



**10.4 SOUTH MELBOURNE STRUCTURE PLAN**

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**1. PURPOSE**

- 1.1 To provide Council with the outcomes of the Phase 2 Community engagement on the South Melbourne Structure Plan Discussion Paper.
- 1.2 To seek Council's endorsement of the Built Form and Public Realm Design Objectives and Character Statements as the basis for targeted consultation to inform preparation of the South Melbourne Structure Plan.

**2. EXECUTIVE SUMMARY**

- 2.1 The South Melbourne Structure Plan will be an integrated planning framework to guide change in South Melbourne over a 20-year period. It will address critical matters such as employment and economic recovery, built form, housing, public realm improvements and accessibility and movement. It will respond to challenges such as climate change and the COVID-19 pandemic.
- 2.2 Preparation of the South Melbourne Structure Plan is a key project for Council. It will contribute to achieving all strategic directions of the Council Plan 2021-31 (Refer to **Attachment 1** for the South Melbourne Structure Plan Study Area).
- 2.3 Phase 1 community engagement was undertaken in March-April 2021. It involved introducing the project to the community and improving our understanding of community perceptions and priorities for South Melbourne.
- 2.4 Phase 2 community engagement was undertaken in September-October 2022 based on the content in the South Melbourne Structure Plan Discussion Paper endorsed by Council on 17 August 2022 for the purposes of community consultation. Community feedback was sought on the following elements in the Discussion Paper:

The draft vision for South Melbourne:

*Recognised as a traditional gathering place for First Nations, South Melbourne continues to be one of Melbourne's great social hubs and dynamic economies. People from all backgrounds are welcome to live, work and visit this vibrant, liveable and diverse community.*

*The network of walkable, green streets and comfortable public spaces, combined with valued heritage places and attractive buildings, provide a variety of memorable destinations, productive businesses, creative industries and local services.*

*South Melbourne is a unique blend of the past and present – and is always looking to the future.*

- Key directions to achieve the vision: Quality Places, Quality Experiences and Quality Buildings



- A series of 16 ideas that a new South Melbourne Structure Plan could investigate to deliver on the key directions.
- 2.5 Engagement activities included six on-street community conversations in the study area, three online workshops, and meetings with specific stakeholder groups. A project website was hosted on Council's *Have Your Say* platform containing project information, key documents and a survey. Hard copy surveys were also available.
- 2.6 Phase 2 community engagement built on the engagement undertaken in Phase 1 and will inform the preparation of the Structure Plan. Overall, just over 400 people directly participated in this project. **Attachment 2** contains a report of the Phase 2 engagement outcomes, which will be made available on the project's *Have Your Say* website following the consideration of this report by Council.
- 2.7 Key outcomes from the Phase 2 community engagement are discussed in Section 4 of this report.
- 2.8 The next phase of the project involves targeted consultation with key stakeholders on the Built Form and Public Realm Design Objectives and Character Statements (Design Objectives and Character Statements) to inform preparation of the South Melbourne Structure Plan.
- 2.9 The Design Objectives and Character Statements focus on providing clarity on the future urban character, development scale and design attributes that are sought in the study area. These will be tailored to respond to the qualities of South Melbourne.
- 2.10 The Design Objectives and Character Statements will underpin future stages of the project where revised planning controls will be prepared through the Structure Plan and implemented through an Amendment to the Port Phillip Planning Scheme.

### 3. RECOMMENDATION

That Council:

- 3.1 Note the outcomes of the Phase 2 Community engagement on the South Melbourne Structure Plan Discussion Paper, included at **Attachment 2**.
- 3.2 Endorses the Built Form Objectives and Character Statements, included at **Attachment 3** and Public Realm Design Objectives, included at **Attachment 4** for use in targeted engagement to inform the preparation of the South Melbourne Structure Plan.

### 4. KEY POINTS/ISSUES

- 4.1 The South Melbourne Structure Plan will guide change in South Melbourne over the next 20-year period. It will address such matters as:
- How new buildings should be designed.
  - The location of new housing and employment.
  - Generating job opportunities and economic recovery.
  - How people of all ages and backgrounds are included in the community.
  - How people move around and stay connected.



- Enhancing streets and parks.
  - Protecting heritage and character
  - Enhancing sustainability; and
  - Social and physical infrastructure improvements.
- 4.2 Structure Plans must:
- be consistent with and implement State Government Planning Policy and Strategies;
  - meet the requirements of relevant Practice Notes prepared by the Department of Environment, Land, Water and Planning (DELWP); and
  - be comprehensive and have rigour to provide adequate strategic justification for any proposed changes to the planning scheme requirements.
- 4.3 State Planning Policy defines South Melbourne as a Major Activity Centre (MAC) and an 'enterprise precinct' with 'regionally significantly industrial/commercial land', to be protected to support the State's economic activity and provide employment land (*Plan Melbourne* and *Unlocking Enterprise in a Changing Economy DELWP and Melbourne Industrial and Commercial Land Use Plan*).
- 4.4 Specifically, South Melbourne is one of a few enterprise precincts within 10 kilometres from, Melbourne's CBD (*Unlocking Enterprise in a Changing Economy Strategy 2018 (Victorian Government)*). Others include Cremorne, Arden/Macaulay and Brunswick.
- 4.5 Major Activity Centres are a focus for housing, commercial, retailing, community, employment, transport, leisure, open space, entertainment and other services and are places where people shop, work, meet, relax and live (*Plan Melbourne 2017-50*). The Structure Plan will also align with other projects being undertaken by Council, including the municipal-wide Housing Strategy.

#### **Design Objectives and Character Statements**

- 4.6 South Melbourne has experienced significant change since the current South Melbourne Structure Plan and Urban Design Framework were adopted by Council in 2007 and implemented primarily through Design and Development Overlay, Schedule 8 (DDO8) in the Port Phillip Planning Scheme.
- 4.7 The Built Form Review (BFR) is one of several background technical reports that will inform the preparation of the Structure Plan. The purpose of the BFR is to update the built form planning controls within the Port Phillip Planning Scheme. These updated controls will more effectively manage and accommodate new buildings in accordance with the vision and planning for the study area.
- 4.8 In addition, Council is preparing a Public Realm Framework (PRF) which will bring together Council's endorsed strategies and policies. It enables Council to leverage additional public realm improvements with State Government projects being delivered within South Melbourne. The PRF will ensure a level of cohesiveness to deliver quality outcomes in the public realm with design objectives and priority areas to inform Council's future capital projects.
- 4.9 A key initial stage of the BFR and the PRF is to establish the Design Objectives and, for the BFR, Character Statements, specifically tailored to the qualities of South Melbourne (refer to **Attachment 3 and 4**). These have been informed by Phase 1 and



2 community engagement feedback along with extensive analysis of the study area documented in the *South Melbourne Structure Plan Urban Design Existing Conditions Paper 2022*.

- 4.10 The Design Objectives and Character Statements will ultimately underpin the future planning controls in the Port Phillip Planning Scheme relating to matters including public realm, development scale, managing sensitive interfaces and sustainability.
- 4.11 A character statement is a short summary of the elements of a precinct that make it distinctive. It will identify valued existing characteristics and outline the preferred future character by describing the desired appearance of the precinct in the future.
- 4.12 The BFR Design Objectives are short statements capturing the intent of good design outcomes without specifying the solution. They include guidance related to how the design of buildings:
  - 4.12.1 respond to existing and future character
  - 4.12.2 contribute to the public realm
  - 4.12.3 provide high levels of amenity for occupants
  - 4.12.4 respond to climate change.
- 4.13 The Design Objectives and Character Statements will be further refined and used to test possible built form outcomes (such as building heights and setbacks) through further targeted engagement in early 2023.

**5. CONSULTATION AND STAKEHOLDERS**

- 5.1 Preparing the South Melbourne Structure Plan includes multiple points of engagement with the community including residents, traders and business owners, community groups, government agencies, and property owners.
- 5.2 There are three community engagement phases within the project: Outside these phases, informal consultation and communication continues with internal and external stakeholders and community members.

Phase	Purpose	Timing
Phase 1	Introduce the project and explain structure planning Understand community perceptions and priorities for South Melbourne	Completed: April 2021
Phase 2	a. Comment on the Discussion Paper	Completed: September - October 2022
	b. Focus Groups on Design Objectives and Character Statements	Early 2023
Phase 3	Comment on the draft Structure Plan	2nd half 2023



### **Phase 2 community engagement**

- 5.3 The Phase 2 community engagement was based on the draft vision, key directions to achieve the vision and 16 ideas that a new South Melbourne Structure Plan could investigate to deliver on the key directions.
- 5.4 Just over 400 people directly participated in this project and 1,119 people visited the project Have Your Say website. Social media advertising analytics show that 17,340 people saw advertisements. A total of 677 people clicked on advertisement links directing them to the project Have Your Say website.

### **The Vision**

- 5.5 The vision was supported by the majority of people engaged, with 73.8% of survey respondents being supportive or very supportive of the draft vision. Positive sentiments towards the draft vision were noted in community conversation events and meetings with stakeholder groups.
- 5.6 Suggested improvements to the vision centred around making it more succinct and compelling, as well as ensuring it captures South Melbourne's unique identity and does not sound too generic.

### **Key Direction: Quality Places**

- 5.7 The community is generally supportive of the ideas to enhance public space in South Melbourne, including more greenery and sunlight and an improved pedestrian experience. However, there were views that this should not come at the cost of parking and car access.
- 5.8 There was a diversity of views on the idea that wide streets should be used for alternative public uses. This idea was ranked as a less important idea in the online survey, but one of the top three ideas through the community conversation pop-ups and hardcopy survey. These diverse views are centred around the desire to promote a vibrant streetscape that encourages visitors and is positive for residents. However, there are concerns around the loss of parking, the narrowing of streets to accommodate bike lanes, and the effects this idea would have on the unique sense of space the wide streets provide.
- 5.9 'Promoting pedestrian access and walkability' arose as a key idea through all the engagement activities, including around Kings Way and key destinations in South Melbourne. There was a view that activating the streets with pedestrians would bring vibrancy and help build a sense of community.

### **Key Directions: Quality Experiences**

- 5.10 'Supporting businesses to grow and prosper in South Melbourne' emerged as a key idea throughout the engagement, including through leveraging the visitors that the South Melbourne Market brings to the area. There was a view that attracting more visitors and encouraging them to visit the whole precinct to support thriving businesses is key to bringing vibrancy to the suburb.
- 5.11 There was an acknowledgment of the challenge of balancing the need to provide vibrant mixed-use streets incorporating places for people to gather with providing parking. In particular, workshop participants concluded that, while South Melbourne has great public transport connectivity, there was a perception that the possibility of not finding a suitable car park is still a deterrent for some people. At the same time, there



was a view that to promote vibrant outdoor areas and businesses, people must be encouraged to come by public transport.

- 5.12 There were a range of opinions around the idea to develop a new outdoor space at the Town Hall Reserve that recognises Traditional Owners. It was identified as one of the top three ideas in the community conversation pop-ups and hardcopy survey, but a less important idea through the online survey. Those who thought the idea was less important thought that new open space was not required, or that there were other open spaces that needed attention first.
- 5.13 Supporting the local economy through nightlife and live music were not as popular. This was mostly due to concerns around the impact on residential amenity.

#### **Key Directions: Quality Buildings**

- 5.14 'Respecting heritage buildings and residential areas' and 'protecting neighbourhood character' were two key ideas supported through the engagement, with community and stakeholders recognising the heritage buildings made South Melbourne unique and is an important part of its identity. Workshop participants discussed the challenge of protecting heritage while also needing to increase development and density to bring more people to the area.
- 5.15 Building heights emerged as a key issue across all engagement activities, with 'ensuring building height is appropriate' one of the top three ideas from the community conversations and hardcopy survey. There was recognition however, that increased density is required to bring more people to the area and promote vitality, but that height should be managed well. Southbank was referred to as an example of poorly managed building height.
- 5.16 Street frontages that add vibrancy came through as a key idea in the online survey and workshops, with a desire to see South Melbourne not become a "ghost town" at street level, with wind tunnels and an unpleasant pedestrian experience.
- 5.17 There were differing opinions on providing vegetation on buildings. It was identified as one of the top three ideas in the community conversation pop-ups and hardcopy survey, but as less important in the online survey. There was support for improving the visual amenity of buildings, but a view that the design and placement of vegetation should complement the heritage buildings and concerns around maintenance.
- 5.18 Key insights to emerge from workshops, meetings and open survey questions include:
- While there is general support of the idea to enhance public space in South Melbourne, including more greenery and sunlight and an improved pedestrian experience, there are some views that this should not limit parking and car access.
  - There was a diversity of views on the idea that wide streets should be used for alternative public uses. Feedback provided indicates these diverse views are centred around the desire to promote a vibrant streetscape that encourages visitors and is positive for residents.
  - Adding vibrancy to the streets through improving walkability would help build a sense of community.
  - There were diverse opinions around the idea to develop a new outdoor space at the Town Hall Reserve that recognises Traditional Owners. It was identified as





one of the top three ideas in the pop-ups and hardcopy survey, but a less important idea through the online survey.

- Attracting visitors to the suburb is of key interest to helping the precinct thrive.
- Balancing heritage protection with increasing density to bring more people to the suburb was a challenge identified by the community.
- Active street frontages was identified as a key characteristic that new developments should get right, so South Melbourne does not become a “ghost town”.
- While providing vegetation on buildings was seen to improve amenity, there was also a view that the design and placement of vegetation should complement the heritage buildings and concerns around its maintenance.

5.19 During the engagement period, two submissions were received from interested parties.

5.20 The first submission commended Council for “taking the initiative to develop a strategy to outline the future growth of South Melbourne in response to distinct changes in demographics and land use”, within the context of the current climate emergency and economic impact of COVID-19. In light of this, the submission provided the following feedback:

- Improve connections within and beyond South Melbourne by extending the study area boundary to include the lots located between 186 to 312 Ferrars Street.
- If the idea to create a gathering space at the South Melbourne Town Hall Reserve is progressed, the submission highlighted the importance of acknowledging First Nations relationship with the land and water by designing the gathering space in consultation with Traditional Owners.
- Respond to Climate Emergency by investigating collaborative opportunities with local projects such as The Pollination Corridor, initiated by the Heart Gardening Project, as well as providing community produce gardens co-located with future local parks.
- Investigate rezoning some areas to enable some residential uses where they are currently prohibited to support the Victorian Government’s designation of South Melbourne as an enterprise precinct.

5.21 A second submission was received from the South Melbourne Landowners, representing over 80 property owners and leasing agents. They supplied three reports from consultancies addressing urban planning, urban design, placemaking and economic development matters. This submission supported the development of a new South Melbourne Structure Plan with a focus on delivering economic and sustainable growth, vibrancy, productivity, and liveability. Key feedback from this submission includes:

- Acknowledgement of the strategic work undertaken by Council to support the preparation of a new South Melbourne Structure Plan.
- Support for the implementation of new planning frameworks to replace the existing DDO8 that support increased investment, development activity and densification in areas of the study area with the greatest capacity for change.



New planning frameworks should adopt performance-based provisions, with consideration given to:

- Applying maximum building heights along Clarendon Street (in addition to current maximum street wall heights) to provide certainty.
- Increasing maximum building heights and street wall heights in other identified areas.
- Reducing upper-level setbacks that create a stepped built form.
- Applying shadow controls/solar access controls that facilitate taller built form.
- Ensuring a new structure plan can achieve stronger increases in resident and worker populations, in addition to visitor populations.
- Ensuring a new structure plan can provide enriched amenity in South Melbourne to attract ‘next generation’ cutting-edge businesses, in turn fulfilling South Melbourne’s enterprise precinct role as identified by the Victorian Government.
- Investigate rezoning some areas to enable some residential uses where they are currently prohibited.
- Support for the approach to identify areas where a more robust level of change could be accommodated, while limiting impacts on heritage and character areas of higher value.
- The need to develop a compelling ‘place vision’ to guide placemaking and economic development activities in the precinct. To this end, the submission developed the following ‘place vision’, distinct from the draft structure plan vision:

INNOVATE. INVIGORATE. DISCOVER SOUTH MELBOURNE	<b>Innovate</b> – implement bold changes to the structure plan to guide future growth and renewal of this iconic precinct <b>Invigorate</b> – increase population growth, attract business, and deliver destinational retail and work spaces.
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5.22 The findings of community engagement undertaken to date have been reflected in the Design Objectives in the following ways:

5.22.1 Public Realm Design Objectives include:

- Activate the street and create more space for pedestrians, landscaping and socialising whilst maintaining car access/parking.
- Increased vibrancy to the streets to build a stronger sense of community, identity, and attract more visitors.
- More trees and vegetation within the streets.
- Improve walkable connections, through South Melbourne, and beyond to adjoining neighbourhoods.

5.22.2 Built Form Design Objectives include:

- Ensure development is responsive to the local context and character.
- Maintain sunlight to parks and key streets.





- Ensure development contributes to engaging and walkable precincts
- Require quality buildings with active ground levels that add interest, life and vitality
- Protect character and respect heritage buildings and residential areas.
- Ensure new buildings in the enterprise precinct are efficient and support and accommodate a broad range of businesses, industries, and jobs.
- Provide high-amenity housing and workplaces.
- Support urban greening within new developments.

5.23 Feedback provided through future community engagement activities will be used to inform the preparation of the South Melbourne Structure Plan.

## **6. LEGAL AND RISK IMPLICATIONS**

6.1 The preparation of a new South Melbourne Structure Plan seeks to update the land use and development framework and planning controls for this area to ensure current and emerging community issues are met. This will mitigate risks and legal issues (such as VCAT appeals). It will also help to mitigate emerging risks such as climate change.

## **7. FINANCIAL IMPACT**

7.1 The next phase of this project has allocated budget through the South Melbourne Structure Plan project.

## **8. ENVIRONMENTAL IMPACT**

8.1 The South Melbourne Structure Plan will highlight and address key environmental issues in the area, including water management, sea level rise and urban heat island effect.

## **9. COMMUNITY IMPACT**

9.1 The South Melbourne Structure Plan will guide future change and growth in ways that protect and enhance community values and character, and ensure it remains a great place to live, work and play.

## **10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY**

10.1 The South Melbourne Structure Plan will contribute to achieving all strategic directions of the Council Plan 2021-31, particularly 2: Liveable Port Phillip, 3: Sustainable Port Phillip and 4: Vibrant Port Phillip.

10.2 It will help achieve outcomes and key actions of Council's core strategies – Act and Adapt: Sustainable Environment Strategy 2018-28; Move, Connect, Live: Integrated Transport Strategy 2018-28; Art and Soul: Creative and Prosperous City Strategy 2018-22; Don't Waste It: Waste Management Plan 2018-28 and Places for People: Public Space Strategy 2022-32.

10.3 The South Melbourne Structure Plan will support Council's commitment to the climate emergency declaration of September 2019 by helping reduce emissions and enhance community resilience to future climatic conditions.



10.4 It will support Council's response to the economic emergency declared on 16 September 2020. It will explore ways to support business attraction, retention and growth in response to COVID-19 and other external change, such as:

10.4.1 Improving planning certainty to support investment.

10.4.2 Enhancing attractiveness of the local area as a destination (including streetscape and accessibility improvements, protecting amenity and urban greening).

10.5 The South Melbourne Structure Plan will form the basis for updating the current planning policy and controls for the area in the Port Phillip Planning Scheme.

10.6 This will seek to support South Melbourne's economic post-pandemic recovery and unlock barriers to development and improve development outcomes by facilitating more efficient decision-making processes.

10.7 It will also facilitate growth within South Melbourne's Major Activity Centre and Enterprise Precinct with planning outcomes align with business requirements.

## 11. IMPLEMENTATION STRATEGY

11.1 The Phase 2 Community Engagement Summary Report will be made publicly available on the project's *Have Your Say* website following the consideration of this report by Council.

11.2 Subject to Council endorsement, it is anticipated that targeted engagement with key stakeholders on the Design Objectives and Character Statements will commence in early 2023. The outcomes of this engagement will inform preparation of the draft South Melbourne Structure Plan and future changes to planning controls in the Port Phillip Planning Scheme. Council Officers will seek Council endorsement to release the draft South Melbourne Structure Plan for consultation, currently anticipated for the second half of 2023.

## 12. COMMUNICATION

12.1 Feedback provided to date through Phase 1 and 2 community engagement has informed the preparation of the proposed Character Statements, Built Form Review and Public Realm Framework Objectives.

12.2 If endorsed, it is anticipated that targeted engagement with key stakeholders on the Built Form Design Objectives and Character Statements will commence in early 2023 to inform the preparation of the draft South Melbourne Structure Plan.

12.3 It is anticipated that Phase 3 engagement on the draft South Melbourne Structure Plan would occur in the second half of 2023.

## 13. OFFICER DIRECT OR INDIRECT INTEREST

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

## ATTACHMENTS

1. Study Area  [Download](#)

2. Phase 2 Community Engagement Summary Report  [Download](#)

3. Built Form Review Objectives and Character Statements  [Download](#)

4. Public Realm Framework Objectives  [Download](#)