

CASEY PLANNING SCHEME

AMENDMENT C219

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the City of Casey, which is the planning authority for this Amendment.

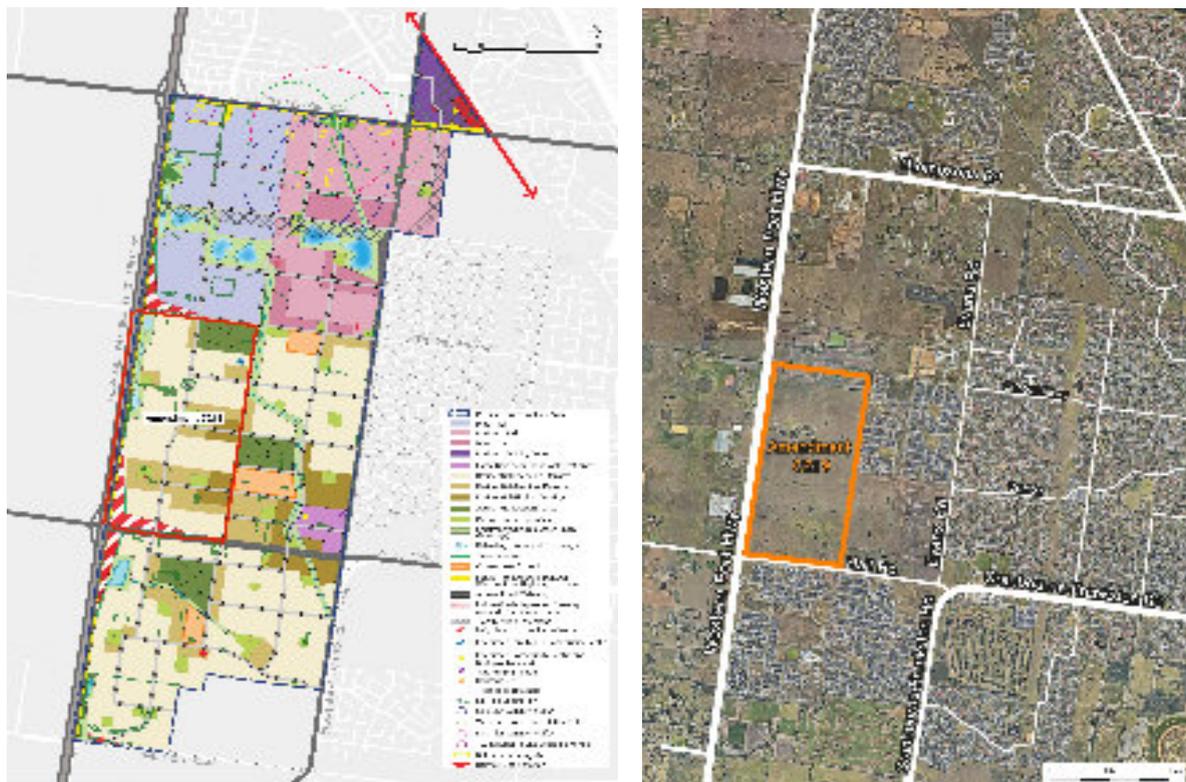
The Amendment has been made at the request of Schutz Consulting, on behalf of Leighton Properties.

Land affected by the Amendment

The amendment applies to approximately 133 hectares of land known as 635 Hall Road, part of 620 Western Port Highway, and 690 Western Port Highway, Cranbourne West (“the Amendment Area”) within the Cranbourne West Precinct Structure Plan.

The Amendment Area is bounded to the west by Westernport Highway, to the south by Hall Road, to the north by Central Parkway, and to the east by the Quarters and Lochaven Residential communities. The Amendment Area is illustrated on the plans below.

Figure 1 - Amendment C219 Area



What the amendment does

The amendment proposes to facilitate the future use and development of the Amendment Area for residential purposes by amending the applied zoning of the Amendment Area from Commercial 2 Zone to General Residential Zone Schedule 1; applying a 5.9% public open space contribution to the same land; updating and replacing the *Cranbourne West Precinct*

Structure Plan (the Incorporated Document) and making consequential changes to Schedule 1 to Clause 37.07 - Urban Growth Zone and Clauses 21.02, 21.18-3, 21.18-5 and 22.03-6.

Additionally, Amendment C219 proposes to amend the *Cranbourne West Precinct Structure Plan* and Schedule 1 to Clause 37-07 - Urban Growth Zone to reflect Amendment C199 to the *Casey Planning Scheme* (gazetted on 14 January 2016). Amendment C199 amended the application of the Public Acquisition Overlay within the *Cranbourne West Precinct Structure Plan* area to land required for the proposed Western Port Highway Upgrade Project.

More specifically, Amendment C219 proposes to:

Amend Schedule 1 Clause 37-07 - Urban Growth Zone 07 by:

- Amending “Map 1 to Schedule 1 of Clause 37.07: Cranbourne West Future Urban Structure” by redesignating the Amendment Area from “Industrial” and “Employment Interface” to Standard, Medium and Higher Density Residential, with associated Open Space and an Integrated Family and Community Centre.
- Amending “Map 1 to Schedule 1 of Clause 37.07: Cranbourne West Future Urban Structure” by revising the area required for the “Future Grade Separated Freeway Upgrades and Interchanges” to reflect recent changes to the Public Acquisition Overlay resulting from the gazettal of Amendment C199 to the *Casey Planning Scheme*.
- Amending Table 1 – Applied Zone Provisions at Clause 2.2 by deleting the reference to “Employment Interface” and correcting the reference to General Residential Zone 1.
- Inserting a mandatory condition at Clause 4.0 requiring the landowners of 635 Hall Road, 620 Western Port Highway and 690 Western Port Highway, Cranbourne West, to enter into a Section 173 Agreement providing for the timing and delivery of community and open space infrastructure required as a result of Amendment C219.

Amend Plan 1.2 of the Schedule to Clause 52.01 to include the Amendment Area in a “CR9” area requiring a 5.9% public open space contribution.

Amend Clause 21.02 by replacing the “Strategic Framework Plan” with a new plan that redesignates the Amendment Area from “Key Employment Precincts - Future” to “Urban Areas - Future”.

Amend Clause 21.18-3 to change the description and extent of employment land in Cranbourne West, and delete reference to the north-south collector road between Hall Road and Thompsons Road.

Amend Clause 21.18-5 by replacing the “Cranbourne West Local Area Map” with a new map that redesignates the Amendment Area from “Future Industry” to “Residential (Existing / Future)”

Amend Clause 22.03-6 to update the reference to the *Cranbourne West Precinct Structure Plan* (April 2017)

Amend the Schedule to Clause 81.01 to update the reference to the *Cranbourne West Precinct Structure Plan* (April 2017)

Update and replace the incorporated document *Cranbourne West Precinct Structure Plan* (May 2012) with the *Cranbourne West Precinct Structure Plan* (April 2017).

Strategic assessment of the Amendment

Why is the Amendment required?

The purpose of Amendment C219 is to revise existing planning controls affecting the *Cranbourne West Precinct Structure Plan* (PSP) area in order to change the designated use of the land within the Amendment Area from industrial and commercial to residential. Amendment C219 also proposes to update relevant provisions of the Scheme and

Cranbourne West PSP to reflect recent changes to the Public Acquisition Overlay, which were introduced via Amendment C199 to the *Casey Planning Scheme* (gazetted on 14 January 2016).

The *Cranbourne West Precinct Structure Plan (PSP)* was given effect in the *Casey Planning Scheme* on 3 February 2010 via Amendment C102. The *Cranbourne West PSP* applies to 791 hectares and sets out a land use planning framework to deliver an integrated employment and residential precinct. Council commenced a review of the *Cranbourne West PSP* in 2014, with a particular focus on the interface between the residential and employment areas.

Community consultation carried out by Schutz Consulting in collaboration with KREAB Research in December 2014 to February 2015 found that Cranbourne West residents oppose the development of a large scale industrial park adjacent to the Cranbourne West residential area. Specifically, residents cited a range of amenity, safety, noise, pollution and traffic concerns. Written feedback was received from 549 residents and approximately 300 residents attended a Community Information Day. Amendment C219 considers and responds to these community concerns by redesignating the Amendment Area for residential purposes.

With residential demand high, the Amendment Area can deliver housing in the short-term that will positively contribute to housing supply and affordability within Metropolitan Melbourne. The proposed use of the land for housing will deliver significant net community benefits including ten hectares of active open space, an integrated family and community centre and passive open space for this new residential community.

A recent report prepared by Urbis titled “*Economic Analysis and Planning Overview (April 2017)*” confirms that there is sufficient employment land, and more specifically industrial land, to cater for employment needs both in the City of Casey and in the south-east region. This includes a significant supply of already built industrial space. Based on current Urban Development Program (UDP) data, it is estimated there is likely to be 67 years of industrial land supply in Casey currently, and 38 years supply across the south east of Melbourne. The effect of Amendment C219 on employment land supply is limited; reducing this supply to approximately 60 years in Casey and 36 years across the south east of Melbourne.

Further, the Urbis report identifies that the Amendment Area cannot effectively compete with larger established precincts where available supply for large-scale industrial purposes is significant. Compared to other large-scale industrial precincts, the Amendment Area is disadvantaged by its proximity to residential areas. Given that the Amendment Area is only 800m wide, buffer requirements significantly reduce the land available for large user industrial development consistent with the *Cranbourne West PSP*'s stated intention.

Amendment C219 will result in a good planning outcome by facilitating the use of the land to meet forecast demand for housing in the region, deliver additional developer contributions to fund community facilities, and generate immediate economic activity, employment and the delivery of important services in the municipality.

How does the Amendment implement the objectives of planning in Victoria?

The amendment implements a number of the objectives of planning in Victoria under Section 4 of the *Planning and Environment Act 1987 (Act)* through the delivery of an amended Precinct Structure Plan (PSP) and various other consequential changes to the Scheme.

Amendment C219 will provide for the fair, orderly, economic and sustainable use and development of land by facilitating additional housing in proximity to community infrastructure, services, employment and public open space. The delivery of additional housing within the Cranbourne West Precinct makes effective use of the available land within the metropolitan area.

Whilst the amendment will reduce the total area of employment land within the PSP area, there remains more than sufficient allocated employment land to provide at least one job per

dwelling within the Cranbourne West Precinct. Significant employment opportunities are provided through local centres, industrial, business, and mixed use areas.

The delivery of community infrastructure such as schools, community centres, childcare facilities and home based businesses will also provide employment opportunities.

The Amendment Area has been planned to ensure dwellings are located within walkable proximity to public transport. The location of services and facilities are such that there are connections via shared bicycle and pedestrian links to encourage sustainable modes of transport alternative to the private vehicle.

Land within the Cranbourne West Precinct Structure Plan area is currently subject to the *Cranbourne West Development Contributions (DCP) (August 2015)* and Schedule 12 to the Development Contributions Plan Overlay. Through the process of preparing Amendment C219, the City of Casey and the Proponent have identified that additional infrastructure is required to support the future residential community.

Amendment C219 does not propose any changes to the existing *Cranbourne West DCP (August 2015)* or Schedule 12 to the Development Contributions Plan Overlay. The Amendment Area will continue to be liable to pay the infrastructure contributions due under the current *Cranbourne West (DCP) (August 2015)* as if the land was designated for industrial use on the basis that the infrastructure funded by the DCP will continue to be required regardless of whether the land is designated for industrial or residential use.

The delivery of additional community infrastructure required as a result of the proposed rezoning of the Amendment Area will be fully funded and secured through a Section 173 Agreement. The additional infrastructure comprises ten hectares of active open space (including sports fields and a pavilion), an integrated family and community centre, and a network of passive open spaces.

How does the Amendment address any environmental, social and economic effects?

Environmental effects

The current PSP identifies vegetation to be protected and retained where appropriate. These environmental controls within the *Cranbourne West PSP* will remain unchanged, and the future urban structure for the Amendment Area ensures that significant environmental features are protected.

Similarly, stormwater flows arising from the additional housing proposed within the Amendment Area can be satisfactorily managed through the existing integrated system that is planned for the Cranbourne West Precinct to manage flows beyond the Precinct to pre-development levels. The stormwater management system for the Cranbourne West Precinct incorporates a network of retarding basins, wetlands, and waterways that provide for both drainage and open space features.

The areas of proposed open space within the Amendment Area have been provided to conserve existing identified areas of cultural and environmental significance.

The distribution of open space throughout the Amendment Area ensures that at least 95% of residential land is within 400 metres of open space.

The amendment will contribute towards increased transport choice and encourage reductions in private car use by providing a bus-capable road network and on and off-road bicycle paths.

Economic effects

Amending the applied zoning of the Amendment Area from Commercial 2 Zone to General

Residential Zone Schedule 1 will have a effect on the overall supply of employment land in the City of Casey and the South East Region. Even with the Amendment Area rezoned for residential purposes, the Cranbourne West Precinct will have the potential to deliver 10,000 jobs in a variety of sectors within industrial, commercial and mixed use areas. This is nearly double the VPA's target of planning for 1 job per dwelling across a PSP area.

Social Effects

Amendment C219 will have positive social effects by facilitating use of the land to meet forecast demand for housing in an area with good access to existing/future community infrastructure, services, retail centres, employment and public open space. Amendment C219 is expected to generate positive social benefits by facilitating housing at a range of densities, which will contribute to accommodating the south-east region's workforce. The amendment will also deliver significant net community benefits by facilitating the delivery of additional community and open space infrastructure.

Amendment C219 aims to resolve the current interface issue encumbering the Cranbourne West Precinct. Removing the proposed industrial park from the interface with Cranbourne West's existing residential area will improve the safety and amenity of existing/future residential areas.

Does the Amendment address relevant bushfire risk?

The amendment does not increase the bushfire risk by altering land use and development patterns. The amendment meets the objective and strategies to address bushfire risk as outlined in the State Planning Policy Framework.

The Amendment Area is not subject to a Bushfire Management Overlay. The majority of the Cranbourne West Precinct is currently a declared Bushfire Prone Area (BPA). Development in declared BPAs is addressed at the building permit stage.

Does the Amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The amendment complies with the Ministerial Direction on the Form and Content of Planning Schemes under section 7(5) of the Act.

The amendment also complies with the following relevant Ministerial Directions:

Direction No. 9 - Metropolitan Strategy

Direction 9 has been considered in preparing this amendment and is compliant with this direction. The amendment will facilitate the efficient and orderly development of land within the Urban Growth Boundary (UGB) of Metropolitan Melbourne. The proposed amendment also ensures that future development is sustainable and interface issues between industrial and residential areas are avoided. Further, that community services and physical infrastructure are available at an early stage in the life of the new community.

The Amendment Area is identified in *Plan Melbourne 2017-2050: Five-Year Implementation Plan* as an "Industrial Area - Existing". A recent report prepared by Urbis titled "*Economic Analysis and Planning Overview (April 2017)*" confirms that the effect of Amendment C219 on industrial land supply is limited and that there is sufficient industrial land to cater to future employment needs, both in the City of Casey and in the south-east.

Direction No. 11 - Strategic Assessment of Amendments

This Direction seeks to ensure planning scheme amendments are subject to comprehensive strategic evaluation. This Explanatory Report addresses the requirements outlined in this direction.

Direction No. 12 - Urban Growth Areas

Part 6 of Ministerial Direction 12 requires a planning authority to evaluate and include in the

explanatory report a discussion about the following matters when preparing an amendment to introduce or change provisions in a schedule to the UGZ:

How the Amendment implements any Growth Area Framework Plan applying to the land

The Precinct is within the *South East Growth Corridor Plan*. The *Corridor Plan* broadly identifies the location of future residential, industrial and employment areas. The Plan is intended to inform the PSP process, and set an overarching strategic planning framework to guide future development within each of Melbourne's Growth Corridors.

The *Corridor Plan* identifies a dwelling capacity of 83,000 to 103,000 for the South East, a population capacity of 230,000 to 291,000 and a jobs capacity of 86,000 to 110,000. The Plan notes that demand for industrial land and average employment densities in industrial areas may vary, and that the Corridor Plans need to allow for such variations so that sufficient flexibility is incorporated in planning for possible future infrastructure and service needs.

The Plan sets out the eight Principles underpinning Melbourne's Growth Corridor Plans. These principles include planning for local employment creation, and creating growth corridors with high amenity and character. The amendment implements the Principles underpinning the Corridor Plan in that it will deliver additional community infrastructure to support the future community and ensures the future community is well connected in terms of the road and public transport network identified in the Corridor Plan.

Whilst the Amendment area is designated as industrial land within the *South East Growth Corridor Plan*, the Plan clearly identifies the need for flexibility. The proposed Amendment is in accordance with the key principles and targets set out in the Growth Corridor Plan including maintaining a sufficient supply of industrial land within the south east region.

How does the Amendment accord with the Precinct Structure Planning Guidelines (October 2009)?

Objective one: To establish a sense of place and community

The amendment will build on the established sense of place and community already established within Cranbourne West Precinct through planning for areas for passive and recreational open space, the protection and enhancement of places of heritage significance, by requiring subdivision design to incorporate natural and built design elements which respond to local features and by enabling high quality urban design outcomes.

Objective two: To create greater housing choice, diversity and affordable places to live

The amendment will facilitate housing development at a range of densities, in accordance with the *PSP Guidelines*. Medium and higher density development will be encouraged in the Amendment Area in proximity to open space, community hubs and public transport routes.

Objective three: To create highly accessible and vibrant activity centres

The Cranbourne West PSP established a clear hierarchy of activity centres in accordance with the *PSP Guidelines*. Amendment C219 does not propose to alter this hierarchy.

Objective four: To provide for local employment and business activity

There is sufficient employment land, and more specifically industrial land, to cater to future employment needs, both in the City of Casey and in the south-east. A recent report prepared by Urbis titled "*Economic Analysis and Planning Overview (April 2017)*" confirms that the effect of Amendment C219 on industrial land supply is limited, and that the Cranbourne West Precinct will continue to exceed the VPA's target of one job per dwelling across a PSP area. In addition, the designation of the land for residential purposes will provide for job generation

immediately through the construction period, whilst also creating the critical mass necessary to support the development of further community services.

Objective five: To provide better transport choices

The Amendment ensures that the new residential area will be integrated with the existing road network, and accommodates the land reserved for the future upgrades to Western Port Highway. There will also be a bus-capable route through the Amendment Area connecting to the wider principal public transport network (PPTN).

The proposed road network and open space network allows for shared pedestrian and cycle paths to key locations throughout the Precinct, encouraging alternative travel options to the private vehicle.

Objective six: To respond to climate change and increased environmental sustainability

The Future Urban Structure of the Amendment Area has been designed to ensure that at least 95% of all residential lots will be located within 400m of a potential public transport route, and will have a shared pedestrian and cycle path network encouraging alternative more sustainable modes of transport. In addition, the already established integrated stormwater and drainage system for the Cranbourne West precinct minimises stormwater runoff.

Objective seven: To deliver accessible, integrated adaptable community infrastructure

The amendment will facilitate the delivery of community and open space infrastructure required to support the proposed rezoning of the Amendment Area for residential purposes. The additional infrastructure comprises ten hectares of active open space (including sports fields and a pavilion), an integrated family and community centre, and a network of passive open spaces.

All elements of the PSP Guidelines have been considered in preparing the Amendment to the PSP.

*How the provisions give effect to the intended outcomes of the precinct structure plan;
and,
How a translation of the provisions can be achieved, once development anticipated by
the precinct structure plan is substantially complete.*

The amendment proposes to update and replace the Incorporated Document *Cranbourne West Precinct Structure Plan* (May 2012) with a revised *Cranbourne West Precinct Structure Plan* (April 2017). The amendment also proposes consequential changes to Schedule 1 to the Urban Growth Zone and the Local Planning Policy Framework. Amendment C219 also provides for the collection of additional developer contributions to support the proposed rezoning for the Amendment Area for residential purposes.

The translation from the UGZ to standard VPP zones will occur once development anticipated by the precinct structure plan is substantially completed.

How does the Amendment support or implement the State Planning Policy Framework and any adopted State policy?

Clause 11: Settlement - The amendment incorporates a revised Cranbourne West Precinct Structure Plan. This plan sets out an orderly structure for development of the precinct. As detailed previously, the Urbis Report confirms that there is sufficient employment land for the south east region.

Clause 16: Housing - The amendment identifies areas for higher and medium density housing near employment, community hubs and public transport routes.

Clause 17: Economic Development – Pursuant to Clause 17.02-1, land for industrial

development should be identified in the urban growth zone where appropriate buffer areas can be provided between the proposed industrial land and nearby sensitive land uses. Given that the Amendment Area is only 800m wide, buffer requirements significantly reduce the land available for large user industrial development consistent with the *Cranbourne West PSP's* stated intention. Amendment C219 seeks to resolve current interface issues encumbering the Cranbourne West Precinct. Amending the applied zoning of Amendment Area from Commercial 2 Zone to General Residential Zone Schedule 1 will have a limited effect on the overall supply of employment land in the City of Casey and the South East Region.

Clause 18: Transport – The Amendment Area is integrated with the existing and planned arterial road network and Principal Public Transport Network.

Clause 19: Infrastructure – The amendment will facilitate the delivery of additional community and open space infrastructure required as a result of the proposed rezoning of the Amendment Area for residential purposes. The mechanism for securing its delivery ensures that the benefits of the infrastructure will be delivered up front, alleviating the need for costly public spending in the future to 'reclaim' privately developed land for public purposes.

How does the Amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

Clause 21.03: Settlement and Housing – The amendment will facilitate a diversity of housing and the commensurate community infrastructure to support the future residential population.

Clause 21.06: Transport – With direct access to Western Port Highway, Hall Road and proximity to the Merinda Park Railway Station the Amendment Area can maximize use of these existing transport networks.

Clause 21.07: Built Environment – The *Cranbourne West PSP* provides a framework for high quality development as evidenced by residential development outcomes being achieved within the broader Cranbourne West precinct.

Clause 21.18: Cranbourne West: The amendment secures the overall intent for Cranbourne West as identified in the *Local Area Plan* through creation of quality and diverse housing opportunities, a treed image and sensitive interfaces between business precincts and residential areas. The Amendment Area will complement the existing community of Cranbourne West by provision of appropriate community and recreational infrastructure.

Does the Amendment make proper use of the Victoria Planning Provisions?

The amendment makes proper use of the Victoria Planning Provisions by amending the relevant Incorporated Document and Urban Growth Zone Schedule 1. Consequential changes to the Local Planning Policy Framework, the Schedule Clause 52.01 and Schedule to Clause 81.01 are also proposed.

How does the Amendment address the views of any relevant agency?

The views of relevant agencies (including the Victorian Planning Authority, the Department of Education and Training, the Department of Health and Human Services, the Department of Economic Development, Jobs, Transport and Resources, VicRoads and Melbourne Water) will be sought during the exhibition of the amendment.

Does the Amendment address relevant requirements of the Transport Integration Act 2010?

The Amendment will not have a significant impact on the transport system, as defined by Section 3 of the *Transport Integration Act 2010*. The proposed additions and changes to the existing transport system in and adjacent to the Precinct will meet the transport system objectives by:

Providing for an interconnected road system that responds to the likely level of use generated by the Precinct and hence facilitating investment in housing, employment land and local services in the area.

Enabling efficient access to services in Cranbourne West and surrounds including connections to the arterial road network.

Providing locally based recreational and community facilities to reduce the need for extended travel.

Designing roads that are of a suitable scale and compatible with the expected travel demand and provides for the efficient construction of items concurrent with subdivisional development.

Resource and administrative costs

What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?

The amendment will have minimal impact on the resources and administrative costs of the responsible authority. The amendments to the PSP will facilitate the orderly and proper planning of the area.

Where you may inspect this Amendment

The Amendment is available for public inspection, free of charge, during office hours at the following places:

City of Casey

Customer Service Centre

Municipal Offices

Magid Drive

NARRE WARREN

City of Casey

Customer Service Centre

Cranbourne Park Shopping

Centre (opposite Post Office)

CRANBOURNE

The Amendment can also be inspected free of charge at the Department of Environment, Land, Water and Planning website at www.delwp.vic.gov.au/public-inspection.

Submissions

Any person who may be affected by the Amendment may make a submission to the planning authority. Submissions about the Amendment must be received by **31 July 2017**.

A submission must be sent to:

Attention: Team Leader – Growth Areas and Financing

City of Casey

PO Box 1000

Narre Warren VIC 3805

Or electronically to cityplanning@casey.vic.gov.au

Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

directions hearing: week commencing 16 October 2017

panel hearing: week commencing 6 November 2017