
2.2 Melbourne 2030 – Planning for Sustainable Growth

EXECUTIVE SUMMARY

Purpose

To determine Council's response to the strategy for metropolitan Melbourne produced by the State Government titled– "Melbourne 2030 Planning for sustainable growth".

Issues

Melbourne 2030 – Planning for sustainable growth and the related draft Implementation Plans have been issued by the Government for public comment. Melbourne 2030 is a 30 year plan to manage growth and change across metropolitan Melbourne and the surrounding region. The Plan has been released as a statement of Government intent.

Resource Financial Implications

The State Government has established the Local Government Assistance Fund to support activities by Local Government to implement Melbourne 2030- Planning for sustainable growth. An initial fund of \$30,000 has been received by the City of Yarra to support its initial response to the strategy and the related draft Implementation Plans.

Community Implications

The Department of Sustainability and Environment has conducted a number of public forums over the last four months to discuss Melbourne 2030. The City of Yarra has also conducted two public forums to assess the metro strategy and the views raised at the forums have been taken into account in Council's written response to the exhibited documents.

Environmental Implications

The objectives and proposed initiatives under Melbourne 2030 generally support the principles of Environmentally Sustainable Development, subject to the comments in the body of the report.

City Plan, Strategy and Policy Implications

Council's response to Melbourne 2030 and the related Implementation Plans will be consistent with the planning objectives outlined in City Plan 2002-2005 and will further its planning and transport objectives.

Legal Implications

Melbourne 2030 has been adopted by the Victorian Government and sets out the Government's position relevant to land use and transport planning. It is a seriously entertained document and is to be considered in planning decisions from Day One (8 October 2002)

PROPOSED ACTIONS

To forward Council's comments on Melbourne 2030 and the related Implementation Plans as detailed in this report to the Minister for Planning.

2.2 Council's submission on Melbourne 2030 and related draft Implementation Plans

File: 30/30/11/03 Part 2
Responsible Officer: Coordinator Strategic Planning

Purpose

1. To provide an overview of Melbourne 2030, the State Government's metropolitan strategy document and to outline the issues that are of significance for the City of Yarra.
2. This report will form the basis of the City Of Yarra's response to Melbourne 2030- Planning for sustainable growth and the associated draft Implementation Plans.
3. Submissions on Melbourne 2030 and the draft Implementation Plans are due by 28 February 2003.

Background

4. On 8 October 2002, the State Government released Melbourne 2030, which is a planning strategy to guide the future development and growth of metropolitan Melbourne and its links to the principal regional cities, eg Bendigo, over the next thirty years.
5. The Plan has been released as a statement of Government intent and it is accompanied by a series of draft Implementation Plans covering activity centres, housing, growth areas, green wedges, the urban growth boundary, integrated transport and an advisory note on Implementation in the Planning System. Apart from the Transport Plan (dated January 2003), each Plan is dated October 2002.
6. Melbourne has the status of a seriously entertained strategic plan and policy statement that must be considered in planning decision-making and amendments to planning schemes, where relevant.
7. State policy expression to Melbourne 2030 is provided in a new proposed Clause 12 to the State Planning Policy Framework in planning schemes. It has been prepared for consultation purposes and to give guidance about the Government's policy intent. Comments on the proposed clause 12 are welcomed.
8. The vision for Melbourne 2030 is:

"in the next thirty years, Melbourne will grow by up to one million people and will consolidate its reputation as one of the most liveable, attractive and prosperous areas in the world for residents, business and visitors."
9. The Strategy's primary focus is on accommodating a projected one million people and guiding and managing the change that will occur in metropolitan Melbourne over the next thirty years:

“its clear focus is the management of future growth in land use and infrastructure investment.”

10. Melbourne 2030 is primarily a land use strategy. It acknowledges that Local Government has a major responsibility for its implementation, as discussed in the body of the report.
11. The core of Melbourne 2030 is nine key ‘directions’ – or desired results – whose achievement over time depends on putting into effect specific, carefully framed policies.
12. The key directions are:

(a) A more compact City

Addressing the overall notion of a network of activity centres which are the focus for housing development and activity across Melbourne;

(b) Better management of metropolitan growth

indicating the establishment of an urban boundary to set clear limits to metropolitan Melbourne’s outward limits, protection of green wedges and better management of new growth areas;

(c) Networks with regional cities

addressing improved connections with the regional cities of Ballarat, Bendigo, Geelong, Seymour and the Latrobe Valley;

(d) A more prosperous City

focussing on strengthening capital city functions, enhancing Victoria’s position as the premier logistics centre and in innovation and the knowledge economy;

(e) A great place to be

addressing urban design, cultural identity, community safety and heritage;

(f) A fairer City

addressing such issues as affordable housing, community infrastructure, development sequencing and cultural facilities;

(g) A greener City

addressing issues such as water use, energy use, waste, greenhouse gas emissions and biodiversity;

(h) Better transport links

addressing improvements to the principal public transport network, planning urban development to make jobs and community services more accessible, integration of the public transport system, management of the road system to make the most of existing infrastructure and giving more priority to cycling and walking;

(i) Better planning decisions and careful management

to achieve better planning decisions.

Key features of the Strategy which are considered of greatest relevance to the City of Yarra are as follows:

13. The need to accommodate a forecast additional 620,000 households (one million people) within the metropolitan area over the next thirty years. 90% of these households will be one and two person households. The forecast is based on Australian Bureau of Statistics forecasts.
14. The Strategy proposes 5 regions throughout Melbourne and provides a housing target/distribution for each region. The Strategy states that over the next 30 years an additional 90,000 households are expected to be housed within the inner region (comprising City of Yarra, City of Melbourne, City of Port Phillip and part of the City of Stonnington- Prahran). Of this 90,000, 80,000 will be located in activity centres and strategic redevelopment sites. An inner region population capacity study is currently being undertaken by FPD Savills (Vic) Pty Ltd and the final results of the study and their implications for the City of Yarra will be available by 14 February 2003. The preliminary findings of the study are discussed further in the report under the section Housing/Population Growth.
15. An urban growth boundary clearly defined in planning schemes and in the Strategy to determine the boundary for urban growth in Melbourne.
16. Urban growth will still be allowed within growth or fringe areas, but the percentage of housing growth around designated activity centres and strategic redevelopment sites will be increased. The distribution of new housing growth in Melbourne will focus on growth in and around activity centres and strategic redevelopment sites with less focus on dispersed/infill development in established residential areas.
17. A network of activity centres are proposed throughout Melbourne containing the central activities centre, 25 principal activity centres, 79 major activity centres and 11 specialised activity centres eg Alfred hospital precinct. Activity centres will be the main focus of employment and housing activity. The majority of the centres are located on the Principal Public Transport Network, on train, tram and principal bus routes.
18. The Strategy nominates five major activity centres in the City of Yarra, namely Brunswick Street and Smith Street in Fitzroy and Swan Street, Bridge Road and Victoria Street in Richmond.
19. The Strategy promotes a greater integration of land use and transport directions through linking activity centres and the principal public transport network. Linking increased housing densities to activity centres that are on the principal public transport network is an important element of the sustainable future of Melbourne.
20. The Strategy supports the increase of public transport use to 20% by 2020, compared to its current level of 9%.
21. Greater attention is to be placed on urban design and neighbourhood character.

22. The future protection and management of the Yarra River and Maribyrnong River corridors are significant objectives of the Strategy
23. The draft Implementation Plans aim to provide Local Government, the community and the development industry with guidance and additional information on the actions and policy work required to implement the Strategy and to effect its intended policy outcomes. The plans currently form the basis for dialogue during the consultation phase. The plans outline a series of actions for Local Government, State Government and other relevant agencies over a five year period.
24. Each Plan brings together the policies and initiatives from Melbourne 2030 relevant to its particular topic and outlines a preferred approach to implementing them.
25. Key pieces of future work for Council required by Melbourne 2030 and the housing and activity centre Implementation Plans include:
 - (1) preparation of a local housing strategy;
 - (2) participation in regional housing working groups; and
 - (3) preparation of structure plans for all activity centres.

PLANNING ISSUES FOR THE CITY OF YARRA

Public Transport

26. Throughout Melbourne 2030 the need for an improved public transport network is highlighted and it is considered that a robust and well used public transport network is crucial for the success of Melbourne 2030.

The intent is to substantially reinforce the network of major activity centres in Melbourne by connecting most of these centres into the Principal Public Transport Network and encouraging more mixed-use development in appropriately located centres.
27. It is considered important that Council seek a strong commitment from the State Government to upgrade and promote Melbourne's public transport system.
28. Melbourne 2030 relies on general statements that public transport will be improved. Council supports the majority of these statements and looks forward to the detail of specific initiatives.
29. In particular, the City of Yarra believes that the walking and cycling initiatives should be given priority for further development.

More detailed comments are provided in Appendix A.
30. Yarra is adversely affected by the road "transport corridors" that run through the City eg Victoria Street, serving commuters to central Melbourne. An improved public transport system in the outer suburbs, particularly the east and north east, is considered both vital and necessary to improve the quality of life for people living in these areas.

31. It is imperative that much greater recognition is given to the need for integrated transport routes and modes in outer suburbs and their impact on municipalities, such as Yarra, as drive through suburbs.
32. The pricing of public transport as well as the type of trips people are willing and able to use public transport for should also be assessed. A greater focus on the promotion of public transport is important. The issues with improving public transport are reliability, frequency, speed and price.
33. The potential of car pooling/sharing should also be explored to address excessive through traffic traversing the inner municipalities, such as the City of Yarra.

Parking

34. Melbourne 2030 does not make significant mention of the issue of parking provision in central Melbourne. The current high level of parking supply and low cost for all-day commuters contributes to a situation in which the road network in inner Melbourne must cope with very high levels of car traffic. High levels of traffic are clearly incompatible with Melbourne's role as the public transport hub of the state with much of the public transport running on the same roads and being obstructed by cars.
35. Much of the traffic going to central Melbourne runs through the inner and middle suburbs, including Yarra. This often means clearways, wide roads with traffic signal light cycles timed to maximise motor vehicle capacity, degrading the amenity of strip shopping centres along the main roads and reducing service for pedestrians.
36. Parking in Yarra is reaching saturation point at several main shopping areas during weekly peak hours. New developments will need to provide for future parking demands on their own sites (including visitors.)
37. More resources need to be directed to research into appropriate pricing policies for parking as an instrument to support public transport initiatives and the other aims of Melbourne 2030. This is not an issue that can be left to individual councils to resolve as it demands an integrated and consistent approach.

Housing/Population Growth

38. The population target for the inner metropolitan region of 90,000 over the next 30 years, as stated in Melbourne 2030, represents a significant increase in household numbers within this area.
39. While Council supports the notion of intent of urban consolidation, further work is required to determine the capacity of the municipality to sustain such an increase in housing stock given the City's objectives regarding built form, heritage, infrastructure capacity and sustainability and land use mix.
40. Council questions how realistic the population level of 90,000 is for the inner City municipalities over the forecast period and in particular – "what is the City of Yarra's capacity to accommodate such increases in residential development to serve the projected increase in households, whilst also adequately addressing the local heritage, traffic and parking, built form and residential

amenity and interface issues associated with increased residential development at higher densities in the City of Yarra?”.

41. The City of Yarra, in conjunction with the Cities of Melbourne and Port Phillip, have recently contributed towards a study to assess the population capacity of the Inner City region, in response to the population growth levels discussed in Melbourne 2030.
42. The population study is being undertaken by FPD Savills (Vic) Pty. Ltd. to assist Council in its response to Melbourne 2030. The preliminary findings of the study to date are that the 90,000 households projected for the inner municipalities of Yarra, Melbourne and Port Phillip may not be necessary.
43. The Department of Sustainability and Environment uses a matrix system of within-State migration departure and arrival destinations based on the 1991-1996 period to project future within-State migration patterns. FDP Savills believes that this leads to a large discrepancy between DSE population projections and the reality of inner city dwellers selling their housing for cheaper options outside the inner metropolitan area. Therefore it is fair to say that the Melbourne Statistical Division will not see the rise in the population of one million over the next 30 years and therefore will not require an additional 620,000 houses as projected in Melbourne 2030.
44. Given the demography of inner city dwellers, their propensity towards family formation over the next 15 years ought to see a substantial shift of population out of inner Melbourne. This should be replaced by the net inflow of young people from the outer suburbs and regional Victoria. Going forward, the traditional occupiers of inner city dwellings (18 to 35 years) will become a smaller part of the population due in no small part to the declining fertility rate.
45. However, the preliminary findings of the study indicate that the inner City area comprising Yarra, Melbourne and Port Phillip can accommodate an additional 87,492 households over the period 2003-2030 without any need to change existing zoning planning overlays. However it is highly unlikely that the inner city will receive demand sufficient to require the construction of 90,000 dwellings.
46. The accommodation of Yarra's share of the projected households based on the above level will not require any change to current zoning and local policies if this figure is to be accommodated over 30 years.
47. The following number of households can be distributed within the inner metropolitan region over the period 2003-2030 as follows (estimated only):
 - (a) 12,541 households for the City of Yarra
 - (b) 17,514 households for the City of Port Phillip
 - (c) 57,337 households for the City of Melbourne.

Part of the City of Stonnington (Prahran) has not been included in the study as they did not participate in the FPD Savills Study . It should be noted that of the 12,641 households within the City of Yarra, 4550 of these are already committed projects by planning permit, current applications or mooted projects. The consultants have advised that 858 dwellings are currently under construction.

48. The above figures are preliminary findings to date and are subject to further assessment by the consultants as part of the current Population Capacity Study.

ACTIVITY CENTRES

49. Melbourne 2030 strongly supports a more compact city for Melbourne and towards this objective it is planned to build up activity centres as a focus for high-quality development, activity and living for the whole community. It is also intended to:

“Locate a substantial proportion of new housing in or close to activity centres and other strategic redevelopment sites that offer good access to services and transport.”

Range of Activity Centres

50. Five Major Activity centres have been identified in Yarra, (Smith Street, Brunswick Street, Bridge Road, Victoria Street and Swan Street). This has major implications for infrastructure investment within these centres. These are located on tram routes and some have rail access as well. It is considered that Melbourne 2030 promotes development for all the nominated activity centres without reviewing the particular circumstances and context of each centre.
51. The Activity Centres Implementation Plan correctly notes on page 10:
- “In middle and outer suburbs in particular, few opportunities have been taken up to develop higher-density housing at or adjacent to activity centres.”*
52. However, the strategy for activity centres applies across the board from inner councils to outer suburban areas. The City believes that differentiation is required. Yarra’s activity centres are already highly densely developed and surrounded by medium and higher density housing. For example, Richmond is the second most densely populated suburb in Australia. The social and engineering infrastructure, eg drains, roads/intersections, street car parking in the nominated Activity Centre areas are already operating at saturation levels. Any extra capacity for growth in the centres should only be identified through the Structure Planning process for each centre.
53. While the five main centres are nominated in Melbourne 2030 for Yarra, it is likely that any increased housing density could “spill over” into smaller centres eg Queens Parade, St Georges Road. Additional high density housing development in and surrounding these nominated centres may not result in sustainable development and would be contrary to the orderly and proper planning of these areas.

Melbourne 2030 clearly recognises that:

“Significant recent increases in high-density housing have been mostly confined to Central Melbourne and the inner suburbs. Many middle and outer suburban activity centres could also accommodate this type of development, which would maximise access to public transport, jobs and services.”

54. Melbourne 2030 should distinguish between the types of activity centres operating in inner Melbourne to those in middle and outer suburbs. The former already provide a concentration and mix of uses and a range of higher-density housing. The objectives of accommodating much of the projected growth in household numbers and broadening the range of uses in each centre in activity centres seems more appropriate for the middle and outer suburbs.

Distribution of Activity Centres

55. An important issue affecting activity centres that is recognised in Melbourne 2030 is the inequitable distribution of centres throughout Melbourne. The inner and middle suburbs generally comprise a dense network of mixed-use, public transport-oriented activity centres complemented by a dense configuration of neighbourhood centres. In the outer suburbs and newer growth areas, activity centres are more sparsely distributed, lacking in public transport services, and often poorly connected with each other. There are fewer neighbourhood centres to meet day-to-day needs.
56. Perhaps a bigger issue for Yarra is the proximity of centres and the overlapping catchments and the scope for any increased housing and mixed use development, while also protecting the amenity of adjoining residential neighbourhoods from increased traffic and parking activity.
57. Due to the number and location of the nominated activity centres in Yarra and their overlapping catchments (400 metres catchments being the principal criteria of a sustainable neighbourhood centre within reasonable waking distance), it is considered that the nomination of five of Yarra's major strip centres as Major Activity Centres will open up almost all of Yarra for increased development and high-density housing, except for small areas in North Fitzroy, North Carlton and Alphington.
58. The catchments of the Major Activity Centres in Yarra significantly overlap under Melbourne 2030, for example the catchment associated with Bridge Road and Swan Street, Richmond. This results in large areas of Yarra being assumed to be suitable for major change and the preferred location for much of the projected growth in household numbers. These areas are already under considerable development pressure with consequent decreases in residential amenity for existing residences.

The Impact of Heritage Overlays

59. The scope for higher-density development and major change within and adjoining Yarra's major Activity Centres is also constrained by the application of Heritage Overlays in these areas under the Yarra Planning Scheme.
60. The Smith Street and Brunswick Street Activity Centres, with their own distinct low rise Victorian character, lie within and are surrounded by established Heritage Overlay areas under the Yarra Planning Scheme. Higher density residential development is not considered compatible with the existing established residential and commercial development and would threaten the much valued heritage character of these areas.
61. The Bridge Road Activity centre and part of the Swan Street Activity Centre are also included in the Heritage Overlay where the low rise Victorian built form is

predominant and should be protected as part of the local neighbourhood character.

62. A stated Initiative in Melbourne 2030 under Policy 5 “A Great Place To Be” is Clause 5.4.4:

“Ensure that planning schemes reflect the full extent of heritage values in each municipality.”

63. Protecting local heritage places and values is a key policy objective in Melbourne 2030. In the older inner Melbourne suburbs there appears to be some conflict between the growth/development objectives of the activity centres and the conservation/character protection objectives of Melbourne 2030.

64. A key action for activity centres specified as Action 1 in Melbourne 2030 is to plan for growth and change in our activity centres. As stated in page 21 of Implementation Plan 4 – Activity centres:

“In the short to medium term, councils will be required to review each of their activity centres and its direction for growth and change.”

65. This action implies that change and growth in activity centres, particularly Major Activity Centres, is required. However, due to the heritage restrictions and level of existing development and high demand on activity centre infrastructure e.g roads, parking facilities, future change and unqualified and unconstrained growth are not considered appropriate planning objectives for the nominated activity centres in the City of Yarra. In addition, the existing low to medium rise of the built form of Yarra’s activity centres has been recognised and earmarked for protection under the planning scheme and they are protected by a Heritage Overlay under the scheme.

The Residential Interface

66. Most of the strip centres in Yarra nominated as activity centres are only one lot deep and back onto mixed use and residential areas. New development and changing uses are resulting in amenity conflicts at the interface. This is a major planning issue in Yarra and Council continues to review its planning policies to ensure that these problems are neither exacerbated or extended.
67. Furthermore the built form of centres is predominantly small lots in individual ownership. This pattern does not facilitate structure planning of the centres and the amalgamation of lots for major development, such as higher density housing. It would assist Councils if tools were available to encourage property owners to combine development proposals to enable integrated development proposals to achieve sound planning outcomes.

Zoning of Activity Centres

68. Nearly all of the nominated Major Activity Centres in the City of Yarra are located in the Business 1 Zone. The City of Yarra has the second largest business base in the metropolitan area and this extended base is a key component of a sustainable inner city. It employs over 7000 persons. These centres serve both a local and regional retail and business function and it is

important that these functions are not diminished or jeopardised by excessive residential development in and adjoining activity centres.

69. There is no evidence of a diminution of retail and business demand for these properties and the City's policies are geared to ensuring that this land is protected and enabled to grow to meet future needs.
70. Most of Yarra's centres are a major destination for visitors. This is based on the niche role they have each been able to develop. Any new zoning should not jeopardise the City's ability to capitalise and develop the roles of the centres.
71. Any future new zone to manage activity centres should be flexible and perhaps different zones may be suitable for the different types of activity centres. Any future new activity centre zone(s) must acknowledge and promote a range of uses in the centres. Any rezoning of Activity Centres will need to go through the standard amendment process under the planning scheme.
72. In Melbourne 2030 the role of neighbourhood centres is not clear enough or adequately explored. Their role lacks clarification in the metro strategy documents released for public consultation.
73. It is believed that Yarra is best placed to accommodate its share of the projected population/household growth in the inner Melbourne region over the next thirty years in nominated key strategic sites, such as former industrial sites identified in the adopted Ratio Study "Industrial and Business Activity – Trends and Opportunities for the City of Yarra July 2000" e.g. Jaques, Yorkshire Brewery. These strategic sites are accessible to public transport and services. This is consistent with Melbourne 2030. (refer page 15 Implementation Plan 3 – Housing).
74. Car parking in activity centres is not adequately addressed in Melbourne 2030. The provision of car parking serving new development in activity centres can often decide the development options available in existing and new activity centres. As with most inner metropolitan areas, Yarra has little capacity for more car parking and traffic generation. For the City of Yarra the success of Melbourne 2030 depends on the Government's commitment to getting people out of their cars and into public transport.

Proposed Activity Centre Design Guidelines

75. Comments on the proposed Activity Centre Guidelines included in the draft Implementation Plan 4 – Activity Centres are attached at Appendix B to this report.

HOUSING IMPLEMENTATION PLAN

Regional Housing Working Group

76. Subject to the issues discussed below being satisfactorily resolved, the City of Yarra supports the establishment of a regional housing working group across the Inner Metropolitan Region to be set up by the Department of Sustainability and Environment.

77. On page 13 of the draft Implementation Plan 3 - Housing, it is stated that the lead agency for managing regional housing working groups is the Department of Sustainability and Environment, with the involvement of the local council and key stakeholders.
78. It is submitted that the Office of Housing, as the State housing authority, should also have a key role in the formation and activities of the regional housing working groups. A workable and well-structured partnership must be established and managed between the key State housing body, local Government and the Department of Sustainability.

Local Housing Strategies

79. The City of Yarra supports the development of a local housing strategy, as discussed on page 15 of the Implementation Plan – Housing. The proposed tasks of a local housing strategy are extensive and include interalia:
 - (a) Identify demographic trends, including changes in household structure and composition;
 - (b) Outline strategies and implementation methods that will accommodate projected population and household increases and needs over an initial 15 year period and 30 year needs.
80. The proposed role and responsibilities of a local housing strategy will require considerable input from Council officers and may necessitate the appointment of housing officer whose role is to prepare, manage and implement the local housing strategy for the municipality, with due consideration being given to the activities of the regional housing working group.
81. It is considered that an outcome of this study could be the identification of guidelines for the preparation of a future local housing strategy which could include recommendations and principles that could form the basis of a Practice Note to assist Councils with the preparation of a local housing strategy for its municipality.
82. A further task of a local housing strategy is to:
 - *“Identify any future strategic work that is required to be undertaken in order to fully implement the strategy”.*
83. As stated above, the preparation and implementation of a local housing strategy, will have serious implications on the limited resources of many local councils and may necessitate additional staff and resources.
84. Whilst the Department of Sustainability and Environment will provide guidance on preparing local housing strategies, it is also stated on page 15:

“The Department of Infrastructure (now Department of Sustainability and Environment) will support councils by making information available on future housing needs, and by providing guidance on preparing local housing strategies. DOI will also work with Councils to identify sites and locations with potential for high-density housing.”

This working relationship will be a key component of the implementation of Melbourne 2030.

Monitor Land Supply

85. The City of Yarra supports the establishment of a new program to monitor land supply for housing development that builds on “Housing Melbourne”. Reliable information and data on residential land supply will be provided annually which will greatly assist Councils in assessing their contribution to the metropolitan housing demands and needs. Such information will also facilitate the development of local housing strategies and the activities and achievements of the regional housing working groups.

Affordable Housing

86. Another significant aspect of housing is affordable and social housing. Melbourne 2030 contains a policy direction to increase the supply of affordable housing.

Implementation Plan 3 – Housing states objectives of:

“Ensuring Housing Affordability” (page 9)

and the Government’s intention:

“to seek to promote innovative and flexible affordable housing opportunities for renting or purchasing that go beyond traditional approaches”. (page 17)

87. The initiatives concentrate on monitoring the availability of affordable housing rather than containing clear actions/strategies to increase the availability of affordable housing. The Implementation Plan – Housing and Melbourne 2030. Melbourne 2030 is the broad strategy and further work on the development of initiatives addressing this issue should follow the adoption of Melbourne 2030.
88. Planning for affordable housing is a key planning objective in the City of Yarra. The growing shortage of affordable housing is well-recognised however, specific actions are required to address the issue across metropolitan Melbourne. One such suggestion is that targets be considered for affordable housing stock for each municipality, to be established in consultation with local Councils and the Office of Housing.
89. Under Housing Actions (page 13) under the task:

“increase the supply of affordable housing “

it is recommended that the lead agency read “Office of Housing and Department of Sustainability” with the involvement of local government and key stakeholders. The responsibility and the mechanisms for addressing affordable housing lie with the State and Commonwealth Governments, in liaison with local Councils. The Office of Housing has a key role to play in promoting and supplying affordable housing.
90. Future housing should ensure a mix of housing to serve the range of households within metropolitan Melbourne, which enables all people to have

the choice to live in Yarra. The diversity of the Yarra residents is a valuable attribute of the municipality which should be protected.

91. The City of Yarra contains the largest business base in Victoria outside the Melbourne CBD and an estimated 70,000 people are employed in a range of industries and commercial businesses. (Source: City Plan 2002-2005) The City must strive to retain and increase employment opportunities, including a viable industrial base and an expanding service sector. The employment impacts are just as important as the housing objectives.
92. There is also uncertainty how the future housing projections have taken into account the industrial land in Yarra and its future use for industrial or commercial and residential purposes.

State Guidelines for More Intensive Development

93. The City of Yarra supports the Department of Sustainability and Environment working with Local Government and key stakeholders eg Housing Institute of Australia to develop guidelines for the more intensive forms of residential development which are being encouraged by Melbourne 2030.
94. The City of Yarra has prepared comprehensive planning and design guidelines for development above three storeys, which is not addressed under ResCode. These guidelines have been incorporated into Amendment C50 to the Yarra Planning Scheme which was placed on public exhibition from 14 November 2002 to 17 January 2003.
95. It is proposed to incorporate the guidelines as policy under the Yarra Planning Scheme, as part of the outcomes of the Built Form Study which has been undertaken to guide future development throughout the non-heritage areas of Yarra.

Planning for Sustainable Growth

96. Melbourne 2030 is about planning for sustainable growth and there are statements and initiatives to support this throughout the document and the implementation plans which relate to this issue. In general Council supports these initiatives but suggests that they be strengthened and be given more specific direction.

Ecologically Sustainable Development

97. Melbourne 2030 states a commitment to "sustainability in decision-making" under "Implementing Melbourne 2030". This commitment is supported in principle in many policies and initiatives but in many cases lacks strong direction to drive the implementation of initiatives in a truly "ecologically sustainable" manner. The City of Yarra particularly notes a few issues for metro Melbourne in regards to ESD:

Water Resources

98. There is potential to reduce or possibly eliminate the need to discharge wastewater into marine environments by redirecting it inland for agricultural and industrial uses, eg: from the Eastern Treatment plant. Melbourne 2030 should state a clear direction in this regard and initiatives to work towards the aim.

99. Melbourne 2030 needs to address the protection of water in rivers for environmental values (planning provisions for water supply areas will only provide some guidance for eg: clearing within the catchment). Policy 7.1 should address the need to ensure environmental flows are allocated to rivers within and supplying the metropolitan area, to protect the ecological values of the rivers themselves (eg: Lerederg, Werribee, Yarra, Plenty, etc).
100. Policy 7.1 needs to address the need for councils to manage water efficiently, for example, provide direction and incentives for councils to have an active policy that involves a range of measures to reduce water consumption, from planting indigenous plants to street cleansing procedures.

Waste Management

101. Melbourne 2030 adds nothing to what is already in place in councils and regional waste organisations in regards to waste management. Some state government action is required to further the existing work of councils, eg: introducing a cost on plastic bags, increasing resources for litter enforcement.

Reducing Greenhouse Gas Emissions

102. The proposed mandatory 5 star energy ratings for residential buildings could be further improved by including a goal to work towards higher star ratings, and be supported with incentives to the building industry eg: State Government to subsidise Local Government for waiving the cost of planning permits for 8 star buildings
103. The suggested planning policies on renewable energy in Melbourne 2030 need to be supported by initiatives in the energy industry, such as incentives for renewable generation plants vs disincentives for conventional power generation.
104. Melbourne 2030 addresses future development, but fails to address the high level of renovation occurring in inner Melbourne in any detail. Melbourne 2030 should include policies and initiatives to encourage ESD principles in all renovations eg: planning applications to demonstrate use of recycled materials, maximising access to natural light, and embodied energy of materials, as well as water conservation measures such as stormwater management (eg: rainwater tanks) and landscaping.

Stormwater Management

105. The water-sensitive urban design criteria suggested in initiative 7.4.6 under Policy 7.4 in Melbourne 2030 needs to be supported by technical guidelines for planners, engineers, etc. I understand this is a current Melbourne water project, if so, it should be mentioned.
106. The City of Yarra's Builder's Code of Practice works towards reducing the impact of construction activity on stormwater. Its intent could be adopted in metropolitan-wide guidelines and driven through planning schemes.
107. Policy 7.4 totally ignores the fact that stormwater flows into urban waterways (despite the word "catchments" being used) and the role of healthy waterways to reduce the ultimate impact of stormwater on marine waters of Port Phillip

Bay. At the very least, there should be an initiative regarding the value of healthy riparian corridors and wetlands in filtering stormwater entering urban waterways eg: a State Government's subsidy to Local Government's for revegetating riparian corridors.

Biodiversity Protection

108. Policy 7.7 should specifically require planning schemes to identify individual sites of vegetation (eg: of regional and state significance) and the threats to their conservation. And as many sites of biodiversity are on land directly managed by public authorities such as councils, Melbourne 2030 should also provide guidance in on-ground management of natural areas to protect and enhance biodiversity. Yarra has recently exhibited a planning scheme amendment to protect identified sites of regional and state significance, and is also partially addressing the threat of weeds to native vegetation in a local policy.
109. Policy 7.7 totally ignores the importance of urban waterways and their riparian corridors as native habitat and for community health. An initiative regarding incentives for inner urban Local Government to restore riparian corridors should be included.

110. *Environmental Management*

Melbourne 2030 talks about improved environmental management and promoting sustainability, but the initiatives need to be strengthened to provide local government with meaningful tools that can be used to measure Melbourne's progress eg: an initiative to drive standard State of the Environment reporting, and this can then inform eg: environment improvement plans.

The Yarra River Corridor

111. The importance of the Yarra River corridor and its contributories as a Melbourne icon, a major recreational asset and a vital ecological system is understated in Melbourne 2030.
112. Strong and unified action is required to enhance the ecological values of the corridor. Enforceable guidelines/provisions are required to ensure development in the vicinity of the Yarra River is appropriate and consistent planning and urban design guidelines are implemented along the river corridor in metropolitan Melbourne.
113. The following should be considered as general Objectives which should apply to built form throughout the Yarra River Corridor:
 - (a) relate the scale, bulk and massing of new development adjacent to the Yarra River to the width and scale of the waterway and the river banks;
 - (b) provide continuous public access along the river bank;
 - (c) protect and enhance the faunal habitat linkages within the river corridor;
 - (d) Minimise environmental impacts on the Yarra from run-off and erosion;
 - (e) Minimise overshadowing of the river and Main Yarra Trail at all times of the year;

- (f) Protect and enhance the landscape qualities of the Yarra River, Merri Creek and Darebin Creek as vegetation-dominated corridors, particularly in views from roads and paths that cross the river;
- (g) Enhance and improve the naturalistic landscape of the river corridor, upstream of the MacRobertson Bridge;
- (h) Improve the built form edge to the freeway and river downstream of the MacRobertson Bridge.

Open Space

114. In the City of Yarra the provision of local public open space is very important and it is imperative that any future housing development is well served with open space. This is particularly important if any housing growth takes place to ensure this essential community resource is provided for new residents to an area.

Regional Strategic Cooperation

115. The implementation and success of Melbourne 2030 will rely significantly on regional strategic cooperation between the metropolitan councils, supported by State Government funding, and which builds on the existing strategic planning work undertaken by Councils which addresses issues such as housing, built form and heritage, economic development, transport and car parking, crime prevention etc

Conclusion

116. As stated above the success of Melbourne 2030 depends on a viable public transport system. The City of Yarra agrees with much of what Melbourne 2030 says about transport. The Council would appreciate the opportunity to work with the Government on further development of initiatives to ensure that Melbourne 2030 delivers real and substantial change to Melbourne's transport system.
117. In assessing the amount of development in the inner Melbourne suburbs, the capacity of the social and engineering infrastructure eg roads, drains, sewers, water supply must also be assessed and be able to cope with the increased demand.
118. More people will mean that more social infrastructure, such as libraries, creches, aged care facilities, will also be required. An increase in housing density will place increases in demand on limited social infrastructure, such as aged care facilities, child minding facilities and recreation facilities.
119. Local Government has a limited resource base to meet increasing needs.

Consultations

120. The Department of Sustainability and Resources has conducted a number of public forums to discuss Melbourne 2030 and to invite further consultation with Local Government.
121. Council has also conducted two public forums to assess the metro strategy and to assist the formulation of Council's and local residents' response to the

documents. The forums were held on 12 December 2002 and 22 January 2003. The former meeting was attended by a representative from the Department of Sustainability and Environment's metro strategy unit.

122. At each public information session residents and interested stakeholders were invited to lodge individual submissions on Melbourne 2030 with the Department before 14 February 2003 or to forward comments on the Strategy to Council's Strategic Planning Unit for incorporation into Council's response to Melbourne 2030 and the related draft Implementation Plans.

Resource and Financial Implications

123. The State Government has established the Local Government Assistance Fund to support activities by Local Government to implement Melbourne 2030- Planning for sustainable growth.
124. A Base Grant of \$100,000 has been made available to each of the 31 metropolitan local Governments. \$30,000 of the base grant has been paid to Council to support its initial responses to Melbourne 2030 and the draft Implementation Plans.
125. A further \$70,000 will be available later in 2003 to pursue the initiatives included in the above documents, subject to receipt of a response to Melbourne 2030 and the draft Implementation Plans and a proposed work program for 2003 and 2004 to meet auditing and accountability requirements for the expenditure of Government funds.
126. The Government has also announced a targeted fund of \$2.5m which will be available to support particular initiatives. Submissions for specific projects will be assessed to ensure that the funds are used to progress part of the Strategy that are of the highest priority. The guidelines for the targeted funds will be released early in 2003.
127. The planning initiatives outlined in the Implementation Plans associated with Melbourne 2030 will place significant demands on Council's limited resources eg implementation of the Housing Implementation Plan, preparation of Structure Plans for the Major Activity Centres. These additional resources will be partially offset by the Government grants available from the State Government to assist Councils implement Melbourne 2030.

Implementation

128. Melbourne 2030 has the status of a seriously entertained strategic plan and policy statement that should be considered in planning decision-making where relevant.
129. Council considers that, until it has undertaken the additional strategic planning work to implement the initiatives of Melbourne 2030 eg structure planning exercise for each of its Major Activity centres, preparation of a Local Housing Strategy for Yarra, it is important that the planning objectives associated with Melbourne 2030 are balanced against Council's existing adopted local planning policy framework and the local infrastructure conditions and local planning policies are duly taken into account in planning decisions eg local heritage study for the City of Yarra, current built form study.

Environmental Implications

130. The objectives and proposed initiatives under Melbourne generally support the principles of Environmentally Sustainable Development, subject to the comments outlined in the body of the report.

City Plan, Strategy and Policy Implications

131. Council's response to Melbourne 2030 and the related Implementation Plans will be consistent with the planning objectives outlined in City Plan 2002 – 2005 and will further its planning and transport objectives.

Legal Implications

132. Melbourne 2030 has been adopted by the Victorian Government and sets out the Government's position on many issues relevant to land use and transport planning.
133. To ensure that Melbourne 2030 is considered in planning decisions and to give effect to some of the strategy's key directions, on Day One (8 October 2002) a new *Ministerial Direction No 9 – Metropolitan Strategy* was introduced which is relevant to all metropolitan Councils.
134. The Direction requires that a planning authority, in preparing a planning scheme amendment to have regard to Melbourne 2030 and to ensure consistency with its directions and policy provisions.

Proposal

135. It is proposed that Council submit a response to Melbourne 2030 and the related Implementation Plans, as outlined in the above report and to reflect the findings of the final report on the population capacity Study by Savills (vic) Pty Ltd and the response be lodged with the Department of Sustainability and Environment by 28 February 2003.

RECOMMENDATION

136. That the above report be adopted as Council's response to Melbourne 2030 and the related Implementation Plans and the report be lodged by 28 February 2003.
137. That Council reserves the right to provide further details to the Department of Sustainability and Environment on its submission on Melbourne 2030 and the related draft Implementation Plans, particularly once it has considered the findings of the Population Capacity Study by FPD Savills (Vic) Pty Ltd.
138. That Council advise the Department of Sustainability and Environment that it wishes to be directly involved in the future assessment and implementation of Melbourne 2030 and the Implementation Plans, as adopted.

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See Attachments

Attachments	Y	*	N	
If yes, how many pages?				

Is this a Confidential report?	Y		N	
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Have relevant third parties been invited to attend the Council/Committee meeting?	Y		N	
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Approved by Director
(signature)

Appendix A

Better Transport Links

Policy 8.1

The City of Yarra strongly supports the target of 20% public transport use by 2020. In particular, Yarra supports:

- improvement to public transport in Melbourne's middle and outer suburbs to reduce the amount of motor vehicle traffic travelling through Yarra
- improvements to public transport in the inner city to redress the currently poor public transport market share of non-radial trips within inner areas and convert these car journeys to public transport.

There is no doubt that achieving the 20% mode share by 2020 will be a big task requiring an entirely new approach to transport in Melbourne. Spending on public transport infrastructure will need to increase dramatically. Without this, the goal will remain a motherhood statement and transport will proceed down the car-dependent, "business as usual" path.

Achieving the 20% goal will require a significant increase in the level of co-operation on high-level transport matters among Melbourne councils, especially between inner- and outer-metro councils, and VicRoads. Transport decisions taken in one area of Melbourne have significant impacts on other areas.

The construction of new freeways such as the Craigieburn Bypass and the Scoresby Freeway will undermine attempts to achieve the 20% goal. It is a well-accepted tenet of transport planning that simultaneously increasing public transport service and service to motor vehicles will lead to a decline in public transport mode share.

Policy 8.1 notes that taxis will provide local public transport services. While taxis serve an important niche of the metropolitan transport market, it is questionable whether they are an integral part of local public transport services due to their high cost and not being part of the integrated ticket system.

Policy 8.2

General

Council supports increasing transport choice and reducing car dependency and the general thrust of the initiatives in this section.

Strategies to deal with on-road public transport red spots through a co-operative program should include participation by local government. Yarra supports the program of works and measures to improve on-road public transport. The budget for this program should reflect the significant challenges that Melbourne faces in addressing red spots.

Policy 8.3

Yarra supports in general the thrust of the initiatives in this policy. An area that needs to be addressed relates to providing legislative and other support to Councils that wish to reduce the impact of new developments on on-street parking.

Policy 8.4

Yarra supports in general the thrust of this policy, particularly the discarding of the “predict and provide” approach for new roads. It is quite clear that the construction of large roads, especially freeways, generates more driving and has significant impacts on land-use. Yarra supports the introduction of specific mode share targets, not only for public transport but also for walking and cycling.

Policy 8.5

In the past, upgrades to road systems have strongly favoured improving the flow of motor vehicles around the road network. This has in turn stimulated more car use and increased car dependency. Yarra supports future upgrading of the road system that favours public transport, walking and cycling.

Policy 8.6

Other impacts of transport include increasing sprawl as well as road trauma.

Policy 8.7

Yarra strongly supports the thrust of this policy. However, walking and cycling should be considered as separate policy areas requiring, in many areas, quite different infrastructure and policies. Melbourne 2030’s emphasis on both these modes is undermined by lumping the two into a single policy area. This is especially so for walking, which is the most important transport mode.

Initiative 8.7.1

Yarra believes that the government should commit to the completion of Melbourne’s Principal Bicycle Network by 2010 without the qualification on page 158 and 159 of “resources permitting.” It is noted that on page 42 the document notes that “the Principal Bicycle Network will be completed,” with no qualification of this statement.

Initiative 8.7.2

Yarra supports the implementation of an appropriate walking action plan for Melbourne with a budget that is appropriate to this massive task. However, Yarra is concerned that this brief reference to walking in Melbourne 2030 indicates that this mode has a low priority compared to other initiatives in the document.

Initiatives 8.7.3 – 8.7.5

Current funding levels for Melbourne’s Metropolitan Trail Network (about \$1 million per year from Parks Victoria matched by local government) will not allow this network to reach its transport and recreational potential for cycling and walking for many years. Many trails are in poor repair, some are dangerous, signage is very poor and there are many missing links.

The current investment in cycling by local government in Melbourne is at relatively low levels. At these levels, it will take many years before local bicycle networks are complete and cycling becomes a real transport choice for much larger numbers of Melburnians.

Policy 8.8

Council supports the promotion of sustainable transport. However, spending on this promotion should not be at the expense of providing effective, competitive, sustainable transport choices. For example, it is difficult to promote the use of public transport as an alternative to the private car unless it offers a competitive service, which in many areas it does not. The same is true for cycling and walking.

Changes to driver education and behaviour

One of the main barriers to increased cycling and walking in Melbourne is the behaviour of drivers both legal and illegal. Police blitzes may help encourage the motoring public to ensure their driving does not have excessive negative impacts on pedestrians and cyclists.

APPENDIX B - COMMENTS ON THE PROPOSED ACTIVITY CENTRE DESIGN GUIDELINES AT APPENDIX 3 IMPLEMENTATION PLAN 4 – ACTIVITY CENTRES

Parts that relate to Yarra: Existing street based activity centres

For Yarra, the most relevant section of the Activity Centre Guidelines is the “Existing Street based activity centres”.

Yarra’s activity centres typically have:

- **small narrow lots** with limited capacity for redevelopment
- **multiple land owners and tenants** which makes amalgamating lots almost impossible to orchestrate
- **limited capacity to increase the width of the footpath**
- **limited capacity to create new public spaces** (such as purchasing land) given the City of Yarra’s limited resources
- **Heritage Overlay controls** which suggests limited change and limits to building heights
- **multiple roles** for example commuter route to the central city from the eastern suburbs, trams, arterial roads with a metropolitan function, heavy freight routes to the western suburbs
- **strong retailing/tourism themes** and are vibrant and healthy economically.

Comments on the policy

The policy is based on the idea that positive change can occur within established activity centres through site consolidation, capital works in the public domain and a strong clear vision that is consistently implemented over time.

The small narrow lots that characterise Yarra’s activity centres coupled with the reality that they have multiple land owners and tenants mean that site consolidation can be virtually impossible to orchestrate, nor is it in many cases desirable as part of Yarra’s vitality is a result of this c19th development pattern.

These small narrow lots have limited capacity for redevelopment and subdivision such as shop top housing. The narrow rear lanes are not desirable entrances to new dwellings and have poor natural surveillance. The narrowness of the lots can mean that entrances from the main street are difficult to achieve and access to daylighting is difficult from an architectural design point of view.

Where lots do have the same owners and a larger development is allowed, this can appear overscaled for many years and sites around the large development may never be assembled for a new development of matching height and scale.

The guideline, “Redesign centres to address the surrounding streets by bringing development out to the streets as far is practical” assumes that the public domain needs to be intensified. In many of Yarra’s centres footpaths are too narrow and crowded with people and public and private street furniture. Bridge Road, for example, was for many years encumbered with a Proposed Road Widening Overlay. This space was used as open space and included landscaping. Preferably, these spaces should remain.

The lifting of the PRW overlay from Bridge Road and other streets in the late 90's has meant the loss of this valuable community space as land owners apply to increase their retail floor space. Council has had limited resources to purchase this space and has not negotiated 'height bonuses' with the development proposals as Bridge Road is subject to heritage overlay controls and has limited capacity for substantially taller structures.

The same arguments can also be applied to the Guideline "Develop a public domain of new streets that connect with each other and have traditional footpaths, and refocus development to address these streets". This again supposes that all Councils have large brownfield sites within which new urban design schemes can be implemented.

It is not understood how the Guideline "Introduce a full range of compatible activity uses" can be implemented given that Council has limited, if any power to control the mix of uses within a centre through the VPPs.

For the City of Yarra, the idea that substantial change can occur in its activity centres is fundamentally flawed: sites can take years to be amalgamated and redevelopment and site consolidations occur infrequently in activity centres. The current character and scale of our major activity centres is valued by the community with change needing to reinforce the existing urban texture rather than alter it.

Further, the idea that the Guidelines presented might apply to 'typical activity centres' is also perplexing when established activity centres are considered. Significant support from the State Government is therefore required to formulate and implement structure plans for major activity centres.

Conclusion

The nature of Yarra's activity centres make substantial change slow, difficult and at times even impossible. But do our centres need to meet the text book ideals of what the policy suggests? An activity centre can be thriving, valued and the heart of a community whilst conversely have many design dysfunctions that the community simply ignore or navigate around: they are drawn to these centres through their unique mix of goods and services provided.

Accommodating change in Yarra's activity centres must be based on **gradual and incremental change**: this is infinitely more appropriate from an urban character and urban sustainability point of view.