (PIP) at Plan 11 of the draft PSP identifies the transport, open space and community facility project items to be funded through the Infrastructure Contributions Plan (ICP). The ICP items currently relevant to the Site are Intersections IN-03, at the intersection of Stephens Road and Lecky Road, and IN-02, at the intersection of Lecky Road and the north-south connector street to the west of the Site, and culvert CU-04. The inclusion of these items in the ICP is supported.

In addition to the ICP items already identified within and adjacent to the Site, it is requested that the proposed east-west connector street between Officer South Road and Stephens Road is also included as an ICP item.

The construction of a connector street is an allowable item in a supplementary levy, as specified in the *Ministerial Direction on the Preparation and Content of Infrastructure Contributions Plans* (the Ministerial Directions)(Table 5, pg 15). Specifically:

Supplementary levy allowable item	Requirements for including a supplementary levy
Local or connector roads	<p>The item must be a works, service or facility that a developer of land normally provides on or to the land in order to develop the land for urban purposes.</p> <p><u>The item must be constructed on, or adjoining, land in fragmented ownership and the fragmented ownership must make provision of the item by the developer difficult.</u></p> <p>The relevant municipal council must have agreed to be the development agency for the item.</p> <p>The estimated cost of the item must be fairly levied amongst the developers who will benefit from the delivery of the item.</p>

Additionally, the land associated with the connector street is also an allowable public purpose under the Minister Direction (Table 7, pg 17). Specifically:

Allowable Public Purpose	Permitted use or development of public purpose land
Other infrastructure that is essential to the development of the ICP plan area	Construction of other works, services or facilities (other than State Infrastructure) funded from a supplementary levy.

The east-west connector street between Officer South Road and Stephens Road is critical to the development of the land currently shown within Stage 1 of the draft PSP, west of Officer South Road. Without the delivery of this connector street, the properties within Stage 1 west of Officer South Road cannot develop, due to limited access opportunities to Officer South Road as a result of the proposed PAO for the freeway interchange works and the proposed waterway reserve. This impacts the deliverability of the entire Precinct and the current road access arrangements proposed.

The early delivery of the east-west connector street between Officer South Road and Stephens Road is also essential to the development of the broader northern part of the Precinct and would allow the development front to extend west from Officer South Road without being reliant on upgrades to Lecky Road, ahead of the anticipated staging set out in Plan 12 of the draft PSP. This would result in the early delivery of state-significant industrial land, including that on the Site, consistent with the purpose and vision of the PSP, which would otherwise be contingent on the delivery of road infrastructure in Stages 2 and 3, as specified in Plan 12 and the proposed Specific Controls Overlay (SCO). Further there is no motivation for landowners to deliver this road if they cannot achieve a planning permit due to the restrictions placed on the Precinct with regards to the infrastructure staging requirements currently proposed.

Given that the land required for the east-west connector street crosses a number of properties, which would otherwise make delivery of this road difficult, the inclusion of this connector street in the ICP as a supplementary item would allow the cost of this road to be levied against the properties that would directly benefit from its construction, as indicated below. This would subsequently allow for its early delivery as works in kind.

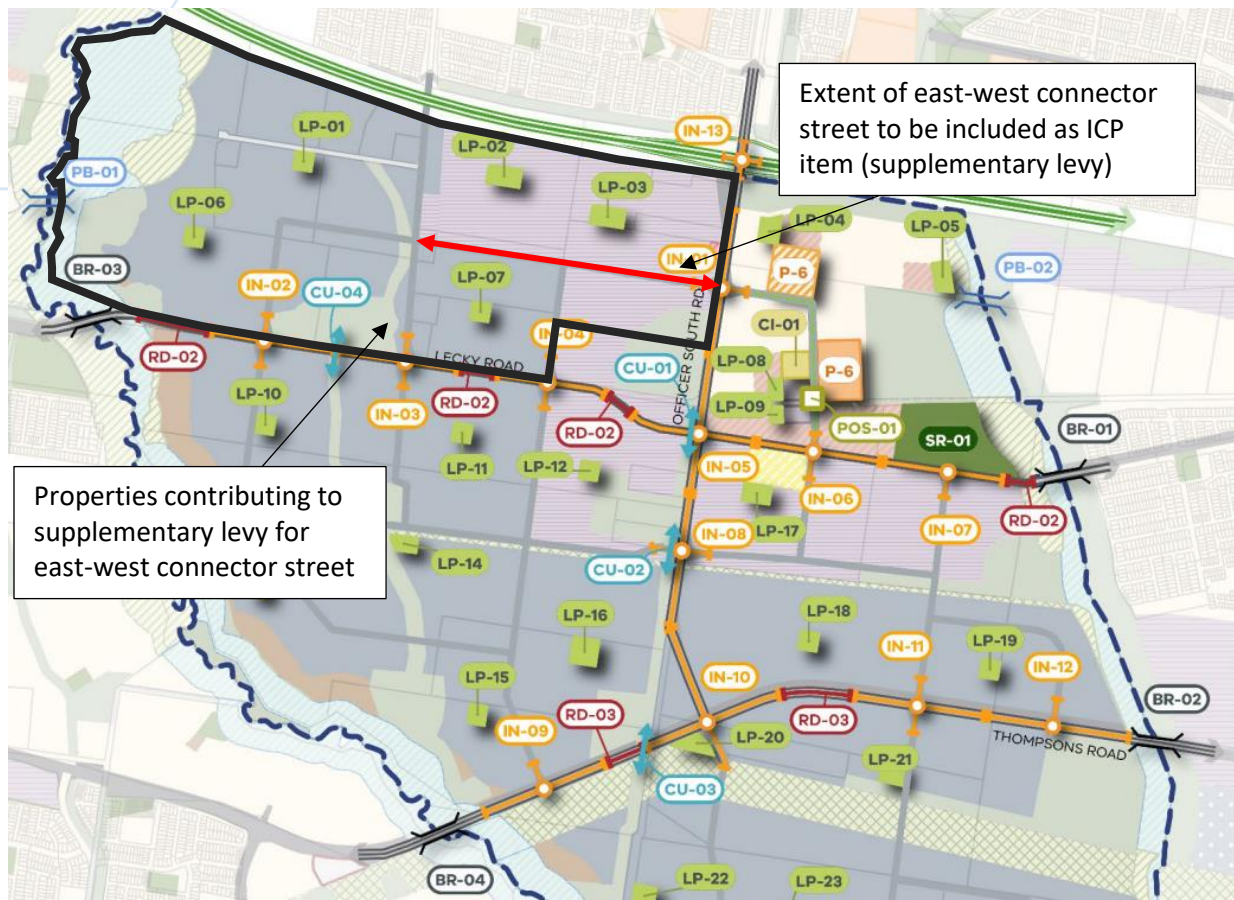


FIGURE 4: EXTRACT OF PLAN 11 - PRECINCT INFRASTRUCTURE PLAN (OFFICER SOUTH EMPLOYMENT PSP)

A supplementary levy for transport projects is currently proposed under the draft ICP. The current supplementary levy has a total cost of \$76,846,764.69 apportioned to the Precinct, with a per hectare rate of \$114,316.30. The VPA's Benchmark Infrastructure Costs for 2023/2024, specify that estimated cost of a Connector Street is \$4,692,344 per 800 metres of road (P90). The extent of road required between Stephens Road and Officer South Road is approximately 1,115 metres, and as such would have a cost of approximately \$6,539,954 to be included to the supplementary levy. Further, the land required for the east-west connector street is requested to be included in the ICP as Inner Public Purpose Land (IPPL). The amount of IPPL for the connector street, which would have a road width of 26 metres, would therefore be approximately 2.89 hectares in addition to the current IPPL for transport projects of 9.15 hectares specified in the draft ICP.

Additionally, if the waterway through the Site cannot be realigned to the eastern boundary and local park LP-07 was to be relocated onto the Site between the waterway and Stephens Road frontage, then this would need to be reflected in the draft PSP and ICP as credited open space.

Requested Change:

- Include the construction of the east-west connector street between Officer South Road and Stephens Road as an ICP item (supplementary levy).
- Include the land required for the east-west connector street between Officer South Road and Stephens Road as Inner Public Purpose Land.

- If local park LP-07 was to be relocated between the waterway and Stephens Road frontage, this is to be included as credited open space.

These changes would also apply to the draft Officer South Employment Infrastructure Contributions Plan.

Precinct Staging

The other key issue with the draft PSP is the proposed staging of development and infrastructure within the precinct. An extract of Plan 12 – Infrastructure and Development Staging of the draft PSP is shown below.

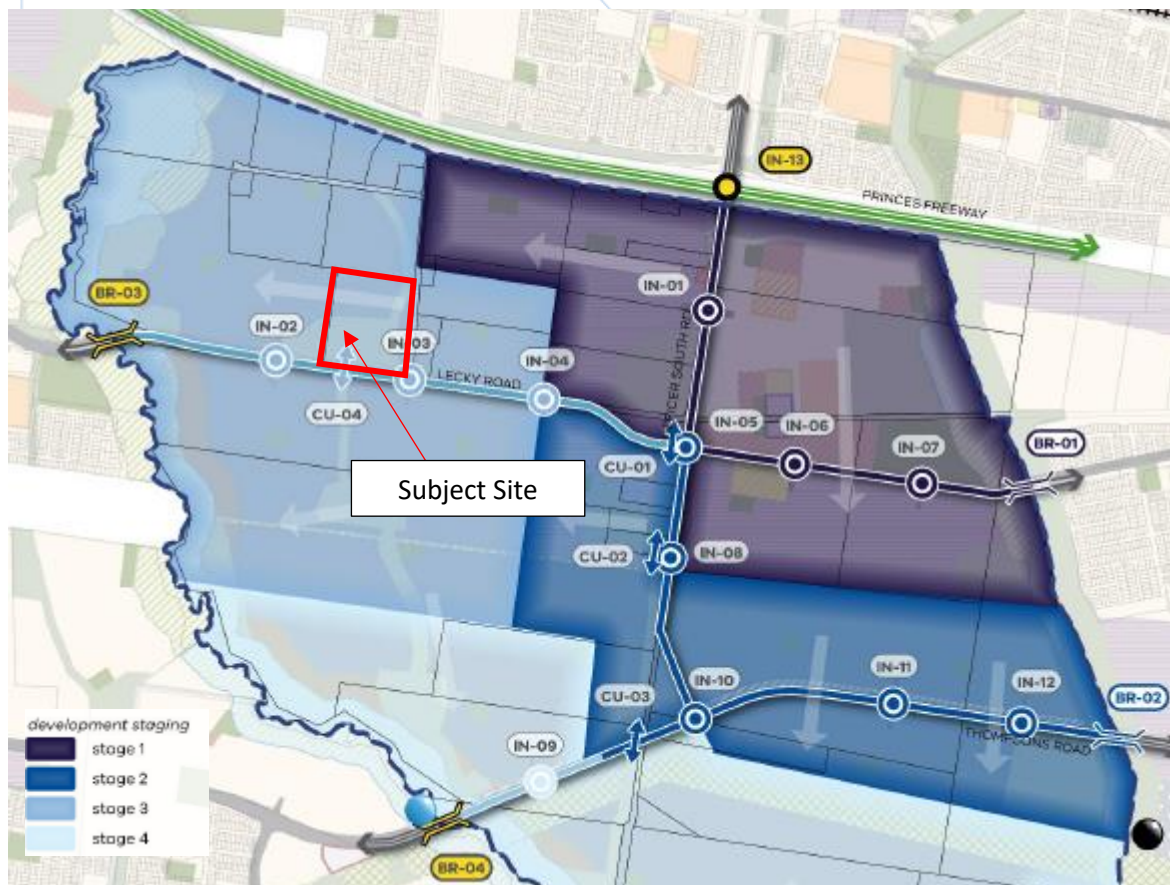


FIGURE 5: EXTRACT OF PLAN 12 - INFRASTRUCTURE & DEVELOPMENT STAGING (OFFICER SOUTH EMPLOYMENT PSP)

As indicated above, the Site is currently in Stage 3 of the precinct and as such is reliant on a number of key infrastructure items to be delivered prior to its commencement. Specifically, the proposed SCO and associated Incorporated Document prohibit use or development of land in Stage 3, including this part of the Site, from occurring prior to the construction of key infrastructure items. The completion of the Lecky Road Bridge (BR-01) and Officer South Freeway Interchange Intersection (IN-13) are required prior to the commencement of Stage 2, and the completion of the Grices Road Bridge (BR-03) and Thompsons Road (east) Bridge (BR-02) are required prior to the commencement of Stage 3.

The requirement for BR-02 and BR-03 to be delivered prior to a permit being issued to use or develop land in Stage 3 does not allow for alternative staging of development to the west from Officer South Road rather than heading south. The requirement for BR-03 in particular is illogical, as the extension of

Lecky Road from Officer South Road to connect into BR-03 is identified as a Stage 3 infrastructure item and therefore will not be delivered prior to the delivery of BR-03.

Of the key infrastructure items specified in the SCO, IN-13 and BR-03 are proposed to be state funded and both have a current timing of 'long', as specified in Appendix 4 – Precinct Infrastructure. The indicative timing for IN-13 is especially problematic, as the precinct will not be able to progress past the first stage without it, in accordance with the proposed SCO. The ICP specifies that the indicative timing for 'long' term projects is 10 years and beyond. Based on the timings specified in the ICP, the Precinct will not be able to progress to Stage 2 until approximately 2034, with further stages (including the Site) to follow. This does not offer much certainty for industry looking to locate within the Precinct.

Further, stage 1 does not currently contain any industrial land, and given the uncertainty surrounding the delivery of IN-13 and therefore the progression of the rest of the stages within the precinct, the draft PSP and its proposed staging does not currently achieve its vision of delivering state significant industrial land. As such, we consider that the proposed SCO does not offer sufficient flexibility and will unnecessarily restrict development within the Precinct from occurring. We therefore request that the SCO be reworded to offer more flexibility to the staging of development and infrastructure delivery within the Precinct, if it can be demonstrated that sufficient capacity is able to be achieved within the road network at the time, to the satisfaction of Council or DTP.

As previously outlined, the inclusion of the east-west connector street between Officer South Road and Stephens Road as an ICP item would allow the development front to extend west from Officer South Road and provide for the early delivery of state significant industrial land, consistent with the purpose and vision of the PSP. This connector street should be identified in Plan 12 as being a stage 1 infrastructure item.

Consequently, in addition to the connector street being included as an ICP item we would also request that Plan 12 be revised to reflect the potential of land within the north-western part of the Precinct, as indicated in the plan below, to be included in Stage 1. If there are traffic capacity issues that prevent the extension of the current Stage 1 boundary, it is requested that land east of Officer South Road be removed from the Stage 1 boundary. This land is designated predominantly for residential purposes and having this land within Stage 1 is inconsistent with the primary purpose of the PSP as an employment precinct. Further, the traffic volumes generated by the development of the industrial land west of Officer South Road will likely be less than those generated by the residential development to the east. As such, a greater amount of industrial land may be able to be developed in Stage 1 if the residential land to the east of Officer South Road is developed in later stages.

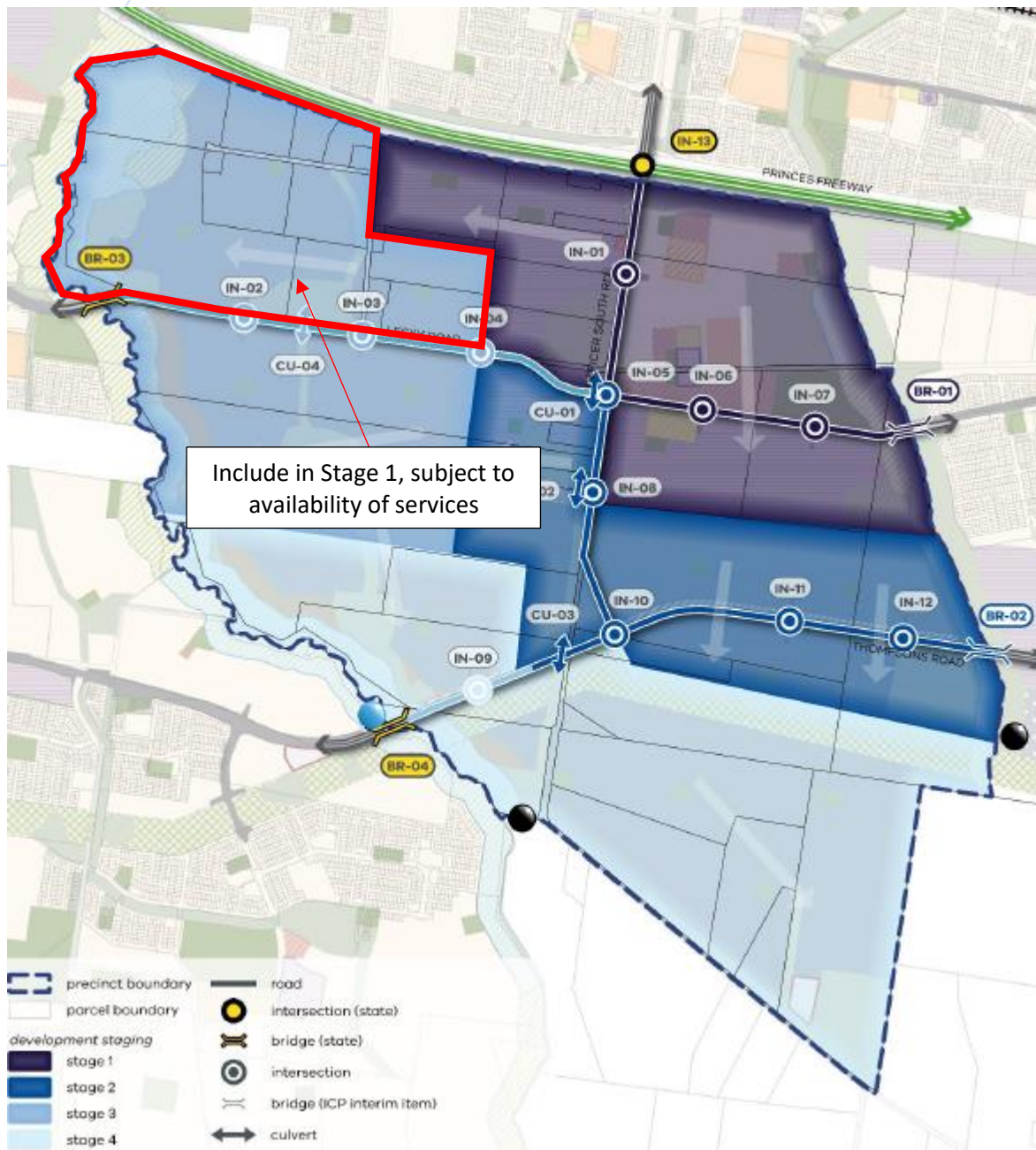


FIGURE 6: REQUESTED CHANGE TO STAGE 1 BOUNDARY

The requested changes to the Precinct staging are supported by the anticipated provision of servicing within the Precinct. Specifically, the northern part of the Precinct can be serviced by the sewer pump station and drainage assets in the north, as shown in Plan 13 – Utilities of the draft PSP, an extract of which is shown below.

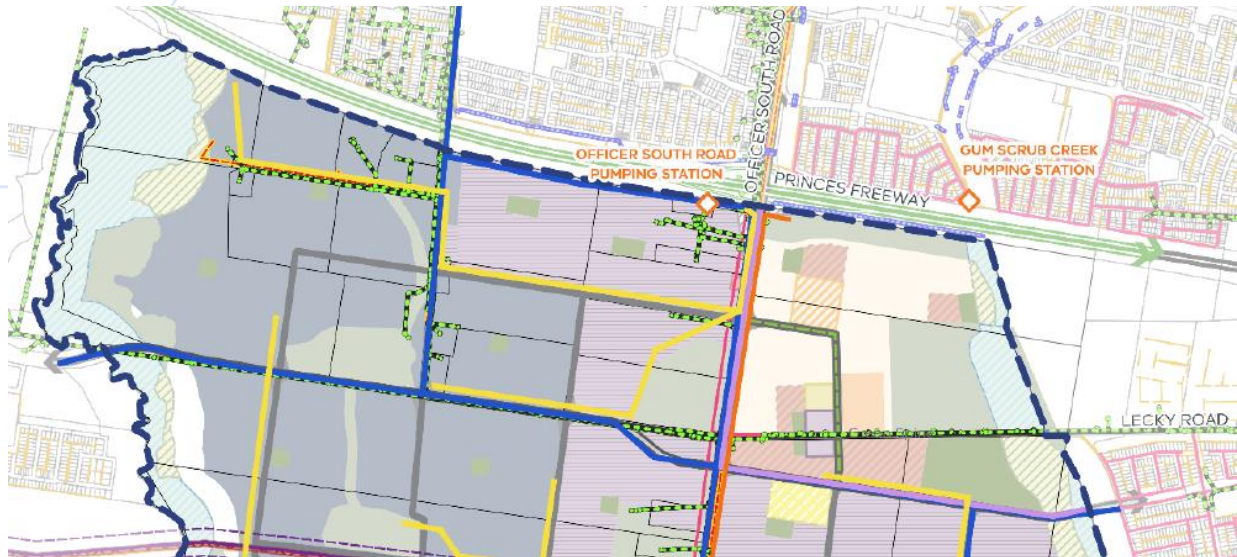


FIGURE 7: EXTRACT OF PLAN 13 - UTILITIES (OFFICER SOUTH EMPLOYMENT PSP)

Requested Changes:

- Amend Plan 12 to identify the east-west connector street between Officer South Road and Stephens Road as a Stage 1 infrastructure item;
- Amend Plan 12 to extend the Stage 1 boundary west to the Cardinia Creek, north of Lecky Road, as indicated in Figure 6 above.
- Reword the SCO and associated Incorporated Document to offer greater flexibility to the staging of development and infrastructure delivery within the Precinct, if it can be demonstrated that sufficient capacity is able to be achieved within the road network at the time, to the satisfaction of Council or DTP.

3. Requested Changes Summary Table

The below table summarises the requested changes to the PSP outlined in the Key Issues above.

Page/Plan/Reference	Requested Change	Rationale
Key Issues		
Plan 3 – Place Based Plan (pg 15)	<ul style="list-style-type: none"> • Redistribute a greater portion of the drainage reserve on the Site to the adjoining property to the west (Property 12) and reduce size of overall drainage reserve by up to 1ha, subject to Melbourne Water approval. • If the waterway cannot be realigned to the eastern boundary of the Site, replace the sliver of industrial land along the 	Results in a more equitable drainage outcome and enhances the deliverability of the Site.

	Site's eastern boundary with credited open space (linear park).	
<p>Plan 11 – Precinct Infrastructure Plan (pg 57)</p> <p>Table 7 – Precinct Infrastructure (pg 68-75)</p> <p>Plan 14 – Land Use Budget (pg 76)</p> <p>Table 8 – Summary Land Use Budget (pg 77)</p> <p>Table 9 – Property-specific Land Use Budget (pg 78-81)</p>	<ul style="list-style-type: none"> • Include the construction of the east-west connector street between Officer South Road and Stephens Road as an ICP item (supplementary levy). • Include the land required for the east-west connector street between Officer South Road and Stephens Road as Inner Public Purpose Land. <p><i>These changes would also apply to the relevant plans and tables in the draft Officer South Employment Infrastructure Contributions Plan.</i></p>	Allows the development front to extend west from Officer South Road and provide for the early delivery of state significant industrial land.
Plan 12 – Infrastructure and Development Staging (pg 58)	<ul style="list-style-type: none"> • Identify the east-west connector street between Officer South Road and Stephens Road as a Stage 1 infrastructure item. • Extend the Stage 1 boundary west to the Cardinia Creek, north of Lecky Road, as indicated in Figure 6 of this submission. 	Provides for the delivery of state significant industrial land in the first stage of the Precinct, consistent with State and regional planning policy and the primary purpose of the PSP.
Proposed SCO and associated Incorporated Document	<ul style="list-style-type: none"> • Reword the SCO and associated Incorporated Document to offer greater flexibility to the staging of development and infrastructure delivery within the Precinct, if it can be demonstrated that sufficient capacity is able to be achieved within the road network at the time, to the satisfaction of Council or DTP. 	The current precinct and infrastructure staging proposed in the draft SCO is overly restrictive and inflexible and may unnecessarily delay the delivery of state significant industrial land.

We trust the above information is sufficient for the VPA's review of the submission. If our comments and recommendations are not supported by the VPA, given the major implications that the draft PSP

could have on the deliverability of the Site and the Precinct more broadly, we will value the opportunity to discuss these further.

Finally, we reserve our right to provide additional submissions as the process continues and look forward to being involved in discussions to resolve the matters raised.

Please do not hesitate to contact me on [REDACTED] if you have any queries.

Yours sincerely

Jason Black
Managing Director
Insight Planning Consultants