

Report to the Future Melbourne Committee

Agenda item 6.2

City of Melbourne Submission on Arden Planning Package

5 October 2021

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Purpose and background

1. Council Plan 2021–25 Major Initiative 17 identifies that the City of Melbourne will play a lead role in facilitating the delivery of high-quality and climate adapted urban renewal, and realise the place and investment conditions to support globally competitive innovation districts.
2. The 2018 Arden Vision outlined the strategic policy base and key directions for the Arden precinct and formed the foundation of the draft Arden Structure Plan. In June 2020, Council endorsed the draft Arden Structure Plan for consultation.
3. Community engagement on the draft Arden Structure Plan ran from 29 June to 23 August 2020. People were interested in a variety of matters including the character and scale of buildings, sustainability, affordable housing, provision of parks and open space, and car parking.
4. The Victorian Planning Authority (VPA) considered submissions and feedback from Council and others in finalising the Arden Planning Package. A number of matters raised by Council remain unresolved and as a result the Arden Planning Package was released by the VPA in “consultation with” the City of Melbourne, rather than “in partnership”. The Department of Transport (DoT) is the client for the Arden Precinct.
5. The package includes the revised Arden Structure Plan, Planning Scheme Amendment (PSA) C407 and background technical reports. It has been released for public consultation from 13 September to 11 October 2021.

Key issues

6. The delivery of Arden as a high-quality, climate adapted precinct will play an important role in Melbourne and Victoria’s economic revitalisation. Council is committed to working with the Victorian Government and its agencies to achieve the vision for Arden and to set a new standard for urban renewal. It is crucial that the final Arden Structure Plan and planning controls are focused on the long-term success of the precinct and prioritise the delivery of the Arden vision, objectives and strategies.
7. The location of Arden, anchored by the development of the new Arden Station, the planned scale of transformation, the government landholdings and commitment to precinct curation represent a unique and significant opportunity to establish a world-leading renewal precinct. While many of the elements within the Arden Planning Package seek to achieve this, some elements are not considered to adequately support and recognise the precincts unique attributes and opportunities.
8. There are a number of elements in the revised Structure Plan that are supported, including the provision of new open space to support the growing community, strategies to green the public realm, the proposed transport network which prioritises people walking, riding a bike and using public transport, and a target for zero net emissions by 2040. The proposed future health and education uses will help create a thriving innovation precinct.
9. However, a number of key issues with the Arden Planning Package have been identified and require further resolution to ensure the Arden vision, objectives and strategies can be achieved. These issues are articulated in the City of Melbourne’s submission to the Arden Planning Package (refer Attachment 2) and form the basis of Council’s ongoing consultation with the VPA. They include:
 - 9.1. There is a disconnect between the Arden Vision, the draft Arden Structure Plan and the Arden Planning Package. The planning controls must align and deliver on the intent of the precinct as an environmentally sustainable innovation precinct.

- 9.2. The opportunity to deliver significant affordable housing within the precinct that has not been realised.
- 9.3. The Victorian Government is pursuing a commitment to at least 10% social, affordable and/or key worker housing (refer attachment 3).
- 9.4. The development density is too high. The proposed density identified in the Floor Area Ratios (FARs) across Arden and the application of discretionary FARs lack strategic justification and are not supported.
- 9.5. The built form controls must establish strong criteria to ensure high quality, well designed and sustainable development. The proposed built form controls, including the high FARs, compromise a range of desired outcomes including high amenity and well-designed buildings, retention of precinct character, safeguarding a high quality public realm, protecting open spaces from overshadowing, and attracting innovation industries.
- 9.6. The proposed Special Use Zone Schedule 7 does not include adequate provisions to support the intended delivery of employment floorspace and desired innovation uses, risking excessive and unplanned residential development.
- 9.7. The exclusion of third-party notice and review rights is not supported where inadequate certainty of future land use and development outcomes is provided via the proposed planning controls.
- 9.8. The co-design process and governance agreement(s) for the planning, delivery, management and control of the Integrated Stormwater Management Open Space to ensure year-round community recreation use must be confirmed.
- 9.9. The Development Contributions Plan (DCP) will commit Council to the implementation and delivery of infrastructure well into the future. There is a significant funding gap of approximately \$47 million in the DCP. There is the need for greater clarity of the precinct's governance and implementation plan.
10. On Friday 1 October a letter addressed to the Deputy CEO, Alison Leighton was received from the Deputy Secretary, Policy, Precincts & Innovation at the Department of Transport (refer attachment 3) expressing that, while subject to confirmation within government, a greater proportion of affordable housing within Arden Central is being pursued and is expected to exceed 10 per cent of all housing on government land. The letter also confirms that the Minister for Planning and the Minister for Transport Infrastructure will be looking for State Government to financially cover the balance funding required to cover DCP project costs.
11. The VPA and DoT have led a series of online engagement sessions throughout the consultation period, including one-on-one meetings with key landowners and stakeholders. All submissions are being directed to the VPA.
12. To enable full participation and transparency, all submissions should be referred to the Minister for Planning who will determine the planning pathway following consultation. If the Minister determines that the approval pathway for Amendment C407 is via a Standing Advisory Committee (SAC) the SAC must support equal access to the planning process for all submitters.

Recommendation from management

13. That the Future Melbourne Committee:
 - 13.1. Endorses the City of Melbourne's submission to the Victorian Planning Authority (VPA) on the Arden Planning Package, including Amendment C407 at Attachment 2.
 - 13.2. Notes that the submission will form the basis of the City of Melbourne's ongoing consultation with the VPA, in the interest of resolving issues where possible prior to a Standing Advisory Committee (SAC) hearing or alternative planning pathway.
 - 13.3. Notes the letter from the Deputy Secretary, Policy, Precincts & Innovation at the Department of Transport providing Council with an update on the Victorian Government's commitments to affordable housing in Arden Central and its intention to cover the balance of funding required to cover DCP project costs.
 - 13.4. Requests that, if a SAC is determined to be the preferred planning pathway, the Minister for Planning consults the City of Melbourne on the SAC process, refers all submissions to the SAC and ensures the planning pathway enables equal access to the planning process for all submitters.
 - 13.5. Authorises the General Manager Strategy, Planning and Climate Change to make any further minor editorial changes to the City of Melbourne submission.

Attachments:

1. Supporting Attachment (Page 4 of 24)
2. City of Melbourne submission to the Victorian Planning Authority – Arden Planning Package (Page 6 of 24)
3. Letter from Deputy Secretary, Policy, Precincts & Innovation at the Department of Transport (Page 24 of 24)

Supporting Attachment

Legal

1. Legal advice has been and will continue to be provided in respect to the subject matter of the report.

Finance

2. Costs for the Council's participation in the finalisation of the Planning Package, including the VPA Standing Advisory Committee are budgeted for within the 2021–22 budget.
3. Infrastructure needs are identified in the Precinct Infrastructure Plan and the Development Contributions Plan (DCP). The DCP identifies \$364,014,062 worth of projects and commits to delivering \$349,555,062. However, with a collection rate cap it is anticipated to only collect \$302,562,792 worth of levies. This DCP will commit Council to the delivery of infrastructure for 25 years between 2021 and 2046.
4. Despite a contingency of 20 per cent incorporated into the project cost estimates, it is expected that there will be some shortfalls of up to 10 per cent of project costs resulting from variances that may occur during delivery of the 25 year lifespan of the Arden DCP. This collection shortfall is in addition to the identified funding gap resulting from the DCP rate cap. The 100 per cent apportionment rate of projects and projects scope including amenity improvement projects are still to be confirmed and will be further tested through the submissions to the VPA and the VPA SAC.
5. The draft DCP has been prepared with Council identified as the sole Collecting Agency responsible for collecting developer contributions and the Development Agency responsible for the delivery of designated infrastructure projects funded under the DCP. Detailed agreements need to be brokered with the Victorian Government to manage the delivery of projects.
6. The serious risks associated with this DCP issue form part of the ongoing discussions with the State.

Conflict of interest

7. 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

8. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

9. In 2016, in partnership with the VPA, Council consulted on a draft Arden Vision and Framework, which resulted in the 2018 co-publication of the Arden Vision.
10. In 2019–20, Boon Wurrung, Bunurong and Wurundjeri Traditional Custodians participated in a three-phase consultation to provide an indigenous view of future approaches to water, land, community, and employment for Arden and surrounding precincts.
11. From 29 June to 23 August 2020 (eight weeks), City of Melbourne (CoM) and VPA led a broad public consultation process. This reached 350,000 people. The views of 490 people were collected via a range of platforms. People were interested in a variety of matters including the character and scale of buildings, sustainability, affordable housing, parks and open space, and car parking. CoM and VPA also met with key landowners in the precinct to discuss the draft Plan. A summary of the community engagement process and findings was released in February 2021 and is available on Participate Melbourne.

12. The VPA is leading the consultation on the Arden Planning Package. Notification has been posted to residents and businesses within a 1km radius and there has been further information highlighting the attributes of the Arden Package via social media and community networks. Further consultation with Traditional Owners is being led by the VPA. Landowner and industry engagement is being led by the Department of Transport.

Relation to Council policy (if applicable)

13. Council Plan 2021–25 Major Initiative 17 is to play a lead role in facilitating the delivery of high-quality and climate-adapted urban renewal and to realise conditions to support globally competitive innovation.
14. There are elements of the Planning Package which do not align with endorsed Council Policies, including the Affordable Housing Strategy and endorsed planning policy. Other elements of the Structure Plan are partially or broadly consistent with Council's broader policy objectives to deliver sustainable development in our inner city as outlined in our Municipal Strategic Statement and other supporting strategies such as the Urban Forest Strategy, Nature in the City Strategy and Open Space Strategy.
15. The Structure Plan encourages multimodal transport options, consistent with the Transport Strategy 2030.

Environmental sustainability

16. In developing the Arden Planning Package, CoM officers have advocated for the implementation of Council policy including policy endorsed through Amendment C376 Sustainable Building Design.
17. The Structure Plan includes a precinct target to achieve zero net emissions by 2040. New buildings and neighbourhood development in Arden provide opportunities to work together to increase the resilience and sustainability of the area. The Structure Plan aims to improve the environmental sustainability of Arden through achieving urban forest and permeability objectives and helping to respond to flooding issues by incorporating integrated water management. The Structure Plan also aims to encourage more people to walk, cycle and take public transport, consistent with the Transport Strategy 2030. The Structure Plan, once implemented, will result in a net gain of trees and public open spaces to improve the amenity for growing resident and worker populations.
18. The aim that all new buildings in the precinct must be zero carbon operation by 2030 will depend on the implementation mechanism used to require Green Star ratings. The proposed local policy approach does not provide sufficient statutory support to achieve this, and several strategies included in the Structure Plan have no mechanism for implementation.

CITY OF MELBOURNE SUBMISSION TO THE ARDEN PLANNING PACKAGE

Introduction

The delivery of Arden as a high-quality, climate adapted precinct will play an important role in Melbourne and Victoria's economic revitalisation. We are committed to working with the Victorian Government, its agencies and our community to achieve the vision for Arden and to set a new standard for urban renewal.

1. Purpose

- 1.1. The City of Melbourne (CoM) welcomes the opportunity to make a submission to the Victorian Planning Authority (VPA) on draft Amendment C407. The draft planning scheme amendment (PSA) C407 implements the revised Arden Structure Plan (a background document) with a suite of planning scheme provisions in new and amended schedules, a Development Contributions Plan (DCP) and other incorporated documents (the Planning Package). C407 and the revised Structure Plan are supported by a number of strategic and technical reports, which were developed through the strategic planning process for the Arden Precinct.
- 1.2. This submission is in response to the letter dated 13 September 2021 from the VPA, which invites submissions to be made to the VPA by 5pm on 11 October 2021. Although it is not stated in the letter, we anticipate that after receiving the submissions, the VPA will then provide advice to the Minister for Planning and the Minister will then establish an advisory committee to provide advice on all submissions. At the outset, we submit that the process adopted by the VPA is somewhat confusing and sits outside the formal system established by the Planning and Environment Act 1987 for the consideration of planning scheme amendments. In this context, Council's preference is that the process align more closely with the mechanism for planning scheme amendments anticipated by the Planning and Environment Act 1987, namely via a formal planning scheme amendment. If it is proposed to go down the path that is apparent from the 13 September letter, we submit that there should be an advisory committee which is appointed to properly hear submissions and evidence on the submissions in a public hearing with a full opportunity given to submitters, to put their arguments forward. A "round table" or similar is not satisfactory for a proposal as significant as C407 particularly having regard to the issues which are outstanding.
- 1.3. The purpose of this submission is also for CoM, as best as it can in the confined timeline allowed, to clearly and concisely itemise its main concerns in relation to C407. Council reserves the right to elaborate on and refine its concerns.
- 1.4. Notwithstanding the above, CoM are supportive of many elements of the revised Arden Structure Plan and the proposed Planning Scheme Amendment C407, and commend the longstanding efforts to collaborate. CoM will continue to work with partners in state and local government across the planning, design, delivery and curation of Arden to ensure that the new neighbourhood realises its potential and will achieve the shared Arden Vision. CoM welcome any opportunities to collaboratively resolve the issues raised within this submission, including to elaborate on the matters raised and to explore solutions.

2. Overview and background

2.1. The Arden Vision 2018 establishes a vision for Arden to

“set new standards for urban renewal, creating a resilient, diverse and sustainable place to live, learn, work and visit, while showcasing the best that Melbourne and Victoria has to offer.”

The location, planned scale of transformation, government landholdings, government commitment to industry curation, and early infrastructure investment in Arden, positions the precinct to potentially become a local and global leader in urban renewal. CoM wishes to ensure that the planning framework is clear and effective to realise the Vision which was mutually endorsed (subject to the issues identified in Appendix 1).

- 2.2. In 2016 CoM entered a partnership with the VPA to develop the draft Arden Vision and Framework, and then the final Arden Vision in 2018. In 2020 the draft Arden Structure Plan was released for informal public consultation. The draft Structure Plan refined the aspirations of the Vision and defined a clear implementation framework. The 2020 draft Structure Plan represented a significant collaboration between CoM, the VPA and other Victorian Government agencies and was endorsed by the Victorian Government and CoM (subject to conditions in the Council resolution, Appendix 2). CoM and the VPA acknowledged that further work was required to finalise the Structure Plan.
- 2.3. Throughout the development of the revised Structure Plan and the Planning Package, CoM has raised a number of issues with the proposed planning approaches. These matters remain outstanding and consequently CoM did not partner with the VPA to release the revised Structure Plan and the Planning Package.
- 2.4. CoM does not support some aspects of the revised Structure Plan included in the Planning Package. The issues identified within this document demonstrate that the revised Structure Plan has materially diverged from the 2020 draft Arden Structure Plan and the strategic and technical evidence base.
- 2.5. CoM does not support some aspects of the proposed Planning Scheme Amendment C407, including the Development Contributions Plan (DCP). The provisions fail to implement the supported elements of the revised Structure Plan and the evidence base into the planning scheme.

3. Governance and delivery

- 3.1. A governance model and delivery strategy is critical to securing the successful renewal of Arden. The need to establish a governance model and delivery strategy was identified in 2018 and 2020 Council resolutions on the project (Appendix 1 and 2). The governance and delivery should be considered in developing other implementation mechanisms which are interdependent, in particular the PSA and DCP. A commitment is required by the Victorian Government to the timeline for the development of Arden’s governance model and delivery strategy. Their absence has placed additional burden on other delivery mechanisms to achieve the Arden Vision and has resulted in some outcomes having no alternative pathway or mechanism for delivery.
- 3.2. To appropriately plan for the delivery of key infrastructure in Arden, the Victorian Government and its agencies must establish agreements with CoM as to timing and funding and financing of infrastructure. Participation and transparency across all levels of government is essential.

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3.3. The strategic intent listing Melbourne City Council as the Collecting Agency and Development Agency responsible for delivering and administering the DCP needs further consideration given that majority of DCP projects are identified as being delivered by the Victorian Government.

4. Community engagement

4.1. For a State significant project such as Arden community input is of critical importance.

4.2. In July and August 2020 the draft Arden Structure Plan was released for community engagement. In addition to general community engagement, engagement activities with the three Traditional Owner groups (prior to resolution of the Registered Aboriginal Parties for the area) were undertaken. The findings and analysis of this engagement is documented in the Arden Structure Plan Consultation Analysis Report (February 2021). Key feedback included:

- The importance of developing a diverse and vibrant place that reflects the heritage and character of the area to ensure the precinct is a cohesive neighbourhood within the inner north-west context.
- The importance of implementation that ensures Arden's sustainability ambitions are realised.
- Support for Arden's transport ambitions but concern about the proposed car parking approach and its ability to meet the needs of all user groups.
- Overwhelming support for the provision of affordable housing in Arden and that the precinct should strive for greater than six per cent provision of affordable housing.
- Concerns were raised about the proposed building heights, and the overshadowing of open spaces and wind effects that this might create. Others felt that a balance is needed to ensure development is feasible.
- Traditional Owner groups were generally supportive of the strategies proposed to embed Aboriginal cultural values and heritage in Arden, and emphasised the need to ensure Arden encourages cultural inclusion and expression. The opportunity to conduct Cultural Heritage Management Plans beyond the minimum was raised.

4.3. As is discussed throughout this submission the current Arden Structure Plan varies significantly from the draft. The findings of the community engagement have informed our submission to Amendment C407. It is our view that in many cases the Arden Planning Package exacerbates the concerns raised by the community without providing sufficient strategic justification or technical evidence. For example, the permitted densities and building heights have increased rather than been moderated. A summary of feedback and changes made since is provided in Appendix 3.

4.4. Engagement on the Planning Package has been undertaken concurrently with the preparation of this submission. Initial observations, from attendance of community engagement activities and submissions reviewed indicate that the community remain concerned and have outstanding questions in relation to: maintaining local character and heritage; excessive density and scale, and associated impacts on wind and overshadowing; promoting indigenous biodiversity; new and existing open spaces and their use; insufficient provision of affordable housing; need for more local schools; and a greater focus on the Moonee Ponds Creek. There is general support for the focus on sustainability, and the provision of new open spaces.

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- 4.5. We note that some responses also indicated that submitters did not feel that engagement and access to the documents was sufficient to make a detailed response. All submissions reviewed to date have addressed the revised Structure Plan. This provides insights into the challenging accessibility of the PSA documents, and highlights the need to ensure community feedback informs changes to the planning scheme amendment as the primary implementation pathway of many of the issues raised in relation to the revised Structure Plan.
- 4.6. Due to the timing of the consultation, the findings and feedback received have not informed our submission more broadly. Together, with the issues raised in relation to community accessibility, CoM emphasise the importance that these submissions are considered in full and through an independent planning process.

Overarching and thematic issues

The following section identifies overarching issues which extend across Amendment C407 (Section 5) and specific themes (Section 6).

5. Overarching issues

- 5.1. CoM submits that there are two overarching issues that undermine the Planning Package and its ability to achieve the outcomes endorsed in the Arden Vision. These issues also underpin the thematic issues included in CoM submission (Section 6). Resolution of these overarching issues could reduce the number and significance of CoM's contentions. The two overarching issues are:
- the disconnect between the Arden Vision, the 2020 draft Structure Plan, the revised Structure Plan and their proposed implementation; and
 - the prioritisation of meeting Arden's population targets at the expense of other policy objectives.

Disconnect of the Arden Vision, the 2020 draft Structure Plan, the revised Structure Plan, and the proposed implementation via the Planning Package

- 5.2. The 2020 draft Structure Plan provided a strong strategic framework (objectives and strategies) to realise the Vision, including direction on their implementation. This framework largely reflects the background studies and technical analysis commissioned to inform it and the significant cross-government collaboration and negotiation to deliver greater outcomes for the precinct. However, CoM is concerned with the subsequent development of the revised Structure Plan and its reflection of the Arden Vision. For example, the proposed approach to affordable housing and the built form strategy in the revised Structure Plan no longer reflect the Arden Vision, do not reflect the findings and recommendations of background studies, and have been largely unresponsive to community feedback on the 2020 draft Arden Structure Plan (Appendix 3).
- 5.3. In addition, Amendment C407 does not effectively implement the elements of the revised Structure Plan, including those that CoM supports. Examples of this disconnect include:
- controls that do not provide adequate statutory impetus as identified by the revised Structure Plan and recommended in background studies;

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- planning controls that do not reflect the language or strategic intent of the revised Structure Plan or the technical work that was undertaken; and
- strategies that have no implementation mechanisms within the PSA.

5.4. The implementation of the Vision and the revised Structure Plan is at risk due to the lack of certainty around the development of a governance model and delivery strategy for Arden.

Prioritisation of Arden population targets

- 5.5. The changes in density of development between the draft Arden Structure Plan and final released as part of the Arden Planning Package are not supported. The proposed 15,000 residents and 34,000 jobs has evolved from a population estimate to an aspiration, to a delivery target that is being prioritised at the expense of other important policy objectives identified in the Arden Vision. These very high population targets for Arden will undermine a range of important objectives including the quality of the built form and the public realm. The population targets are derived from a population projection developed in 2015, used as a background study to the Victorian Government Melbourne Metro Project Business Case in 2016. These targets are not the figures used to underpin the publicly released Business Case's transport or commercial feasibility testing, which were lower and based on an 800m catchment around Arden Station.
- 5.6. The population targets predate strategic planning work to identify the physical constraints of the precinct, including significant space required for stormwater management infrastructure, reduced over-rail development capacity due to the structural limitations associated with the Metro Tunnel, feasibility limitations to basement development, soil conditions and the jobs density and building typologies that work best to achieve Arden's innovation industries. Background studies undertaken on Arden's built form and public realm also found the proposed targets to be in conflict with a range of other outcomes for the precinct including delivering a high-quality built form and public realm. Put simply, the strategic planning does not justify the targets proposed.
- 5.7. To sustain the excessive population targets, the proposed PSA and the revised Structure Plan adopt built form controls that accommodate significantly more floor space than the approximately 1.3 million sqm in the 2020 draft Structure Plan. This is despite further changes to the spatial layout and the recommendations of technical studies undertaken which reduced the total available land for development and the developable potential of that land.
- 5.8. The increase in density proposed to achieve these targets (reflected in the very high floor area ratios which are discretionary across large parts of the precinct) will result in unacceptable amenity impacts for the future residents of Arden as well as a poor built form outcome which together will erode the ability for other objectives of Arden's Vision to be achieved. These include (and are further detailed in Section 6 below):
- inhibiting nuanced design responses to heritage, character and precinct interfaces and limiting typologies to overly bulking buildings with poor internal amenity;
 - compromised urban design outcomes through overshadowing, wind effects and inappropriate street widths relative to street wall heights;
 - providing good internal amenity for building occupants;
 - producing varied and context responsive building typologies and attracting innovation uses;

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- creation of vibrant streets conducive to good places and a successful innovation precinct;
- providing high quality, unencumbered open spaces that meet local and international benchmarks;
- creating a safe and comfortable public realm that encourages people walking and riding bikes; and
- the long term adaptability of buildings.

- 5.9. CoM does not accept the Urban Design & Built Form Analysis (2021) (the VPA Built Form Analysis) prepared by the VPA as justification the built form controls. The VPA Built Form Analysis recommends greater densities and building heights than were contemplated by detailed built form testing reports. The VPA Built Form Analysis' recommendations also exacerbate issues that flow from the building densities proposed and the resultant impacts on public spaces, both of which were important issues raised through community consultation on the 2020 draft Arden Structure Plan (see Appendix 3).
- 5.10. CoM does not support the proposed built form framework in the revised Structure Plan or the PSA and advocates that Arden targets should be re-evaluated and lowered with consideration to the other objectives for Arden. The Arden Vision does not elevate the development yield above other objectives and does not establish a strategic framework for the high density proposed in the Planning Package.
- 5.11. Aspirational targets with a discretionary framework are not appropriate where a DCP is being employed to forecast and fund future infrastructure needs.

6. Thematic issues

6.1. Aboriginal cultural values and heritage

- CoM is broadly supportive of the strategies adopted within the revised Structure Plan to recognise the Aboriginal cultural heritage and values of the area. However, the revised Structure Plan must incorporate feedback received from Traditional Owner groups to include a strategy to explore opportunities to conduct Cultural Heritage Management Plans above the minimum standard.
- Few of the strategies within the revised Structure Plan are implemented in the PSA. The strategies proposed should be included in the CoM proposed Arden Good Design, Design and Development Overlay (DDO).
- Implementation of the revised Structure Plan Objective 1 strategies must be incorporated into the Arden governance model and delivery strategy.

6.2. Density and Built Form

- As a result of the retained population targets to be delivered over a lesser developable area (summarised in Section 5 above), the proposed FARs are too high. CoM analysis indicates that the proposed densities will exceed all areas of the municipality except for central Melbourne. In addition, many of the proposed heights are too low relative to the overly high FAR. Combined with the built form controls, this will lead to the prevalence of podium towers and large bulky building typologies which are characterised by high site coverage and poor amenity outcomes as described above that precludes development from achieving Arden's design objectives. As such, the FARs should be reduced.

- The discretionary nature of the proposed FARs and building heights exacerbates the density issues, provides a complex and litigious implementation task for Council in planning applications, and undermines the benefits that FARs can provide. The value and purpose of utilising FARs is that they allow the designer flexibility to spread the floor area over a site horizontally and vertically in response to context and obviate the need for mandatory building heights. By providing FARs as discretionary, even a small exceedance can have significant consequences. The accumulation of small exceedances can result in a substantial impact on the Arden Vision – the cumulative impact of multiple decisions/outcomes overtime where discretion is exercised. The preferred FARs also fail to provide certainty about the permitted density of the site, undermining infrastructure and services planning for funding and delivery. As such, CoM submits that all FARs should be set at a mandatory maximum.
- The proposed discretionary controls fail to provide a mechanism for capturing additional value in exchange for exceeding the discretionary FARs and building height controls. If the FARs are retained as discretionary (which is not supported), then a Floor Area Uplift (FAU) scheme with criteria for exceedance of the discretionary provisions should be employed to incentivise the delivery of appropriate public benefits and design measures to mitigate the impact of podium tower forms, such as ground level open space.
- The requirement of applications which exceed the preferred FAR to undergo a design excellence process does not stipulate how it should be conducted. CoM submits that the DDOs should be amended to require:
 - The use of the Melbourne Design Review Panel; or
 - A design competition only where CoM endorses that design excellence has been achieved (on the basis of the process rather than the design outcome).

Adopting these amendments would ensure that the design excellence processes are consistent and rigorous, in line with CoM's Design Excellence Program.

- The VPA Built Form Analysis provides insufficient justification or analysis of the proposed density and built form framework and associated built form outcomes. It lacks consideration of a complete built form model of Arden that reflects a 'stress test' or any other evidence and analysis of outcomes that may arise under the discretionary framework proposed where development is optimised. Also, the proposed built form framework contradicts the recommendations of previous work regarding testing and analysis. The work identify that the proposed framework of detailed built form controls necessitates overly bulky built form responses which do not enable reasonable amenity and more contextually responsive building typologies. In this way, the proposed planning controls promote an unsatisfactory design response.
- Many of the built form objectives are contained in the separate local policy for Arden reducing their statutory weight. They should be within the DDO. Many of the discretionary controls within the local policy are inconsistent with CoM's preferred framework of using the DDO for assessing urban design considerations as established by Amendment C308 Urban Design for Central Melbourne.
- The built form framework does not provide sufficient guidance to require decision makers to consider unique attributes of local character and heritage in Arden, which will be tested by applications seeking to realise the overly high FARs proposed.

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6.3. Quality of the public realm and open space

- The proposed built form controls do not provide the mechanisms to achieve Arden's Vision for high quality open spaces and safe and walkable block structure. This is critical in Arden where the limited unencumbered open spaces must be protected, and the value of encumbered spaces must be maximised through high quality design as recommended by Arden's public realm and open space study (AECOM, 2020) (Arden PROSS). For instance:
 - The proposed controls do not provide sufficient sunlight to open space in winter when people need it most and do not provide protection for long enough periods of time in the day. This is further undermined by the majority of sunlight protection controls being discretionary. The proposed framework is also inconsistent with the recommendations of the Arden PROSS. However, it is acknowledged that there is a high proportion of open space across the precinct (encumbered and unencumbered).
 - built form controls provide for a complex hierarchy of laneways and through-block links that do not achieve basic standards of urban design quality to meet the objectives of the revised Structure Plan and do not provide certainty that they will be delivered. They will result in large numbers of narrow and enclosed connections through private land, which unnecessarily compromises their quality as the renewal of Arden involves a new spatial configuration. In addition, the reduced widths will necessitate screening measures to dwellings located on podiums, resulting in reduced amenity which can be avoided. CoM submits that all laneways should be delivered to a basic standard width and be open to the sky.
 - building interface controls relating to street wall height and active street frontages are too permissive of development that is contrary to their stated objectives of human scale development and active street frontages. When combined with the inability of the Special Use Zone - Schedule 7 (SUZ7) to deliver non-residential uses (detailed in 6.4 below) and the limited control and incentive to facilitate preferred car parking outcomes and manage car parking public realm impacts, the building interface controls are likely to produce a proliferation of tall blank podium walls to the car parking, circulation or servicing areas of predominantly residential buildings.

6.4. Arden land uses

- The mechanism to manage land use, SUZ7, does not provide provisions to ensure the appropriate mix of employment and residential space is delivered, risking Arden being primarily residential.
- Objective 3 within the revised Structure Plan states that "to be successful, Arden needs to deliver approximately two-thirds of its development for employment uses, and one-third for residential uses". The proposed PSA does not provide sufficient controls to deliver floorspace to accommodate 34,000 jobs. Despite the land use table triggering the assessment of accommodation in Arden Central – Innovation and Arden North, the proposed decision guidelines and local policy provisions provide ambiguous and unquantifiable guidance that are unlikely to mitigate the market delivering development according to "highest and best use" principles, resulting primarily in residential development. This fails to meet the core purpose of Arden's urban renewal and the early investment in Arden Station to create "opportunities to provide accessible and affordable office space, and to strengthen and expand the knowledge economy by developing urban renewal sites" outlined within the Melbourne Metro business case

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and Plan Melbourne. CoM submits that accommodation should also be a Section 2 use in Arden Central – Mixed Use, and the discretion guidance in the local policy should be relocated to the decision guidelines of the SUZ7 and strengthened with quantitative controls to establish clear limits to the extent of residential development.

- The SUZ7 provides no mechanisms to facilitate the delivery of employment floorspace suited to Arden's target innovation industries. Strategies within the revised Structure Plan outlining the types of land uses, and the facilities and spaces required to support them, have not been implemented in the PSA. A catalyst government development to deliver these outcomes (an innovation hub) has been removed from the revised Structure Plan.
- In addition, precinct yield targets will inhibit innovation outcomes by necessitating built form typologies with no precedent for accommodating innovation industries and enabling land values that will crowd out the target industry. The SUZ7 provides no discretion to evaluate applications in regards to the employment vision for “digital technology, life sciences, health and education sectors as well as research and development research centres and other ancillary uses.” Given these issues with the PSA, and in absence of alternative mechanisms or a governance model and delivery strategy, it is unlikely that the PSA will achieve Arden’s vision for innovation.
- The PSA provides no direction to enable the achievement of other land use outcomes identified in the revised Structure Plan that are key to Arden’s liveability and vibrancy, a key factor of success for innovation districts defined in Victorian Government policy. For instance, the PSA does not reflect the ambition for Barwise Street as Arden’s primary retail street or facilitate the delivery of commercial car parking rather than individual site parking.

6.5. Sustainability

- The Arden Vision clearly provides that Arden’s sustainability should demonstrate “best practice standards”, “be at the forefront of sustainable development” and “set new standards for urban renewal”. The Vision specifically states that development in Arden will meet “the highest attainable standards of Green Star or equivalent nationally-recognised accreditation for sustainable communities and buildings, and complies with Victorian Government and local government sustainability policies”.
- Key strategies identified within the Arden Climate Response Plan (Hip v Hype, 2019) and previously within the 2020 draft Structure Plan have been changed in the revised Structure Plan – specifically to embed emissions targets and other environmental performance targets within development controls and to minimise the provision of gas infrastructure. These strategies are necessary components of a holistic and effective emissions reduction pathway to achieve the net zero emissions target and their removal is not supported.
- The translation of Arden’s sustainability vision and sustainability strategies into the PSA does not reflect the intent or the statutory weight established in the revised Structure Plan or recommended by the Climate Response Plan. This is also in contrast to community feedback which specifically noted that the strong implementation of sustainability strategies was key.
- With the exception of Strategy 9.1 and 11.3 within the SUZ7, Clause 22.28 (the local policy) has been used to implement Arden’s sustainability strategies, despite the revised Structure Plan stating that Strategies 9.1, 11.1, 11.2, 13.1, 13.2 and 14.3 are mandatory requirements. The use of local policy substantially weakens the ability to implement these sustainability strategies in practice and, along with the proposed implementation of Strategy 11.3, is not consistent with

Planning Practice Note 8 (PPN08) that states that no mandatory requirements should be located within the local policy, and where possible other policy outcomes and guidance should be in the relevant zone, overlay or particular provision.

- The drafting of the sustainability (and other) strategies in the local policy do not reflect the language used in the revised Structure Plan, losing specificity and strategic intent. For example Strategy 11.2 within the revised Structure Plan to “require all new buildings to achieve world-leading sustainability performance” as measured by Green Star ratings is reflected in Clause 22.28 as a policy guideline to “consider as relevant” whether buildings are “capable of meeting” Green Star rating, and does not include the additional detail provided around NABERS and NatHERS ratings requirements. Similarly, Strategy 11.3 within SUZ7 is included as a consideration rather than a requirement as set out within the revised Structure Plan.
- A number of sustainability strategies within the revised Structure Plan have no mechanisms for implementation identified and should be included in the PSA. Strategy 10.2, 11.1, 12.1 and 13.3 were all recommended to be implemented via the planning scheme and do not form part of the PSA.
- Accordingly, the PSA does not deliver Arden’s Vision, does not demonstrate best practice and is unlikely to facilitate the achievement of Arden’s emissions reduction target. CoM recommends that all sustainability strategies should be located within an Environmentally Sustainable Design (ESD) DDO and include mandatory provisions to ensure best practice.

6.6. Transport and Parking

- CoM broadly supports Arden’s transport network as identified in the revised Structure Plan subject to minor amendments and additions to street sections.
- CoM generally supports Arden’s approach to car parking. However, to reflect the recommendations of Arden’s Movement and Transport Study (GTA, 2021) an additional strategy should be included within the revised Structure Plan to contemplate the delivery of consolidated precinct parking in Arden Central.
- The proposed Parking Overlay (PO) does not implement the proposed car parking strategy within the revised Structure Plan, the Precinct Parking Plan and Movement and Parking Study. It incorrectly applies the, otherwise appropriate, maximum car parking rates, undermining the ability of the Parking Overlay to ensure an upper limit to the provision of parking in the precinct. This is an essential mechanism required to meet the Arden Vision for a mode share target of 90 per cent of trips by sustainable modes of transport.
- The provisions within the PO (and associated provisions) do not reflect its objectives to “discourage the provision of onsite car parking... and encourage consolidated, publicly available car parking” or the recommendations of the Movement and Parking Study and the Precinct Parking Plan. Issues that undermine the ability to implement this objective and facilitate the preferred parking outcome include:
 - The PO does not provide incentives and disincentives to facilitate the preferred parking outcome, and in some cases preferences the delivery of the individual on-site car-parking while precluding the ability to deliver consolidated precinct car parking in contradiction of the PO objectives.

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- The PO does not correctly define the characteristics of the preferred parking outcomes required to achieve the strategic purpose of the car parking approach.
- The PO does not include decision guidelines provided in the revised Structure Plan to vary individual on site car parking rates to maintain Arden's car parking objectives and to discourage non-preferred parking types.
- The DDOs do not include design standards provided in the revised Structure Plan to manage the impacts of car parking on the public realm and to incentivise preferred car parking types.
- Car parking rates for car share are contradictory across the proposed amendment. Car share rates within the SUZ7 should be removed in lieu of the five per cent requirement within the PO that reflects the incorporated Arden Precinct Parking Plan. Requirements for EV charging points should be updated to reflect the recommendations of the incorporated Arden Precinct Parking Plan and Movement and Parking Study, including that at least five per cent of spaces should provide EV charging equipment.
- It is unlikely that the PSA will achieve the transport objectives of the revised Structure Plan and the interdependent objectives relating to sustainability and public realm.

6.7. Affordable housing and inclusive housing

- CoM does not support the revised Structure Plan's approach to affordable housing.
- CoM does not support the use of Clause 22.28 to implement affordable housing contributions in Arden. This mechanism provides insufficient statutory weight to achieve the targets for Arden. The affordable housing provisions must be embedded in SUZ7.
- A more ambitious precinct target than six per cent is warranted. Six per cent falls short of community feedback and expectations, Council policy, Council resolutions, the economic model for innovation precincts, and the unique opportunity for Arden to address one of Melbourne's major social and urban challenges.
- Arden's Social and Affordable Housing Research (Urbis 2021) (Social and Affordable Housing Research) notes the most effective mechanisms in Arden are: use of government land to deliver high levels of affordable housing; use of mandatory inclusionary zoning, or in absence of this, replicating 'near-mandatory' mechanisms; and pursuing a value creation and capture approach where the level of contribution reflects value uplift. It also identifies that voluntary mechanisms have not been an effective method of affordable housing delivery, such as the use of Clause 22.28 proposed in Amendment C407.
- Precinct targets should be increased through a commitment to the provision of higher levels of affordable housing on government land. This will increase the precinct affordable housing outcome without placing additional burden on private sector development. It will also support the employment focus of the precinct as the income of many workers of targeted industries meet the definition of affordable housing.
- CoM continue to advocate for the delivery of affordable housing in Arden as the precinct represents one of the most effective uses of the Homes Victoria funding, offering the best located, quickest, and most cost-effective means of delivering affordable housing in Melbourne.

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- A higher proportion of affordable housing can be sought from private development without detrimentally impacting development feasibility. Arden's Social and Affordable Housing Research shows that adopting an alternative approach of collecting affordable housing contributions from all land uses provides a fairer and more predictable mechanism for development and is a more effective value capture methodology.
- Under this approach, applying the same contribution requirements of six per cent at a 50 per cent discount would generate 27 per cent greater value without changing feasibility outcomes of the tested sites. Under the current approach which requires contributions from residential land uses only, a higher contribution could be sought without detrimentally impacting development feasibility.
- Based on the proposed mechanisms, Arden's minimum target (which does not meet the benchmark set by Council, community, or need) will not be achieved.

6.8. Arden North's Integrated Stormwater Management Open Space (ISMOS)

- The spatial reconfiguration is supported in-principle subject to confirmation that the city servicing functions of the precinct are resolved, appropriate planning controls are implemented and design, staging, delivery and governance of the open space are confirmed and agreed.
- The Arden Planning Package provides insufficient guidance that the proposed ISMOS will be secured for community recreation. Recreation space must be delivered for year-round community use at high-usage times, in particular winter weeknights and weekends.

6.9. Technical issues with the proposed planning provisions

- CoM does not support the proposed exclusion of third party notice and review rights. It is inappropriate to apply this exclusion where the proposed controls, including future built form and land-use, do not provide sufficient certainty or mechanisms to achieve the revised Structure Plan and where future community members affected by these proposals have not participated in the planning process.
- The use of local policy to guide decision making does not meet the guidance provided by Planning Practice Note 8 and does not provide the statutory weight recommended by Arden's background studies to achieve the revised Arden Structure Plan and the Arden Vision. Mandatory provisions must not be included within local policy, and where possible all policy objectives and guidance should be located within the relevant zone or overlay to which they relate. Precedent demonstrates that local policy does not provide sufficient statutory impetus to realise policy outcomes. Especially in the formative stages, it will be necessary to strongly guide development. This applies to Arden's objectives for: sustainability, affordable and inclusive housing, built form controls including design excellence, Aboriginal heritage, land use outcomes, and sustainable transport.
- A number of other technical issues have been identified by CoM including:
 - ambiguous drafting within the DDOs;
 - drafting within Clause 22.28 and Clause 21.13 that does not reflect the language, specificity or strategic intent of the revised Structure Plan;
 - bundling of residential hotels within accommodation as a Section 1 use within SUZ7;

- application of FAR controls to contiguous titles in same ownership which may result in ‘double dipping’ and over-development;
 - Inconsistency and contradiction with proposed updates to inundation overlays Amendment C384Melb;
 - insufficient acoustic standards that overlap with existing controls within DDO26; and
 - the proposed visibility of critical gas pipeline Construction Management Plan requirements.
- 6.10. The proposed incorporated Development Contributions Plan and associated Precinct Infrastructure Plan (within the revised Structure Plan)
- The DCP references Melbourne City Council as the Collecting Agency and Development Agency for projects that are funded under the DCP. The Planning Authority has made no consideration for the expected Victorian Government delivery of infrastructure.
 - The proposed DCP rate cap of \$21,500 results in a funding shortfall of approximately \$47 million, leaving essential infrastructure unfunded and its delivery uncertain. CoM submits that the shortfall should be remedied by providing for the external apportionment of drainage land acquisition costs to the Victorian Government. This would address the funding inequity of 19.53 per cent of government land that is developable and is not paying development contributions despite being significant beneficiaries of the drainage infrastructure, a high-cost item in the DCP. This would also partially address the need for upfront funding to unlock the early delivery of drainage infrastructure required to make development in Arden viable.
 - The unconventional manner in which the DCP is drafted raises significant issues as to its compliance with the Act, as it fails to set out the amount of each project which is funded.
 - A full cost apportionment DCP should be adopted to deliver all infrastructure which has been identified as being required for the redevelopment of the precinct.
 - The shortfall may also be alleviated by the exclusion of Victorian Government related projects included within the DCP, including improvements to Victorian Government controlled land and infrastructure networks. There are a number of projects that primarily benefit the Victorian Government within the DCP, including access roads and intersections. These would typically be attributed as developer works.
 - A project prioritisation exercise was undertaken in the development of the DCP. The proposed DCP does not include all projects identified within this process, leaving some projects, unfunded by the DCP.
 - The precinct governance model and delivery strategy needs to be progressed to provide guidance on a number of critical infrastructure funding and delivery questions that have not been resolved by the DCP and the PIP in the revised Structure Plan.
 - The land required for drainage needs to be funded up front when it is acquired (which is likely to be ahead of contributions being collected). There is no financing strategy in place to facilitate this. It is also unclear how infrastructure in Arden Central and the broader precinct will be delivered in a co-ordinated manner. An appropriate body must be identified as the development agency for the drainage land and Arden Central projects with the financial to deliver considering the timing of contributions into the DCP account.

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- The establishment of a delivery strategy, including confirmation of a delivery agency assigned for Arden Central, is required. CoM currently assumes that these projects and infrastructure would be provided as works-in-kind by the relevant State delivery agency. CoM seek to have these matters resolved and agreed to avoid negotiating multiple works-in-kind agreements with developers.
- CoM does not support all projects identified for delivery through funding obtained under Clause 53.01, including along the Fogarty Street extension alignment.
- The PSA provides no mechanism to ensure the provision of floor space for community infrastructure on sites identified for the delivery of community infrastructure. Without this there is a risk that essential community infrastructure cannot be secured or will be forced to be acquired at increased cost to government.
- CoM does not support the forward funding of essential drainage infrastructure via capital works business-as-usual ahead of a Melbourne Water Urban Renewal Cost Recovery Scheme (URCRS) being finalised and responsibility delegated under a precinct governance model and delivery strategy.

APPENDICES

Appendix 1 – Council resolution to Arden Vision, 26 June 2018

6.13 Arden Vision 2018

1. *That Council:*
 - 1.1. *Notes commitments from the Victorian Government to:*
 - 1.1.1. *Work with the City of Melbourne to determine a robust governance and implementation model for the precinct including a funding and staging strategy for delivery of the Arden Vision that will ensure Arden's success as an exemplar of urban renewal.*
 - 1.1.2. *Jointly develop a Structure Plan for the Arden precinct with the City of Melbourne and with genuine public consultation pitched at the "involve" level of the IAP2 spectrum.*
 - 1.2. *Requests the CEO write to the Victorian Planning Authority requesting inclusion in the Arden Vision 2018 of additional text that outlines a higher aspiration for on-road bicycle connections, including upgrading existing routes on Arden, Laurens Streets and Macaulay Road, and ensuring safer connectivity is achieved on-road throughout the entire precinct.*
 - 1.3. *Requests the CEO write to the Victorian Planning Authority requesting further resolution of the following outstanding matters of concern through the forthcoming Arden Structure Plan:*
 - 1.3.1. *A commitment to pursue a higher aspiration and more consistent, considered approach to affordable housing provision across a range of different ownerships and tenures that goes beyond the Vision's commitment of at least six per cent.*
 - 1.3.2. *A commitment to investigate a potential tram route along Spencer Street and beyond, as expressed in the West Melbourne Structure Plan.*
 - 1.3.3. *A commitment to determining practical mitigation measures to manage the impacts of the West Gate Tunnel project on the Arden precinct and the local road network.*
 - 1.3.4. *A commitment to identify additional local open spaces to support the needs of the predicted Arden population, beyond those currently identified in the Vision, noting the potential need for a higher open space contribution to match the aspiration.*
 - 1.4. *Subject to sufficient progress on the resolution of 1.2 (to the satisfaction of the CEO), endorses the Arden Vision 2018 and its public release jointly with the Victorian Government.*
 - 1.5. *Resolves to makes this report and recommendation open following the public release of Arden Vision.*

This information has been released as per Council resolution 26 June 2018 and is no longer considered confidential.

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Appendix 2 – Council resolution to draft Arden Structure Plan, 23 June 2020

Agenda item 14.1

Arden Structure Plan – Draft for Consultation

Resolved:

1. That the Future Melbourne Committee:
 - 1.1. Endorses the draft Arden Structure Plan for community and stakeholder consultation.
 - 1.2. Notes that the Victorian Government will leverage its significant land holdings and investment attraction capability to support the stated economic policy outcomes including digital technology, life sciences, ~~health~~ and education sectors.
 - 1.3. Notes that key terms of the June 2018 resolution have not been adequately addressed, noting that the Draft Structure Plan:
 - 1.3.1. Requires further work to be done to develop a robust governance and implementation model for the precinct including a funding and staging strategy to ensure Arden's success as an exemplar of urban renewal.
 - 1.3.2. Should include a higher aspiration and more consistent, considered approach to affordable housing provision across a range of different ownerships and tenures that goes beyond the Arden Vision's commitment of 'at least six per cent'.
 - 1.3.3. Should include Macaulay Road in the strategic cycling corridor.
 - 1.3.4. Should include a potential future tram route into Arden, continuing from Spencer Street in West Melbourne.
 - 1.4. Notes that the Draft Structure Plan does not include a net zero carbon target and is therefore not consistent with the City Of Melbourne's Climate Change Mitigation Strategy goal of all new buildings and precincts being net-zero by 2030, or the Climate Emergency Response position of a net zero carbon municipality by 2040.
 - 1.5. Requests that the CEO write to the Victorian Planning Authority expressing Council's expectation that the matters listed in this resolution will be resolved prior to the final version of the Structure Plan being proposed to the Council and Victorian Government for concurrent endorsement.
 - 1.6. Authorises the General Manager Strategy, Planning and Climate Change to make any further minor editorial changes to the draft Arden Structure Plan prior to it being made public.
 - 1.7. Approves the immediate release of this report and resolution to the public following public release of the draft Arden Structure Plan.

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Appendix 3 – Summary of draft Arden Structure Plan community feedback and changes adopted in the final Arden Structure Plan

The following table provides a summary of the Draft Arden Structure Plan Consultation Analysis Report, available at <https://participate.melbourne.vic.gov.au/arden/community-consultation> and identifies how the revised Structure Plan has changed in response to this feedback.

Theme	Community Feedback on the 2020 draft Structure Plan	Change to final Structure Plan and proposed implementation pathway
Traditional Owner and other Aboriginal stakeholder feedback	Traditional Owner groups were generally supportive of the strategies proposed to embed Aboriginal cultural values and heritage in Arden, and emphasised the need to ensure Arden is encourages cultural inclusion and expression.	No changes in the revised Structure Plan. Some of the strategies proposed have been included within Clause 22.28 of the proposed PSA.
Transport	People were very supportive of allocating street space for public transport, bikes and pedestrians. There was a strong desire to make the precinct safe, connected and accessible.	Minor changes to the proposed transport network within the revised Structure Plan. Street sections are included as an incorporated document within the proposed PSA. Street upgrades and extensions are included as an incorporated document within the Development Contributions Plan in the proposed PSA.
Affordable housing	People were very supportive of delivering affordable housing in the precinct and thought the plan could be more ambitious than the proposed six per cent target.	The revised Structure Plan does not change the level of affordable housing to be provided for in Arden. Strategy 23.1 has been amended from “require” to “support and encourage” the provision of affordable housing. Additional detail has been added that affordable housing contributions of six per cent should “be delivered at 50 per cent discount to a registered housing association”. Affordable housing requirements have been included within Clause 22.28 of the proposed PSA.
Sustainability	People were very supportive of Arden’s ambitions to be a sustainable neighbourhood. People said there were more opportunities that could be considered, and that it would be important that the ambitions are realised in implementation.	Minor changes have been made to the revised Structure Plan, including the removal of Strategy 9.3 to “Embed emissions reduction targets within development agreements and leasing arrangements to ensure outcomes”. Some of the strategies proposed have been included within Clause 22.28, and Strategy 9.1 has been included within the SUZ7 of the proposed PSA.

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Building heights and neighbourhood character	<p>People had mixed feelings about the proposed building heights. Some felt that the tall buildings were not sympathetic to the surrounding areas and raised concerns around general overdevelopment. Others felt that a balance is needed to ensure development is feasible. Good design that builds on Arden's industrial character and heritage was seen as being important to ensuring Arden is a cohesive part of the neighbourhood.</p>	<p>A number of changes have been made to the revised Structure Plan, including:</p> <ul style="list-style-type: none"> • Increased heights and FARs in most areas and reduced heights and FARs in some areas • Identification of areas where controls are mandatory and discretionary • Changed requirements for the application of Design Excellence programs • Introduced a new hierarchy of open and closed to sky laneways • Changed sunlight to open space controls • Introduction of wind controls <p>Built form strategies have been implemented within DDO81, DDO82, DDO83 and DDO84. Built form objectives are also included within Clause 22.28.</p>
Car parking	<p>People had mixed feelings about the proposed approach to separate car parking in standalone buildings. People wanted more information how the strategy would work.</p>	<p>The revised Structure Plan provides additional detail explaining the proposed car parking approach within Objective 18.</p> <p>Car parking strategies are implemented within the Parking Overlay – Schedule 14.</p>
Delivery	<p>Many people were interested in how Arden would be delivered and were seeking further information, including the transition of existing land uses, proposed planning controls, delivery and funding mechanisms, and governance arrangements. Many people were interested in the future role of the North Melbourne Football Club.</p>	<p>The revised Structure Plan provides additional detail on how each Strategy within the Structure Plan will be delivered, including an implementation table under Objective 31 and a Precinct Infrastructure Plan in Appendix 2.</p> <p>The Development Contributions Plan is included incorporated within the proposed PSA.</p>



Department of Transport

1/10/2021

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Ref: [Reference number]

Alison Leighton
CEO – City of Melbourne
L3, Town Hall
120 Swanston Street
MELBOURNE VIC 3000

Dear Ms Leighton,

I write regarding the Arden Structure Plan and draft Amendment C407 to the Melbourne Planning Scheme. It is a fantastic achievement following much hard work to have the amendment on public exhibition, and I have appreciated council's ongoing collaboration in reaching this milestone. I look forward to delivery of the precinct in the coming years.

Affordable housing has been a focus of the structure plan, with six per cent of all residential units sought across the precinct for this purpose in the proposed planning controls. I understand Council has been seeking from State Government an expression of its further support for affordable housing beyond this on government owned land in the precinct.

The Department of Transport is currently working closely with Homes Victoria to create opportunities for a greater proportion of affordable housing within Arden Central. While subject to confirmation within government, this will take the form of social, affordable and key worker housing and is expected to exceed 10 per cent of all housing on government land. A preferred delivery model for affordable housing on government land will be progressed with Homes Victoria over the coming months.

I also understand that Council may be concerned about a financial gap in the proposed Development Contributions Plan (DCP) in the draft amendment. The proposed DCP rate secures approximately 90 per cent of funds required for eligible infrastructure projects, while also being cognisant of feasibility and wanting to encourage development in the precinct. I can confirm that the Minister for Planning and Minister for Transport Infrastructure will be looking for State Government to financially cover the balance funding required to cover these DCP project costs.

I would be happy to discuss this further, or alternatively, John Panizzo, Director Transport Precincts, can be contacted on telephone 0438 591 999 or via email at: john.panizzo@roads.vic.gov.au.

Yours sincerely

Natalie Reiter
Deputy Secretary – Policy, Precincts & Innovation