



10.3 ADOPTION OF ST KILDA STRATEGIC PLAN

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1. PURPOSE

1.1 To consider and adopt the St Kilda Strategic Plan.

2. EXECUTIVE SUMMARY

- 2.1 The Council Plan 2017-27 – Year 4 (August 2020) approved an ‘Economic and Social Recovery package’, which committed to “bring forward South Melbourne and St Kilda structure plans with a focus in year one on an economic and employment land use framework and housing growth strategy”.
- 2.2 The St Kilda Strategic Plan (the Plan) outlines the key short-term activities Council could pursue that may remove barriers to economic activity in this area. It also provides a road map for future strategic planning work by making recommendations on the timing, priority and sequencing of work required to respond to the challenges and opportunities identified.
- 2.3 The primary recommendations in the Plan are: 1. facilitating catalyst projects, kick-started by a feasibility investigation of selected catalyst sites; 2. removing barriers to existing, new and temporary businesses through an advocacy strategy and business improvement initiatives within the organisation; and 3. preparation of a St Kilda Major Activity Centre (MAC) structure plan.
- 2.4 In addition to research undertaken by officers, the Plan has been informed by targeted engagement with a limited number of key stakeholders and economic analysis by Urban Enterprise consultants. The Plan has undergone a peer review process to ensure robustness in the recommendations made to Council.
- 2.5 The next steps will be the implementation of the Plan through the preparation of an advocacy strategy and commencement of the identified business improvement initiatives within the organisation (where they can occur within existing resourcing envelopes) and preparation of business cases and budget bids for identified actions (in accordance with the timelines set out within the Plan).

3. RECOMMENDATION

That Council:

- 3.1 Adopts the St Kilda Strategic Plan Volume 1 – Plan and the St Kilda Strategic Plan Volume 2 – Background contained at **Attachments 1 and 2**.
- 3.2 Authorises the CEO to make any editorial amendments required that do not materially change the intent of the documents to support their release.
- 3.3 Authorises Council officers to prepare an advocacy strategy and undertake business improvement initiatives regarding barriers to new, temporary and expanding businesses



in existing activity centres, as outlined in Appendix 3 to Attachment 1, where they can occur within existing resourcing envelopes.

- 3.4 Notes that the primary and secondary recommendations identified in the St Kilda Strategic Plan will inform future business cases and budget bids for strategic planning work.

4. KEY POINTS/ISSUES

- 4.1 The Council Plan 2017-27 – Year 4 (August 2020) approved an ‘Economic and Social Recovery package’, which committed to “bring forward South Melbourne and St Kilda structure plans with a focus in year one on an economic and employment land use framework and housing growth strategy”.
- 4.2 As a result, work commenced on the preparation of the St Kilda Strategic Plan (the Plan) in the second half of 2020. The Plan was prepared by Council staff from the City Policy and City Strategy teams.
- 4.3 The Plan was informed by high level research and analysis, including externally prepared economic analysis, internal stakeholder input and targeted external stakeholder engagement. The Plan has undergone a peer review process to ensure robustness in the recommendations made to Council.
- 4.4 The Plan highlights key short-term activities Council can pursue to remove barriers to economic activity. It also provides a road map for future strategic planning work by making recommendations on the timing, priority and sequencing of work required to respond to the challenges and opportunities identified.
- 4.5 The targeted engagement program aimed to understand sentiments about the St Kilda precinct and to identify concerns and aspirations of a limited number of key stakeholders: property and business owners, traders, St Kilda community groups and resident associations.
- 4.6 **Attachment 1** is the St Kilda Strategic Plan Volume 1 – Plan; and **Attachment 2** is the St Kilda Strategic Plan Volume 2 – Background.
- 4.7 The Plan identifies a number of issues related to land use, economy, the built environment, development, housing, public space, sustainability, transport and parking, community infrastructure and social issues. Key issues include:
- High vacancy rates and poor economic performance of the two MACs.
 - Barriers to short-term tenancies. There may be a number of complex issues related to this, however, in terms of challenges presented by building requirements include:
 - Time and costs associated with ensuring that buildings are compliant with fire safety requirements and DDA requirements.
(Further detailed work will be required to understand the full extent of the barriers to short term tenancy).
 - COVID-19 impacts, particularly related to tourism and population growth.
 - Lack of current policies and/or strategies that provides strategic direction, particularly in terms of housing, economy and community infrastructure.



- Lack of a comprehensive framework of land use and built form controls (such as a structure plan) in the St Kilda MAC sub-precinct.
- Perceptions of safety.

4.8 Based on the issues and opportunities identified, the Plan makes 12 recommendations. The full list of recommendations is included in **Section 5.0** of the St Kilda Strategic Plan Volume 1 (**Attachment 1**).

4.9 Of these recommendations, three have been identified as primary recommendations. The primary recommendations are the key priority actions recommended for Council. These are:

0 - 5 years

- Work with proponents to facilitate the development of catalyst sites that have an economic or social benefit through site specific planning scheme amendments (if required) or planning permit applications, while still ensuring appropriate community consultation and engagement occurs to seek community input into the planning process.
- Remove barriers to new, temporary and expanding businesses in existing activity centres through an advocacy strategy and business improvement initiatives within the organisation. Examples of the latter include investigating a fast track process for any local laws and health permits, considering appointing a commercial priority planner and considering adopting commercial priority planning processes for new and expanding businesses.

5 – 10 years

- Prepare a structure plan for the St Kilda MAC sub-precinct.

5. CONSULTATION AND STAKEHOLDERS

5.1 There has been ongoing consultation with stakeholders from the following areas of Council: Community Safety and Resilience; Open Space, Recreation and Community Resilience; Economic Growth and Activation; City Development; City Design; Sustainable Policy; City Permits; Community Building and Inclusion; Customer Transformation; Strategic Transport and Transport Safety.

5.2 External consultation on the Plan was undertaken from 8 March to 29 March 2021 with existing St Kilda stakeholders known to Council. This included traders, businesses, community groups and residents. The consultation was not promoted to the wider community as broader community engagement would be undertaken as part of any future strategic planning work.

5.3 The targeted groups were invited to respond to an online survey and/ or attend a targeted focus group session. The online survey had 20 respondents and the two targeted focus group sessions were attended by 15 people. A summary of the key external consultation findings is contained in **Attachment 2**.

5.4 Officers have also engaged with the City of Port Phillip Business Advisory Group and the Fitzroy Street Business Association.



6. LEGAL AND RISK IMPLICATIONS

- 6.1 There is a reputational risk to Council in raising community expectations that strategic planning work for St Kilda has commenced. This will be mitigated through engagement with the Stakeholders who participated in the consultation.
- 6.2 There is a risk in proceeding with a structure plan for St Kilda without having established the preferred housing and economic growth for the centre through a revised Housing Strategy and Spatial Economic and Employment Framework. The Plan mitigates this risk by identifying the timing and sequencing of strategic planning work necessary to respond to the issues in St Kilda, alongside key Council wide strategic planning work.
- 6.3 Other foundational strategies including, *Places for People Public Space Strategy 2021-31, Act and Adapt Sustainable Environment Strategy 2018-28 and Move, Connect, Live: Integrated Transport Strategy 2018-28* will require future review. This is not part of the scope of the Plan.

7. FINANCIAL IMPACT

- 7.1 This work was funded in 2020/21 (\$120k) of which \$90k has been spent and \$30k savings have been returned to Council.
- 7.2 Of the \$90k:
 - \$70k was transferred to the South Melbourne Structure Plan project, specifically as St Kilda's contribution to the municipal-wide Spatial Economic and Employment Framework being prepared by Urban Enterprise consultants. The outputs relevant to St Kilda have been delivered and incorporated into the Plan.
 - \$20k was spent on a Peer Review of the Plan, which was undertaken by Ethos Urban consultants.
- 7.3 The Plan was otherwise prepared in house by the City Policy and City Strategy teams.
- 7.4 The Plan includes indicative costings for the future work program which will be used to inform budget bids over the coming years. These indicative costings may change as further work/business cases are prepared.

8. ENVIRONMENTAL IMPACT

- 8.1 Environmental impacts and factors have been considered as part of the Plan.

9. COMMUNITY IMPACT

- 9.1 Community impacts and factors have been considered as part of the Plan.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 The Plan aligns with Strategic Direction 2 – Liveable Port Phillip of the *Council Plan 2021-31*.
- 10.2 The Plan aligns with and should be read in conjunction with the following key Council documents:
 - *Carlisle Street Activity Centre Structure Plan and Urban Design Framework 2009*
 - *Art and Soul Creative and Prosperous City Strategy 2018-28*
 - *Port Phillip Heritage Review*



- *In Our Backyard – Growing Affordable Housing in Port Phillip 2015-25*
- *Draft Places for People Public Space Strategy 2021-31*
- *Act and Adapt: Sustainable Environment Strategy 2018-28*
- *Don't Waste It! Waste Management Strategy 2018-28*
- *Foreshore Management Plan 2012*
- *Greening Port Phillip, an Urban Forest Approach 2010*
- *Move, Connect, Live: Integrated Transport Strategy 2018-28*
- *Parking Management Policy*
- *Think and Act: Homelessness Action Strategy 2015-2020*
- *Community Safety Plan: Building a Safe Community Together 2019-2023*

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

11.1.1 Should Council decide to adopt the Plan, it will be made available publicly on Council's website.

11.1.2 The recommendations outlined in the Plan forms a future pipeline of strategic planning work for the study area. Once adopted, these recommendations will inform future business cases and budget bids.

11.2 COMMUNICATION

11.2.1 Stakeholders who participated in consultation on the Plan will be notified of Council's decision and thanked for their input.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

- 1. St Kilda Strategic Plan Volume 1 The Plan**
- 2. St Kilda Strategic Plan Volume 2 Background Report**