### **Report to the Future Melbourne Committee**

Agenda item 6.2

Ministerial Planning Referral: TPM-2014-9/B 693-699 Collins Street and 614-648 Flinders Street, Docklands

16 February 2021

Presenter: Larry Parsons, Practice Leader Land Use and Development

### Purpose and background

- 1. The purpose of this report is to advise the Future Melbourne Committee of a Ministerial referral seeking an addendum to the Batman's Hill Development Plan ('Batman's Hill DP'). The submitted 'Development Plan Addendum Site C3 Amendment' ('The DP Addendum') would modify the future land use and built form guidance for the land located at 693-699 Collins Street and 614-648 Flinders Street, Docklands (refer Attachment 2 Locality Plan).
- 2. The applicant and owner of the land is Lend Lease Development Pty Ltd and Lend Lease is the author of the DP Addendum.
- 3. The land is located within the Docklands Zone Schedule 3 (DZ3) and is affected by the Development Plan Overlay Schedule 4 (DPO4 Batman's Hill Precinct), Design and Development Overlay Schedule 12 (DDO12 Noise Attenuation Area), Heritage Overlay Schedule HO651 (Retaining Wall, 588-754 Flinders Street Extension, Melbourne) and Parking Overlay Schedule 7 (PO7 Docklands Batman's Hill).
- 4. The Development Plan Addendum seeks approval to remove the requirement to provide 923m² of Community Built Space on a portion of the land (site C3).
- 5. Construction of a commercial office building with associated retail, child care centre and community uses and construction of publicly accessible open space in accordance with Ministerial Permit No. PA1700248 on site C3 was completed in mid-2020.
- 6. The Department of Environment, Land, Water and Planning (DELWP), on behalf of the Minister for Planning, has informally referred the application to Council for comment.

#### **Key issues**

- 7. The key issues relate to the appropriateness of removal of the community space.
- 8. It is understood that the provision of space for community facilities within Melbourne Quarter relates to a requirement in a confidential agreement between Lendlease and Development Victoria (DV). Based on discussions with DV and DELWP, and as stated in the applicant's submission, the owner of the land is able to make a cash contribution to DV in lieu of providing a space for a community facility.
- 9. The proposal to remove the community space from this development with provision of a cash contribution to DV allows for community facilities elsewhere within Docklands. In lieu of any specific tenant identified for the tenancy in this development, the potential establishment of consolidated community facilities is considered to be a positive outcome for residents of Docklands and its surrounds.
- 10. The proposal is therefore considered an acceptable outcome in this instance.

# Recommendation from management

11. That the Future Melbourne Committee resolves to advise the Department of Environment, Land, Water and Planning that the Melbourne City Council supports the proposal subject to the conditions outlined in the delegate report (refer to Attachment 4 of the report from management).

#### Attachments:

- 1. Supporting Attachment (Page 2 of 24)
- 2. Locality Plan (Page 3 of 24)
- 3. Selected Plans (Page 4 of 24)
- 4. Delegate Report (Page 12 of 24)

#### **Supporting Attachment**

#### Legal

- 1. The Minister for Planning is the Responsible Authority for determining this application.
- 2. The application is exempt from the notice of section 52(1)(a), (b) and (d), the decision requirements of section 64(1), (2) and (3), and the review rights of section 82(1) of the *Planning and Environment Act* 1987. Melbourne City Council therefore has no formal status under the *Planning and Environment Act* 1987 in relation to the application.

#### **Finance**

3. There are no direct financial issues arising from the recommendations contained within this report.

#### **Conflict of interest**

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

#### **Health and Safety**

5. Relevant planning considerations that could impact on health and safety have been considered within the development plan addendum and assessment process.

#### Stakeholder consultation

6. Council officers have not undertaken public notice or referred this application to any other referral authorities. This is the responsibility of DELWP acting on behalf of the Minister for Planning.

#### **Relation to Council policy**

7. Relevant Council policies are discussed in the attached delegate report (refer to Attachment 4).

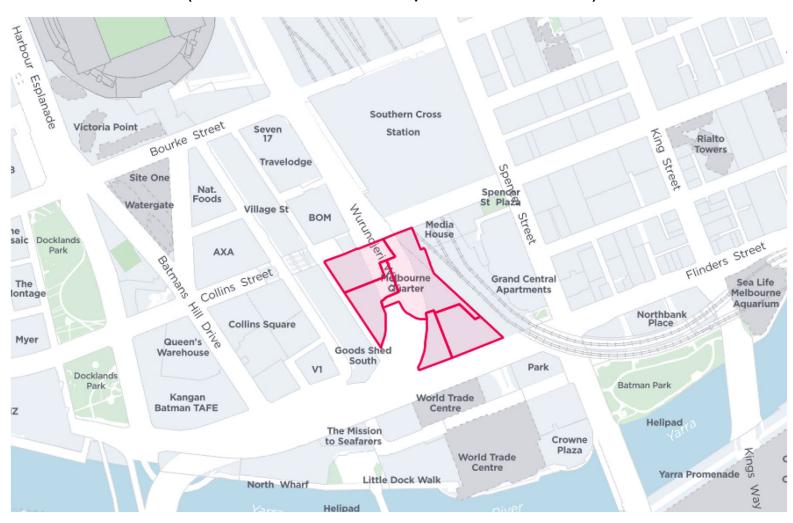
#### **Environmental sustainability**

8. Any future developments on the subject site would need to obtain a planning permit. Such applications would require the submission and approval of an Environmentally Sustainable Design (ESD) Report that demonstrates how the development(s) would achieve the ESD performance requirements of Clause 22.19 (Energy, Water and Waste Efficiency) and Clause 22.23 (Stormwater Management).

# **Locality Plan**

Attachment 2
Agenda item 6.2
Future Melbourne Committee
16 February 2021

# 693-699 Collins Street & 614-648 Flinders Street, Docklands (Batman's Hill Development Plan Area)



# **Development Plan**

# Addendum

August 2020

Site C3

Amendment



Melbourne Quarter



On 27 October 2014, the then Minister for Planning approved the Batman's Hill Development Plan 21 February 2014.

On 1 March 2016, the Minister for Planning approved the Melbourne Quarter Development Plan – Commercial Neighbourhood Amendment 12 February 2016. The Amended Development Plan superseded parts of the 2014 Development Plan.

Both development plans were prepared and approved pursuant to the provisions of Schedule 4 of the Development Plan Overlay within the Melbourne Planning Scheme, and these provisions set out requirements for a Development Plan in association with guiding future use, subdivision and development.

Since the approval of these Development Plans, planning approvals have been granted for all development sites within Melbourne Quarter, with the exception of Site M1. A Site M1 Amendment has been principally agreed and awaiting formal approval at the time of writing.

It is also noted that construction of the One Melbourne Quarter (Site C1) development (including the western part of the Sky Park) has been completed and is occupied, Two Melbourne Quarter (Site C3) and Residential Site R1 have recently achieved practical completion.

The Development Plan addendum applies to Site C3 (2MQ) (the southernmost tenancy on Level B4 only) as described in this document. The previously approved Development Plans continue to apply to the remainder of Melbourne Quarter.

Consistent with the previous Development Plan Amendment as approved on 1 March 2016, the content in this Development Plan Amendment supersedes the previous Development Plan for Site C3 (2MQ) in respect of the following sections:

- 4.1 Overall Site Planning Strategy
- 4.2 Uses and Activities
- 4.10 Land Use Table
- 5.3 Public Realm Ownership
- 8.1 Indicative Staging Plan

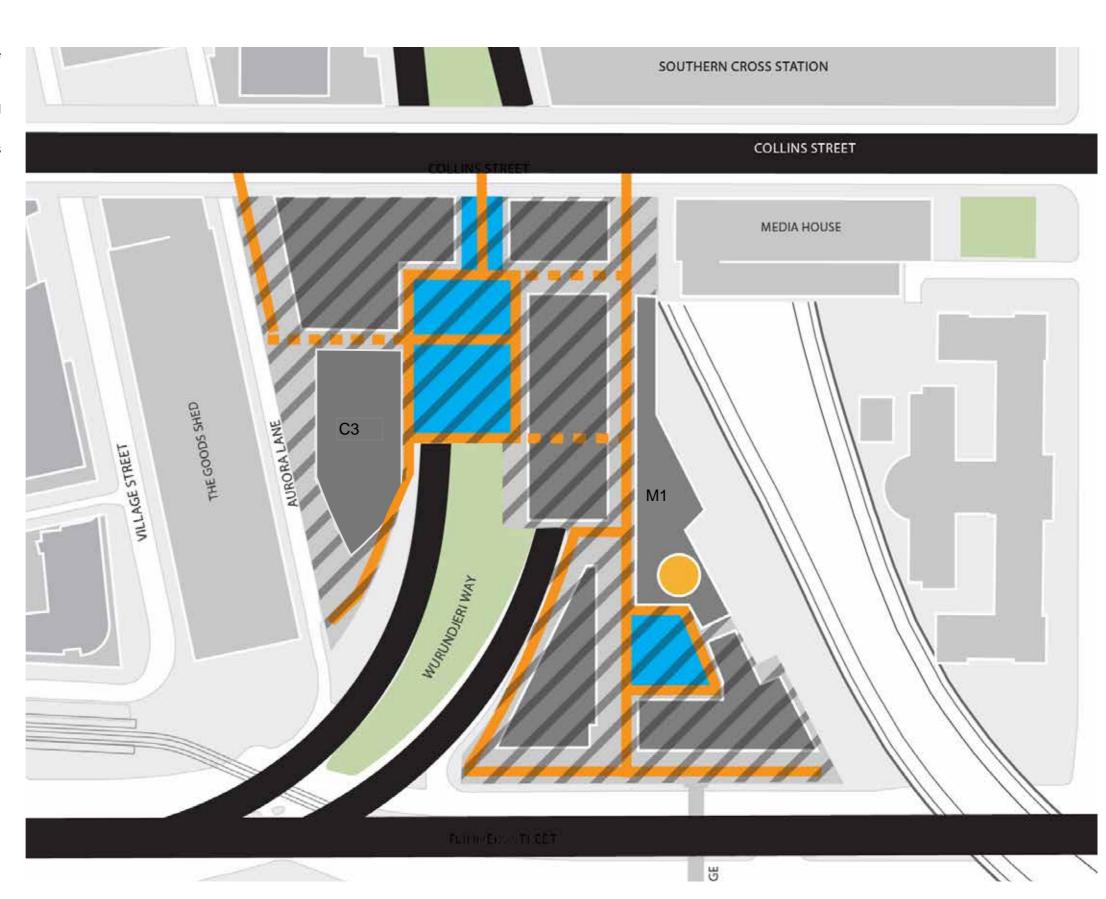
Otherwise, the content of the previously approved Development Plans continue to apply.

# 4.1 Overall Site Planning Strafegy

The Urban Structure plan is the design concept for the development of the Melbourne Quarter site.

The plan encapsulates the site's urban design principles, whilst taking into account the site opportunities and constraints.

The Urban Structure plan identifies the key public streets and pedestrian spaces and building footprints.



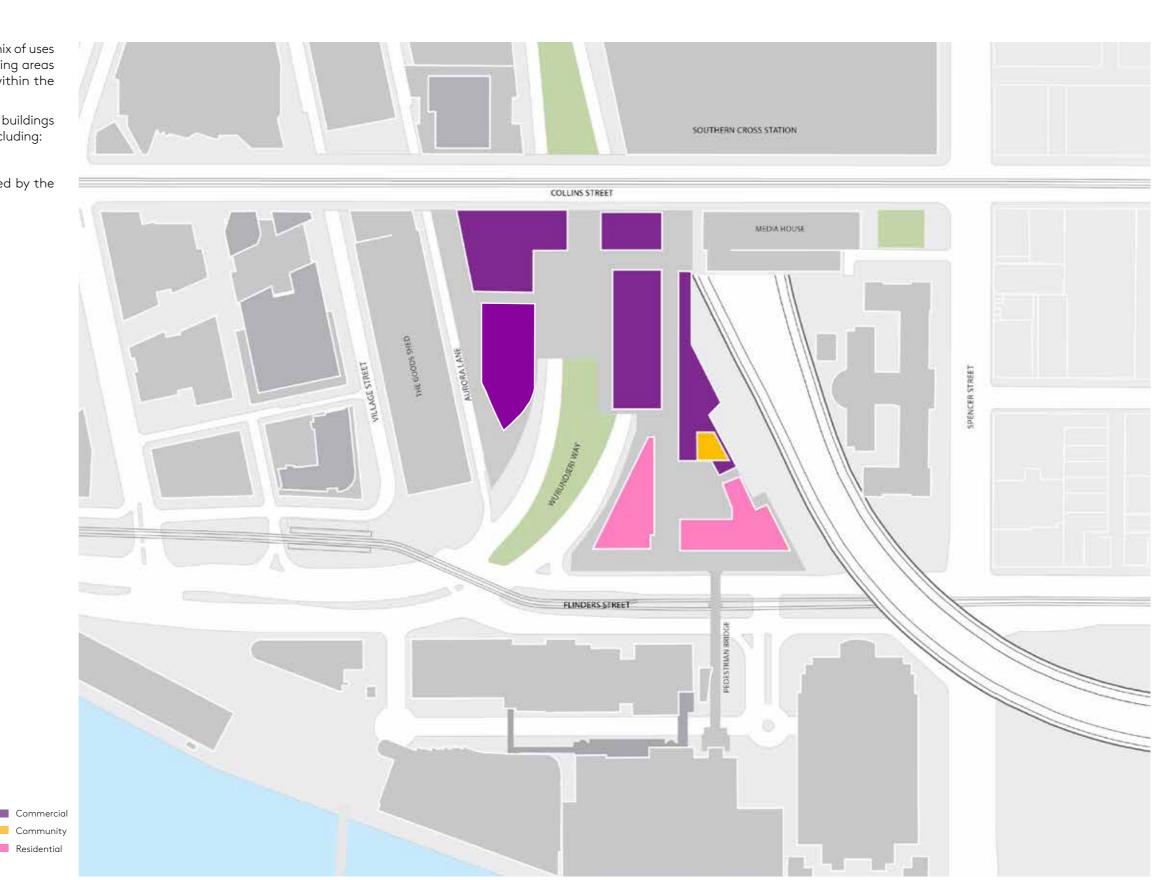




The Development Plan accommodates a broad mix of uses that respond to activities and needs of surrounding areas as well as to the needs to the core activities within the

The buildings, and the relationships between the buildings have been influenced by a number of factors, including:

- Built form massing which is in turn influenced by the individual site parcels and site levels
- The impact of Wurundjeri Way
- Access and address
- The pedestrian experience
- Stageability, market and commercial drivers



# 4.10 Land Use Table - Collins Street Neighbourhood

Commercial Office		
Stage	Indicative Stage Net Lettable Area "NLA" (m2)	Indicative Stage Gross Floor Area "GFA" (m2)
C1	25,000 - 40,010	38,462 - 61,554
C2	50,500 - 68,600	76,923 - 105,538
C3	32,000 - 67,930	49,230 - 104,508
Subtotal	107,000 - 176,540	164,615 - 271,600
Maximum Area: Commercial Office	176,540	271,600

Strata Office/ Commercial/ Childcare		
Stage	Indicative Stage Net Lettable Area "NLA" (m2)	Indicative Stage Gross Floor Area "GFA" (m2)
M1 (N-S Lane)	18,999	24,512
S2 (Aurora Lane)	1,500 - 3,500	2,307 - 5,385
Subtotal	20,499 - 22,499	26,819 - 29,897
Maximum Area:	22,499	29,897

Community Built Space		
Stage	Indicative Stage Net Lettable Area "NLA" (m2)	Indicative Stage Gross Floor Area "GFA" (m2)
Community Built Space (M1)	400	615
Subtotal	400	615
Maximum Area	400	615

Retail in Collins Street Neighbourhood		
Stage	Indicative Stage Net Lettable Area "NLA" (m2)	Indicative Stage Gross Floor Area "GFA" (m2)
C1 Retail	1,000	1,539
C2 Retail	3,300	5,076
C3 Retail	1,400	2,154
Subtotal	5,700	8,769
Maximum Area Retail	5,700	8,769

\*Note: The Stage NLA's/NSA's and GFA's shown on this page are indicative only and may increase or decrease at the time of lodgment of a stage planning permit , however may not exceed the building envelopes detailed in the Development Plan.

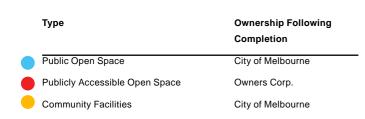
\*Note: GFA figures quoted above do not include carparking, podiums, basements, loading docks, vehicular circulation, back of house and services areas. Refer to carparking table below for indicative GFA of these areas

Carparking		
Stage	Indicative carparking (No. bays)	Indicative Gross Floor Area "GFA" (m2)
C1	180	
C2	170	
C3	80	
Subtotal	430	
Maximum Parking Provision	430	31,000

\*Note: Carparking figures are indicative only. Refer to traffic and transport assessment for further details. Indicative GFA total includes allowances for carparking, basement loading docks, vehicular circulation, back of house and service areas.

<sup>\*\*</sup>Note: Bicycle Parking (M1 only) – 10 bicycle spaces for staff within M1 tenancies are provided within Melbourne Quarter Tower. No further bicycle spaces are provided within the M1 planning unit.

Upon completion of the different stages, the subdivision of the site and future ownership of the public realm is broadly illustrated in figure 11.1.



NOTE: For details on the Flinders Street Neighbourhood public realm refer to the 2014 Development Plan and planning application for R1 and R2.

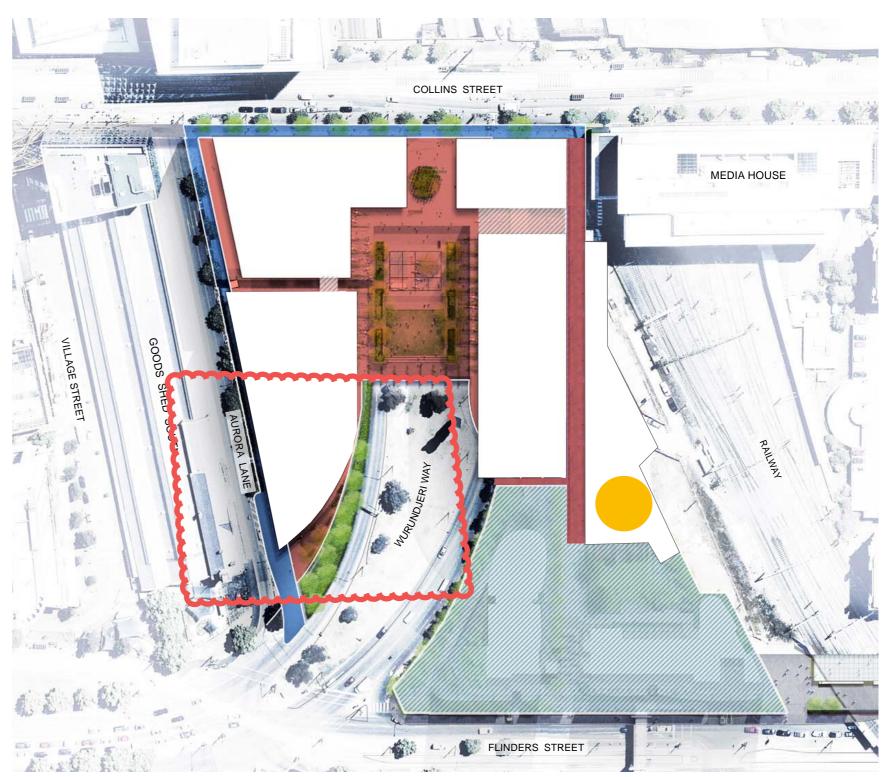


Figure 11.1 Public realm ownership diagram

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The Melbourne Quarter development strategy allows for the delivery of the overall project in six distinct stages which will be developed at a rate of consistent with the market demand in each of the sectors provided for. Staging allows for development from Collins Street at the north of the site moving south and from Flinders Street at the south moving north, either concurrently or at different times, subject to market demand and commercial feasibility.

The staging principles are as follows;

- Deliver amenity and place on a stage by stage basis.
- Satisfy minimum car parking and loading requirements on a stage by stage basis.

The stages are described in the adjacent diagram. The staging sequence is indicative and is subject to market forces.



Figure 15.1 Indicative staging plan

NOTE: For details on the staging plan on Residential sites, refer to the 2014 Development Plan and planning application for R1 and R2.



## PLANNING REPORT

#### MINISTERIAL REFERRAL

Application number: TPM-2014-9/B

**DELWP Application number:** 2014000734

Applicant / Owner / Architect: Lend Lease Development Pty Ltd / Lend

Lease Development Pty Ltd / Lend Lease

Address: 693-699 Collins Street & 614-648 Flinders

Street, DOCKLANDS VIC 3008

**Proposal:** Addendum to Batman's Hill Development

Plan

Cost of works: N/A

Date received by City of

Melbourne:

16 November 2020

Responsible officer: Markus Tschech, Principal Urban Planner

#### 1. SUBJECT SITE AND SURROUNDS

#### 1.1. The Site

The application relates to the *Batman's Hill Development Plan* (Batman's Hill DP) and incorporates the following parcels of land:

- 693 Collins Street, Docklands (Lot S13 on PS704437K)
- 697 Collins Street, Docklands (Lot S11 on PS704437K)
- 699 Collins Street, Docklands (Lot S2 on PS704437K)
- 614 Flinders Street. Docklands (Lot S4 on PS704437K)
- 648 Flinders Street. Docklands (Lot S16 on PS704437K)

The site has frontages of approximately 142 metres to Collins Street to the north, 137 metres to Flinders Street to the south, 222 metres to the railway corridor (VicTrack) and Media House to the east and 154 metres to Aurora Lane to the west. It encompasses a total area of 24,156m² and is located partially above Wurundjeri Way.

The extent of the Development Plan area is depicted in Figure 1 on the following page.

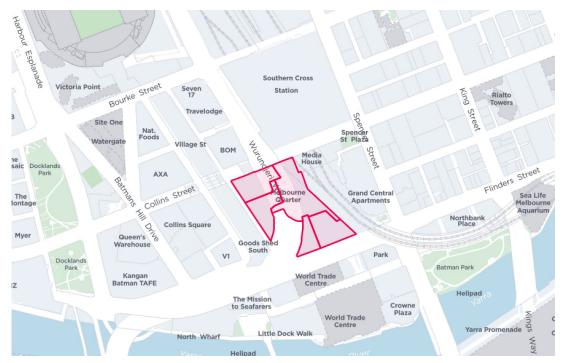


Figure 1 - Site Locality Plan

Since the approval of the most recent version of the Batman's Hill DP on 27 October 2014, construction of several stages of the 'Melbourne Quarter' development has commenced on the land. An aerial photo at Figure 2 depicts the extent of development progress as at 3 November 2020.



Figure 2 – Nearmap Aerial depicting Batman's Hill Development Plan area. Captured on 3 November 2020

Specifically, this application seeks approval for an Addendum to the Batman's Hill DP to vary the land use controls as they apply to site C3, which is identified in the extract at Figure 3.

A 26 storey commercial building (above a three level carpark/services podium), described as 'Two Melbourne Quarter / 2MQ' has recently been constructed on the site in accordance with the requirements of the Batman's Hill DP, and subsequent Addenda which are described at Section 2.2 of this Report.

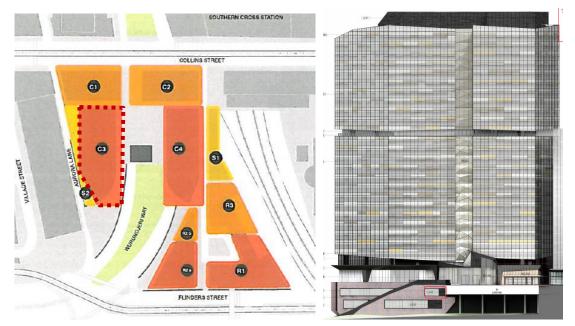


Figure 3 - Figure 4.4.1.1 of the Batman's Hill highlighting site C3 (left) and endorsed East Elevation of 2MQ (right)

#### 1.2. Surrounds

The site and immediate surrounds were historically used for rail yards and goods sheds associated with the former Spencer Street Station, Victoria Dock and the Docklands precinct.

Recent developments over the past decade have, however, significantly altered the built form landscape within the site environs.

#### 1.2.1. North

Directly to the north of the site is Collins Street, which is a single lane each way dual carriageway with a central tram line.

Across Collins Street to the north, at 700 Collins Street is the 16 storey Australian Bureau of Meteorology building.

#### 1.2.2. South

Directly to the south of the site is Flinders Street, which comprises up to three lanes in each direction, as well as a central tram line.

Across Flinders Street to the south is the World Trade Centre complex, which comprises a number of multi-level commercial buildings. Also to the south is a temporary public park, which forms part of an approval for three multi storey buildings (Ministerial Permit No. 2014003115).

#### 1.2.3. East

Directly to the east is the eight storey Media House building, which is the headquarters of 'The Age' newspaper.

South of Media House and abutting the subject site to the east is the Flinders Street railway corridor which is between 50-60 metres wide and extends between Southern Cross and Flinders Street Stations.

#### 1.2.4. West

Directly to the west of the site is Aurora Lane which is a local road, orientated north-south between Bourke Street and Wurundjeri Way. Aurora Lane comprises a single carriageway with two-way traffic movement in the section north of Collins Street, becoming one-way northbound in the section south of Collins Street, adjacent to the subject site.

On the west side of Aurora Lane is the former Railway Goods Shed built in 1889 (Goods Shed No.2).

#### 2. BACKGROUND

#### 2.1. Development Plans

The Batman's Hill Development Plan was approved by the Minister for Planning on the 27 October 2014, and allows for a comprehensive mixed use development of the Batman's Hill Precinct.



Figure 4 - Endorsed Batman's Hill DP Master Plan

Key design features of the endorsed plan include:

- An elevated deck on the northern part of the site over Wurundjeri Way.
- Two mid-rise office buildings (C1 and C2).
- Two high rise office buildings (C3 and C4).
- An office building to the east of North-South Lane (S1).
- Two high rise residential apartment towers to the southern side of the site (R1 and R2a).
- Two medium rise apartment towers to the north and west of Batman's Square (R2b and R3).
- A covered public plaza along Collins Street.

- New vehicle and pedestrian connections, including a new laneway connecting Collins Street to Flinders Street.
- The construction of a new public park located along North-South Lane and at the centre of the residential precinct.

The Minister for Planning subsequently approved the 'Melbourne Quarter Development Plan – Commercial Neighbourhood Amendment 12 February 2016' on 1 March 2016 (The 2016 DP Addendum). This Addendum was restricted to the commercial buildings forming part of the Melbourne Quarter Development (sites C1, C2 and C3).

Key changes to the Development Plan can be summarised as follows:

- Changes to the built form envelopes including the deletion of commercial building
   C2 and the introduction of a 'sky garden park' across the Collins Street frontage.
- The realignment of Marketplace Lane and the relocation of the western most section further to the south.
- An increase in the open area of the central plaza.

The varied envelopes are reproduced in Figure 5 below.

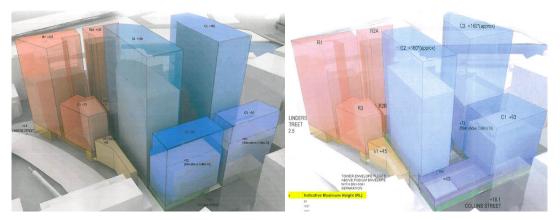


Figure 5 - Building Envelope Plan of 2014 Batman's Hill DP (left) and 2016 Melbourne Quarter DP Addendum (right)

A further Addendum, titled 'Development Plan Addendum August 2020 Site M1 Amendment' (the 'M1 Addendum) was approved by the Minister for Planning on 3 September 2020. The M1 Addendum amalgamated sites 'S1' and 'R3' and varied the land use and building controls for the new parcel of land. The M1 Addendum did not vary any controls relating to the C3 site.

## 2.2. Planning Approvals & Applications

Since approval of the Batman's Hill DP, the following development activity has occurred within the affected area:

- TPM-2015-16: Construction of a 13 storey (plus plant) commercial office building comprising ground floor retail and an elevated sky garden in accordance with Ministerial Permit No. 201531541-1 on site C1.
- **TPM-2015-20**: Construction of three high rise residential buildings on sites R1, R2 and R3 is progressing in accordance with Ministerial Permit No. 2015/35668. The 45 storey building on site R1 is nearing completion, while works on the 45 storey building on R2 and 22 storey building on R3 are yet to commence.

- **TPMR-2016-23/A:** Construction of a high rise office building on site C2 in accordance with Ministerial Permit No. PA1600147 is yet to commence construction.
- **TPM-2017-13**: Construction of a commercial office building with associated retail, child care centre and community uses and construction of publicly accessible open space in accordance with Ministerial Permit No. PA1700248 on site C3 was completed in mid-2020.
- **TP-2019-1020**: An application for a mid-rise office building, child care centre, retail premises and 159m² community facility on site M1 (previously S1 & R2) was approved by the City of Melbourne on 6 November 2020. Construction of this development has not yet commenced.

# 2.3. Pre-application discussions

Several telephone discussions were held between the applicant, DELWP and City of Melbourne planning officers in the lead up to the submission of the application to amend the Development Plan. Council expressed general support for the application.

#### 3. THE PROPOSAL

Lend Lease Development Pty Ltd c/o Contour Consultants Australia has submitted an application to DELWP for an addendum to the Batman's Hill DP.

The submitted *Melbourne Quarter Development Plan Addendum – Site C3 Amendment – August 2020* (the 'C3 DP Addendum'), prepared by Lendlease, applies specifically to site C3 as described in Section 1 of this report, and its sole purpose is to remove the requirement to provide a 923m² Community Built Space on the land. The space shown on the endorsed plans for 2MQ would then be converted to another use permitted by the Development Plan.

The reason for the variation is set out in the applicant's submission, as reproduced below:

'The original requirement for the community built space resulted from a contractual arrangement between Development Victoria and Lendlease which required community built spaces to be provided within the Melbourne Quarter, or otherwise a financial contribution needed to be made to Development Victoria. Whilst the original intent of the 2MQ proposal included the community built space to be provided within the 2MQ building, Lendlease has subsequently triggered the financial contribution arrangement. Subsequently, Development Victoria has agreed that the financial contribution will be spent in consultation with the City of Melbourne on other appropriate Docklands community projects.'

Extracts from the M1 DP Addendum and proposed C3 DP Addendum are provided on the following page.

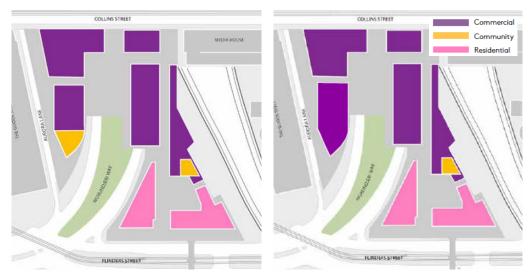


Figure 6 – Uses and Activities Plan of the approved M1 DP Addendum (left) and proposed C3 DP Addendum (right) depicting removal of Community Facility

Community Built Space		
Stage	Indicative Stage Net Lettable Area "NLA" (m2)	Indicative Stage Gross Floor Area "GFA" (m2)
Community Built Space No 1 (C3 / City Room)	600	923
Community Built Space No 2 (M1)	400	615
Subtotal	1,000	1,538
Maximum Area Community Built Space	1,000	1,538

Figure 7 - Land Use Table extract from the approved M1 DP Addendum depicting amount of Community Built Space to be provided within Melbourne Quarter

Community Built Space		
Stage	Indicative Stage Net Lettable Area "NLA" (m2)	Indicative Stage Gross Floor Area "GFA" (m2)
Community Built Space (M1)	400	615
Subtotal	400	615
Maximum Area	400	615

Figure 8 - Land Use Table extract from the proposed C3 DP Addendum depicting amount of Community Built Space to be provided within Melbourne Quarter

The proposed C3 DP Addendum does not seek to vary any other built form or land use controls as they apply to the land. Though, as a result of the removal of the Community Facility, the proposed C3 DP Addendum would supersede the following sections of the Batman's Hill DP:

- Section 4.1: Overall Site Planning Strategy
- Section 4.2: Uses and Activities
- Section 5.3 Public Realm Ownership.

#### 4. PLANNING SCHEME PROVISIONS

The following provisions of the Melbourne Planning Scheme apply:

State Planning	Clause 10: Planning Policy Framework
Policies	Clause 11: Settlement
	Clause 12: Environment and Landscape Values
	Clause 15: Built Environment and Heritage

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	Clause 16: Housing
	Clause 17: Economic Development
	Clause 18: Transport
	Clause 19: Infrastructure
Municipal	Clause 21.04: Settlement
Strategic Statement	Clause 21.05: Environment and Landscape Values
	Clause 21.06: Built Environment and Heritage
	Clause 21.07: Housing
	Clause 21.08: Economic Development
	Clause 21.09: Transport
	Clause 21.10: Infrastructure
	Clause 21.13-2: Docklands
Local Planning Policies	Clause 22.18: Urban Design within the Docklands Zone
	Clause 22.19: Energy, Water and Waste Efficiency
	Clause 22.23: Stormwater Management (Water Sensitive Urban Design)

Statutory Controls		
Clause 43.04  Development Plan Overlay - Schedule 4	Pursuant to Clause 43.04-1 a permit must not be granted to use or subdivide land, construct a building or construct or carry out works until a development plan has been prepared to the satisfaction of the responsible authority.	
Batman's Hill Precinct	The DPO specifies requirements for the content of a development plan and contemplates that development plans may be amended. It specifies decision guidelines for assessing an amendment to a development plan.	
	Once a development plan has been endorsed as being to the satisfaction of the responsible authority, separate planning applications will need to be lodged for the individual development stages. The following statutory controls will apply to the future development of the land. A permit granted must be generally in accordance the with the development plan.	
Clause 37.05	Pursuant to Clause 37.05-1 a planning permit is not required to use the	
Docklands Zone  – Schedule 3	land for a shop at ground level (other than Adult sex bookshop, Department store, Restricted retail premises and Supermarket), restaurant, take-away food premises or bar.	
Batman's Hill Precinct		
Clause 43.02	Pursuant to Clause 43.02 a permit is required to construct a building or	
Design and Development	construct or carry out works, unless the Schedule states that a permit is not required.	
Overlay - Schedule 12	Schedule 12 does not exempt buildings and works from requiring a permit and sets out requirements relating to noise attenuation for	
Noise Attenuation Area	residential buildings. As the proposal does not include any buildings or works, the provisions of DDO12 are not relevant.	
Clause 43.01	The retaining wall at the southern end of the site is listed on the Victorian	
Heritage Overlay	Heritage Register (Historic Building No. 932)	
- Schedule HO651	Pursuant to Clause 43.01, a permit is not required from the City of Melbourne to develop a place that is listed on the Victoria Heritage	
Retaining Wall,	Register.	

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588-754 Flinders Street Extension, Melbourne	As the proposal does not include any buildings or works, the provisions of HO651 are not relevant
Parking Overlay 7 Docklands –	Clause 52.06-5 sets out maximum car parking rates for various land uses.
Batman's Hill	This application does not seek to vary the parking provision, though the land use mix, and therefore the car parking demand, will be slightly altered as part of the proposal.

Particular Provisions		
Clause 52.06 Car Parking	A permit is required to provide more than the maximum parking provision specified in a schedule to the Parking Overlay.	
Our ranking	This application does not seek to vary the parking provision, though the land use mix, and therefore the car parking demand, will be slightly altered as part of the proposal.	
Clause 52.29	An application to create or alter access to a road in a Road Zone,	
Land adjacent to a Road Zone,	Category 1 must be referred to the Department of Transport for comment.	
Category 1, or a Public Acquisition Overlay for a Category 1 Road	As the proposal does not include any buildings or works, the provisions of Clause 52.29 are not relevant.	
Clause 52.34	A new use must not commence or the floor area of an existing use must	
Bicycle Facilities	not be increased until the required bicycle facilities and associated signage has been provided on the land. A permit may be granted to reduce or waive the bicycle parking requirement.	
	This application does not seek to vary the parking provision, though the land use mix, and therefore the bicycle parking demand, will be slightly altered as part of the proposal.	
Clause 53.18	An application to construct a building with a gross floor area exceeding	
Stormwater Management in Urban Developments	50 square metres must meet all of the objectives of Clauses 53.18-5 and 53.18-6.	

General Provisions	
Clause 72.01  Responsible authority for administering and enforcing a provision of this planning scheme	The Minister for Planning is the Responsible Authority for this matter as the total floor area of the proposal exceeds 25,000 square metres.
Clause 65 Approval of an application or plan	Sets out matters that the responsible authority must consider before deciding on an application.

#### 5. PUBLIC NOTIFICATION

Section 3.0 of Schedule 3 to the Development Plan Overlay specifies that, in assessing an amendment to a Development Plan, the Responsible Authority (i.e. the Minister for Planning) should, inter alia, consider the views of the City of Melbourne. The application was therefore referred to the City of Melbourne for comment.

#### 6. REFERRALS

#### 6.1. External

The application was discussed informally with Development Victoria on numerous occasions both prior to, and following receipt of the application.

In an email dated 29 January 2021, Development Victoria confirmed the arrangements set out in the application material with respect to the cash-in-lieu payments for community facilities at Melbourne Quarter; stating that:

'Lendlease is required to make a financial contribution for the community space not constructed – based on an overall requirement to deliver 1000sqm of community space. Accordingly, given Lendlease has committed to construct 159sqm of community space in M1, the M1 financial contribution will be proportionally less than the financial contribution paid for C3, as follows:

- The C3 financial contribution was calculated based on the 500sqm not delivered as part of C3.
- The M1 financial contribution will be calculated based on the 341sqm not being delivered as part of M1 (i.e. remaining 500sqm requirement, minus 159sqm being delivered).

With respect to the use of the funds, Development Victoria advised further that:

'DV and CoM have agreed to work together to spend these funds on appropriate community projects in Docklands – with the Hub@Docklands and projects identified through the Docklands Activation Strategy agreed as good starting points.

To this end, it is DV's intention to establish a DV/CoM project working group to map out a suitable process and coordinate activities.'

# 6.2. Internal

Given the confined nature of the proposal, the application was referred only to Council's City Strategy team. They provided the below response on 3 December 2020

'The letter from Contour ... aligns with our understanding that the community facility in 2MQ will be removed to be replaced by a cash contribution to DV to be spent on other community projects in Docklands in agreement with CoM.'

#### 7. ASSESSMENT

The Minister is the Responsible Authority for the application as the total floor area of the proposal exceeds 25,000 square metres. Key issues in the consideration of this Development Plan Addendum are:

- Removal of a community facility.
- Bicycle and car parking.
- The Decision Guidelines at Section 3.0 of DPO4.

Each of these matters is addressed in turn below.

# 7.1. Removal of a Community Facility

The Batman's Hill DP (including the subsequent Addenda) includes a requirement for a community facility to be located towards the southern end of the C3 site. The Land Use Table at Section 4.10 of the DP indicates that the community facility at C3 should have a net lettable area of  $600m^2$ , though no guidance is provided with respect to the use or operation of the space.

This requirement is reflected in the endorsed plans of the completed 2MQ building, which provides a 'Community' space at the southern end of Basement Level B4, directly fronting Aurora Lane (refer Figure 9 below).



Figure 9 - Extract from the endorsed Level B4 plan for 2MQ

The Melbourne Planning Scheme, including policies that relate specifically to developments in Docklands, does not include a requirement for community facilities of any kind.

It is understood that the provision of space for community facilities within Melbourne Quarter relates entirely to a requirement in the confidential agreement between Lendlease and Development Victoria (DV). Based on discussions with Development Victoria and DELWP, and as stated in the applicant's submission, the owner of the land is able to make a cash contribution to DV in lieu of providing a space for a community facility.

As noted at Section 6 of this report, a cash contribution to DV allows for the provision of community facilities elsewhere within Docklands. In lieu of any specific tenant identified for the tenancy at 2MQ, the establishment of consolidated community facilities, as directed by DV, in cooperation with Council, is considered to be a positive outcome for residents of Docklands and its surrounds.

The removal of the requirement for a community facility to be provided on site C3 is therefore supported.

#### 7.2. Bicycle and Car Parking

The proposal would result in the replacement of a community facility with a commercial tenancy with no variation to the provision of bicycle or car parking spaces (382 and 80 respectively).

The subject site is located within Parking Overlay – Schedule 7, where maximum car parking rates apply to all land uses. As such, there is no requirement in the Melbourne Planning Scheme to provide car parking.

No such exemption applies to bicycle parking, and the rates at Table 1 to Clause 52.34-5 (Bicycle spaces) are therefore relevant.

Community-based uses are not listed in either Clause 52.34 (Bicycle Parking) or Clause 52.06 (Car Parking) and the exact impact on demand is therefore not simple to quantify. It is nevertheless considered that the replacement of a community facility with a retail premises would have a negligible impact on bicycle and car parking demand. The variation is therefore considered to be acceptable.

Notwithstanding the above, the revised 'Section 4.10 Land Use Table - Collins Street Neighbourhood' does not include the bicycle parking summary included in the latest M1 DP Addendum, nor provide updated NLA and GFA figures for retail premises within C3. A condition requiring these changes will therefore be recommended.

## 7.3. Development Plan Overlay – Schedule 4 - Decision Guidelines

Section 3.0 of DPO4 sets out the following Decision Guidelines which the Minister for Planning must consider in their assessment of this application:

- Purposes of the zone, overlays and any other relevant provisions of the planning scheme.
- Views of the City of Melbourne.
- Views of Places Victoria.
- Pedestrian and vehicle movement networks, both internal and external to the site.
- Impact of the proposed development on heritage places.
- Treatment of the public realm.

Having regard to the above:

- The relevant provisions of the Melbourne Planning Scheme have been considered in the preceding sections of the report.
- The views of Development Victoria (previously Places Victoria) are not relevant to Council's assessment of the application.
- Pedestrian movement and amenity would not be impacted by the proposal.
- The closest heritage assets to the subject site are the Goods Shed South to the west, and the retaining wall along Flinders Street to the south. The changes proposed as part of this DP Addendum are not within close proximity of either asset, and is not considered to impact them in any way.
- The proposal does not involve any building or works and would therefore not impact the public realm.

The proposal is therefore considered to be consistent with the Decision Guidelines of DPO4.

#### 8. CONCLUSION

The proposed C3 DP Addendum is generally consistent with the relevant sections of the Melbourne Planning Scheme.

## 9. RECOMMENDATION

That DELWP be advised that the City of Melbourne supports the proposal subject to the following conditions:

- 1. Section 4.10: Land Use Table updated to:
  - a. Include bicycle parking numbers consistent with those of the endorsed 'Development Plan Addendum August 2020 Site M1 Amendment'.
  - b. Reflect increase in either Office or Retail space to account for removal of 'Community Built Space'.