

CITY OF DAREBIN

# INDUSTRIAL LAND USE STRATEGY

A FRAMEWORK FOR DECISION MAKING





**The City of Darebin**  
Industrial Land Use Strategy  
A Framework for Decision Making  
**was adopted by Council on 19<sup>th</sup> November 2001**

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Council is faced with an increasing number of demands on industrial land for housing and other non-industrial activities. In some cases, the industrial land in question provides legitimate and needed space for economic activity and jobs; in other cases, the land is not generating economic benefits for the community and could be considered for other uses.

In considering rezoning requests and permit applications, Council requires a coherent policy by which to judge the effects of the proposal and the best ways to deliver net community benefit. The alternative is an ad hoc approach that will inevitably be seen as inequitable and open to appeal.

This strategy document provides a decision-making framework for the consideration of rezoning requests and permit applications for industrial land. It draws on work undertaken by Essential Economics and Council in 1999 and 2000 including land-use surveys, demographic analysis and consultation processes documented in the issues paper entitled "*Linking Economic Development to Land-Use Planning*".

The issues paper provides a broad and detailed discussion of the changes affecting the Darebin economy as well as a detailed land-use survey of some of the industrial and commercial areas in the municipality.

This document provides:

1. General principles that should guide and manage land-use change.
2. A brief description of the changes that are occurring in the Darebin economy.
3. Revisions to the strategic planning framework for industrial land.
4. A hierarchy of industrial land within the City of Darebin.
5. Recommendations on the future use and zoning of Darebin's industrial zoned land.
6. A decision-making framework that Council officers can use to assist assessment of rezoning requests and permit applications.

These recommendations will require modification of the Municipal Strategic Statement and amendment of the Local Planning Policy Framework with the inclusion of industrial policies to give effect to this strategy.

A comprehensive review of the Municipal Strategic Statement is to be undertaken in 2002. The review of the industrial segment of the Municipal Strategic Statement will be based on this Industrial Land Use Strategy. The revised Municipal Strategic Statement will then give effect to elements of this strategy.

## 2.1 Existing policy

Council's existing planning and economic development principles provide the starting point for the development of new policy. The Vision of the Municipal Strategic Statement (MSS) is to provide for:

“A vibrant, sustainable and harmonious City creating community pride”.

The overall objectives of the Municipal Strategic Statement are provided in the accompanying box.

In addition, the MSS recognises, under the Strategic Element of Economic Development, the need to support business growth and local employment. One of the objectives is to create a:

“...diverse local economy which is responsive to external economic change”.

The Economic Development Strategy 1998/2002 (EDS) is even more explicit about the need to create jobs, with the vision for action by Council being:

“For the City of Darebin to have an environment which encourages, promotes and facilitates sustainable business development and investment activities which will increase sustainable local employment”.

### Objectives

#### Vibrant

- To provide for a dynamic, diverse, interesting and truly unique city.

#### Sustainable

- To maintain a quality of life for existing and future generations by promoting a strong local economy, diversity of opportunities, efficient transport system, accessibility of services and protection of the natural environment.

#### Harmonious

- To minimise conflict by balancing land use and ensuring that one action does not adversely impose upon another.

*Darebin Municipal Strategic Statement, 1999*

## 2.2 Beyond Existing Policy

Land-use planning is Council's main statutory influence on local economic development and there is a need to make a stronger policy link between land-use and local economic performance. There is also a need to recognise that conditions change and that economic outcomes will depend on how well the municipality can adapt to those changes.

Finally, Council needs to be committed to improvement and to be proactive in instigating that improvement, since to remain at the same level of development will mean that our community becomes less and less able to participate in the future, with less and less control of its own destiny.

Accordingly, the following key principles should be added to the Economic Development element of the Municipal Strategic Statement.

## **Through its land-use policies and practice, Council will improve:**

### **1. Sustainability**

Change in economic land-use will be encouraged where that will improve environmental, economic, social and cultural sustainability, recognising that some existing land-uses are not sustainable and are not likely to be sustainable in the longer term.

### **2. Local job stock**

Improving the number and quality of jobs in the municipality will improve local incomes and thereby generate local economic development. Council will, other things being equal, give preference to land-uses that generate skilled jobs. In doing so, Council recognises the need to work with enterprises and educational institutions to improve the skill levels of local residents.

### **3. Urban design**

A high quality environment is a key attraction for investors in both economic activities and housing. Council will strive to achieve the highest quality urban design in projects submitted for approval and in its own investments. Council will encourage innovation such as mixed-use living and working areas in key specified development precincts.

### **4. Diversity of economic activity**

Darebin needs to develop a more diverse and vibrant local economy, to provide a wider variety of both jobs and services.

### **5. Protection of key economic assets**

Many economic activity areas are relatively attractive and performing well. These areas require protection from ad-hoc intrusions to ensure that they remain sustainable into the future.

These general principles will inform more detailed policies, specifically looking at the issue of changes to industrial land-use zoning. Firstly, though, it is necessary to examine the drivers of change in Darebin's industrial economy.

The Darebin economy is changing. The industrial structure is shifting to smaller and more locally oriented production and the skills of the local labour-force are becoming more oriented to the service economy.

### 3.1 Activities on Industrial Land

Traditional manufacturing industries are declining, especially the largest employers such as footwear and automotive components.

There is a trend to firms with fewer employees (although there are still many large firms in the municipality).

There is a trend for local firms to produce more for local and regional markets than for national or export markets, and this is reflected in the growth of service and sales activities.

Whilst overall manufacturing activities in the municipality have grown, much of this growth has occurred outside industrial areas, including shop-front bakeries, printing services and so on.

The local economy has not benefited from the growth of advanced manufacturing or other highly skilled activities on industrial land. Indeed, it has lost jobs in these areas (through relocation of the CSIRO Building Division, and Ericsson, for example). The Technology Park at La Trobe University has not yet proved to be a significant draw-card for advanced-technology enterprises after 10 years operation.

There are several reasons for the changes in industrial structure:

- Land-extensive industries – large-scale manufacturing and associated components manufacturers, distribution and warehousing – have found locations on the metropolitan fringe and with easy access to the metropolitan freeway network to have lower operational costs (rents, transport, flexibility of land-use etc).
- The skills of the accessible labour-force have not been suitable for advanced manufacturing activities, compared with other areas in Melbourne (Mulgrave, Clayton, Port Melbourne etc).
- The building stock and wider environment have not been attractive for advanced manufacturing and research enterprises. These firms must compete to attract skilled staff and prefer areas with high cultural and/or environmental attributes, including vibrant activity centres, knowledge precincts or parkland. Darebin has been unable to package its attributes to attract firms in these sectors.

Notwithstanding the trends for decline, Darebin retains a large and diverse industrial sector.

Industrial activity is concentrated principally in the three core industrial areas of Reservoir, East Preston and Fairfield/Alphington, although with a variety of small and medium-sized (secondary) industrial areas scattered throughout the southern half of the municipality.

## 3.2 Demographic Shifts

In line with broader trends, the Darebin labour-force is shifting to occupations in service industries. However, the rate of change in Darebin has been faster than for Melbourne as a whole.

The socio-economic divide between the north and south of the municipality is widening.

The labour-force of the **southern** parts of the municipality (the Northcote Statistical Local Area) have much higher qualifications and skills than the metropolitan average:

- House prices in this area are up to 50% more than the metropolitan average and prices have increased at a more rapid rate than both Melbourne as a whole and the northern part of the municipality.
- People in this area are much more likely to work in Inner Melbourne than in Darebin, and in skilled service industries.

The labour-force of the **northern** parts of the municipality (the Preston SLA) has lower qualifications and skills than the metropolitan average:

- House prices in this area have risen faster than the metropolitan average over the past nine years, but actual prices have only recently achieved parity with the metropolitan average.
- People in this area are slightly more likely to work in Darebin than in Inner Melbourne, and in blue collar and routine service industries.

Both parts of the municipality have high unemployment (over 10%), and this is a real concern given the sustained period of economic growth the Australian economy has enjoyed.

In the second half of the 1990s, following an extended period of relative decline, Inner Melbourne experienced a period of renewed investment in economic activity. This resurgence has been driven by broad economic changes and a concern on the part of city decision-makers to ensure that Melbourne can compete on an international scale for economic activity. Private investment in telecommunications, business services and entertainment has been intense. There has also been major public investment in cultural activities and improvements in lifestyle attributes. As a result there are more jobs and a higher demand for living space.

This development in Inner Melbourne has rippled outwards, with increasing demand for housing in middle suburban areas such as Darebin.

The southern parts of the municipality especially have experienced an influx of families with workers in the booming Inner Melbourne service economy. Existing workers in the area have also benefited from these jobs.

A wave of housing renovations and redevelopments has been the most visible sign of a new affluence in many parts of the area. Unfortunately, this has not led to major investment in new economic activities in the municipality either to take advantage of the change in local skills or to provide services to new or newly affluent residents.

### 3.3 Conclusion

Whilst change is happening, the transition to a service-oriented economy is not being effectively managed; Darebin is not “surfing the wave” of economic and social change. The new social dynamic is not leading in any major way to investment in enterprises that could take advantage of those changes.

Darebin’s industrial areas cannot compete with greenfield sites on the freeway network for land-extensive manufacturing firms. If the industrial areas are to retain a successful role providing skilled employment, they need to compete for smaller advanced manufacturing firms. These must be supported by a strong local business services sector, including research and development.

A strong local business services sector, including research and development is attracted by an excellent environment including elements such as:

- attractive buildings
- a vibrant local culture
- diverse high quality living environments for workers
- a first-rate reputation

The success of the industrial areas therefore depends to some extent on the success of local living environments; on providing a range of high quality housing choices and residential areas, as well as exciting activity centers.

These conclusions, along with the principles identified in the previous section, inform the zoning guide outlined in the following section.

## 4 INDUSTRIAL DEVELOPMENT GUIDE

There is a need to retain industrial land and zoning to accommodate many hundreds of industrial enterprises and to protect their ability to function effectively into the future. However, some small industrial areas are no longer performing well, either because they are substantially vacant or because their continued industrial use restricts the development of a high quality urban environment. In a limited number of areas, there may be the opportunity to encourage the development of an innovative mix of industrial, commercial and housing uses.

Other areas are comprised of isolated industrial fragments, no longer suited to industrial use due to their location or the layout and condition of the building stock. Where suitable, employment generating uses should be encouraged with some areas adaptable to a mixture of commercial and residential use.

The future zoning should also recognise the need for smaller service industrial areas to provide convenient local business and resident services.

### 4.1 Industrial Land Hierarchy

A hierarchy of industrial areas exists within the City of Darebin. These range from the **Core Industrial Areas** which are identified as Darebin's longer term industrial centres providing a range of employment opportunities and services to the isolated Single User industrial areas which cater to one or two major industries but do not form part of an industrial precinct. Between these extremes are the **Secondary Industrial or Employment Nodes**, and the **Local Service Business** areas, both important as providers of local jobs and services for the surrounding residents.

The hierarchy can be used to indicate the role and function of each individual locality. By differentiating core industrial areas and secondary industrial areas Council can provide developers and residents alike with a degree of certainty for the future and provide a rationale for the issue of permits encouraging new industry to locate in the most appropriate areas for their long term ongoing security of tenure and operation.

By modern standards of industrial development some of Darebin's industrial areas may appear small and isolated. However, where they are identified as industry/employment nodes they should be retained and protected from attrition and compromise. Because of the small size of these areas, an incompatible use potentially undermines the functioning and efficiency of the entire precinct thus compromising the viability of the area and putting at risk the existing surrounding industries.

Other areas are identified as "Employment Centres" in this Strategy and rezoning is recommended in specified instances to accommodate a broader range of uses.

Limited areas of Darebin's industrial stock have been acknowledged as no longer suited to industrial use and it is recommended that they be rezoned to a variety of zones including both residential and business zones.

#### 4.1.1 Core Industrial Areas

The Core Industrial Area designation delineates the long term industrial or employment precincts within Darebin. Three Core Industrial (and Employment) Areas have been identified in the City of Darebin at:

1. Reservoir
2. East Preston
3. Fairfield/Alphington

These areas are Darebin's major employment areas providing both skilled and unskilled job opportunities, generating export revenue and providing services to the local population and to the wider community both in Victoria and interstate.

In Core Industrial Areas industrial uses and associated compatible land uses would be encouraged as the primary activities with Council ensuring any new uses support the function and role of these areas.

Industrial uses will be required to maintain a high level of design and amenity and should particularly address any adjacent more sensitive land uses. Where the interface is with a more sensitive use, particularly residential use, care must be taken to ensure the minimisation of off-site impacts.

#### 4.1.2 Secondary Industrial/ Employment Nodes

Four Secondary Industrial/Employment Nodes have been identified. These nodes are:

1. Normanby Avenue
2. Northcote West (Arthurton Rd)
3. Northcote Central (Arthurton Rd)
4. High Street (North Preston – Regent)

These areas are smaller than the Core Industrial Areas and tend to reflect Darebin's industrial past of clustering

industry on the creek and close to the rail line. Whilst the first two of these areas are isolated creek-side developments abutting established residential areas and are not ideally located by modern standards, they are never-the-less successful centres of industry and provide a valuable source of employment opportunities for the city.

Council recognises the historical development of some of its industrial stock, particularly in the southern portion of the municipality, and seeks to minimise conflict between industry and adjoining, often sensitive, land uses. Applications for industrial development must be cognisant of and sensitive to surrounding land uses.

Particular attention to the amenity of the surrounding residents must be considered when Council is considering any application for industrial development in these areas. Similarly, Council should consider the impact that intensification of residential uses on adjacent residential sites would have on the ongoing operation of the industrial area.

#### 4.1.3 Single Users Sites

Amongst the suburbs of Darebin are a few isolated, generally single user, industrial sites. These tend to be older industries established a number of years ago but zoned "Industrial" to reflect their use. They tend to be large sites and often employ a significant number of workers.

These industries are an important component of Darebin's economy and should be protected to ensure they remain viable.

Most have substantial investment in infrastructure on-site and supply a market beyond the City of Darebin, generally servicing Victoria, Australia and, in some instances, overseas. This means any relocation of plant can be an expensive option. If relocation was required, Darebin would generally have to compete against greenfield sites in industrial estates

in Melbourne's outer suburbs, inter-state sites or even off-shore locations.

Retention of employment opportunities is an important component of Darebin's Industrial Strategy. As such, these industries should be encouraged to remain, where feasible, with Council working with the industry to achieve a high level of amenity in the locality.

Where these industries are still successfully operating, it is proposed to retain the existing industrial zoning with a view to reviewing it if the tenant were to vacate and the buildings were determined to be no longer economically viable.

Other isolated sites, which can no longer function viably, are proposed to be rezoned, generally to reflect the surrounding zone.

#### 4.1.4 Service Business Areas

Traditionally a small business service centre would occur in neighbourhoods providing a location for the mechanic, builders yard or plumber etc to service the surrounding neighbourhood. Changing business practices have seen a decline in the owner-operator service business and tradesman with a move to agglomerated operations catering to a much wider catchment. These larger businesses are not well suited to neighbourhood locations and should be encouraged into designated industrial areas.

Nevertheless, local areas continue to cater to a neighbourhood need and should to be maintained throughout the municipality. However, as many of these areas have limitations such as poor access or inadequate parking, they should be encouraged to cater to locally focused businesses.

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## 4.2 Planning Scheme Controls

Land uses and the form of development are controlled through the Darebin Planning Scheme which sets out the uses permitted, and those prohibited, in various zones. The scheme also sets out the main criteria for assessing any development applications. This section gives an overview of the existing planning scheme controls and establishes a rationale for the proposed future zoning of the industrial areas.

### 4.2.1 Existing Zones & Planning Scheme Provisions

Currently the City of Darebin uses both Industrial 1 and Industrial 3 zones for its industrial areas. The purpose of the Industrial 1 zone is:

“To provide for manufacturing industry, the storage and distribution of goods and associated uses in a manner which does

not affect the safety and amenity of local communities.”

Industrial 3 is the former “light industrial” area and its purposes under the Darebin Planning Scheme are:

“To provide for industries and associated uses in specific areas where special consideration of the nature and impacts of industrial uses is required or to avoid inter-industry conflict.

*To provide a buffer between the Industrial 1 Zone ... and local communities, which allows for industries and associated uses compatible with the nearby community.*

To ensure that uses do not affect the safety and amenity of adjacent, more sensitive land uses.”

In the Industrial 3 zone both “Industry” and “Warehouse” require a permit to use the land while in the Industrial 1 zone no permit is required if it complies with the provisions of clause 52.10 of the Planning

Scheme, and does not adversely affect the amenity of the neighbourhood.

Clause 52.10 of the Planning Scheme is to “define those types of industries and warehouses which if not appropriately designed and located may cause offence or unacceptable risk to the neighbourhood”.

Threshold distances are set out for each type of industry or warehouse with exemptions from these minimum distances noted as well as which industry types require an assessment of off-site risk to people's safety to be undertaken.

Accommodation and shops are prohibited in both zones, and stand-alone office is restricted to 500 m<sup>2</sup> and is subject to a permit.

Darebin's Core Industrial areas are zoned Industrial 1 and buffered by Industrial 3 zoned land separating it from more sensitive land uses. Darebin has no Industrial 2 zoned land as this zone provides for potentially hazardous or offensive industries.

#### 4.2.2 Proposed Zones

##### **Core and Secondary Industrial Areas**

As an inner-ring, developed suburb, Darebin does not have large unencumbered and undeveloped industrial sites, particularly areas suited to industries that impact off-site.

The future zoning of Darebin's Industrial 1 zoned land must be considered given the constraints on industrial development and the desirability of protecting sensitive neighbouring uses. Concurrently, Council aims to protect existing industrial areas, specifically those identified as Core or Secondary industrial areas from intrusion from competing non-complementary uses.

It is recommended that the Industrial 1 zoned land in Darebin's three Core Industrial Areas be rezoned to Industrial 3 zone thus indicating Council's preferred form of development; specifically development which does not adversely impact on the amenity of surrounding areas.

In terms of planning scheme requirements, the recommended change of zone would require “industry” and “warehouse” to seek a permit from Council for the use of land for this purpose. All buildings and works currently require a permit and would continue to do so under the proposed change to zoning. The only land uses prohibited under the provisions of the scheme by the change in zone from Industrial 1 to 3 zone would be extractive industry, major sports and recreation facilities and a motor racing track.

This proposed change to the Industrial 3 zone would be expected to have minimal impact on employment opportunities or investment in the municipality. Darebin has limited vacant industrial land and the change in zoning precludes few uses permitted under the current zoning.

However, it does reinforce to prospective industrialists and developers that the City of Darebin is not a suitable location for land uses that would cause a nuisance or impact detrimentally on more sensitive land uses. The planning scheme provisions state that industry must not adversely impact on the amenity of the neighbourhood through the transportation of goods nor the appearance of materials stored on site nor through the emission of noise, artificial light, vibration, odour, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil.

The Industrial 3 zone underlines the importance of the amenity of the local community and the need for industry to address local amenity issues. Industrial 3 zoning requires industry to seek a permit from Council for the use of the land, thus

allowing Council the opportunity to assess the potential impact of a proposed use, determine whether that new industry and development is of a type, scale and form suited to its proposed location within a developed municipality and to impose any conditions necessary to protect neighbouring amenity. For example, Council may determine that an industry is not detrimental if certain conditions such as the hours of operation or route of heavy vehicles are restricted via a condition of a planning permit.

It is also recommended to apply Business 3 zone to some currently industrial zoned land, particularly the Northcote Central Industrial/Employment node and potentially in the East Preston Core Industrial area (subject to a further study).

The Business 3 zone allows industrial uses to continue to develop without a permit if they meet stringent conditions and setbacks designed to prevent them from impacting on residential or sensitive land uses. But the fundamental difference of the Industrial 3 and the Business 3 zones is that Office uses (over 500 square meters) are permitted in the Business 3 zone. This would allow the development of stand-alone office complexes to establish independently of any industrial usage. Accommodation and Shop are still prohibited uses in this zone.

The application of the Business 3 zone fundamentally allows the development of a greater office component within the precinct, which would diversify the uses of the area while retaining substantial employment opportunities.

### **Service Business Areas**

The City of Darebin recognises the need to maintain some opportunities for small localised service business areas throughout the city. Small pockets of Industrial 3 zoning currently provide a location for these activities. However, it is considered that industrial zoning should be used to indicate Council's preferred locations for industrial uses.

Therefore it is recommended that a Business 3 zone be used to provide for local service business opportunities.

The Business 3 zone allows land to be used for industry without a permit subject to various conditions including minimum setbacks. Because of the small size of these pockets it is unlikely that they would be able to comply with the conditions of the planning scheme and so development would require a permit. This allows Council the opportunity to assess the application to ensure the proposed use is suited to the location.

It is recommended that the existing isolated pockets of Industrial 3 zone be assessed on individual merit and, where appropriate, be retained for local service business use under a Business 3 zone. Where these areas are no longer functioning or particularly inappropriately located, they should be rezoned, generally to reflect surrounding zones and land uses.

### **Single Users Sites**

These sites have been identified as being inappropriate for industrial use because of a variety of factors including isolation, inadequate access etc. However, Council recognises that the continued successful operation of the industry is important to Darebin's economy.

Therefore, it is recommended that the current zoning remain in place on these sites. It is also recommended that Council work with these industries to ensure that any off-site impact of their operations is minimised.

The zoning of these areas could be reconsidered if these industries were to relocate and the premises could not be utilised for less detrimental economic use.

**Council should consider the Decision-Making Framework established in Section 6 of this report when assessing planning applications.**

## 4.3 Zoning Strategy

The following table provides the zoning strategy for industrial land in the City of Darebin. Note that this table does not address individual lots and there may be minor variations and exceptions to the zoning indicated on the accompanying table. Individual and isolated industrial pockets will be assessed on a case by case basis using the assessment criteria contained in this report. All properties being rezoned from industrial zones will attract an Environment Audit Overlay in accordance with Ministerial Direction 1.

### Industrial Zoning Guide

Map	Description	Current Zone/Use	Future Zoning	Land Use and Policy Direction
1	Reservoir	Industrial 1 & 3 Core Industrial Area	Industrial 3 Zone	Generally maintain the current land uses. Industrial policy required to address residential interface issues and to improve industrial urban design. Prepare Local Area Plan to guide development in this area. Rezone IN1 to IN3.
2	East Preston	Industrial 1 & 3 Business 4 Core Industrial Area	Potentially mixture of Business 3 and 4 zones retaining some Industrial 3 – subject to detailed study.	Rezone Industrial 1 zone to Industrial 3 in short term. Rezone to B4 west of Albert St and Stafford site on Chifley & Gower by homemaker center. Appropriate zone (to enable big-box retailing) around Bell St/Chifley Drive will leverage investment and allow industry to remain. Maintain buffers to residential uses ensure appropriate interface. Integrated Development Plan to guide development in this area and required to address appropriate zones. Investigate: <ul style="list-style-type: none"> <li>▪ extent of B4 zoning to allow for sale of bulky goods;</li> <li>▪ extent of B3 zoning to encourage mix of industrial and office uses;</li> <li>▪ marketing plan (if required) and staging plan for rezonings;</li> <li>▪ local traffic issues,</li> <li>▪ built form, urban design, height guidelines;</li> <li>▪ residential (particularly noise) and creek interface issues.</li> <li>▪ Integration/linkage of Northland and Homemakers Centre with future peripheral sales areas.</li> </ul>
3	Fairfield/Alphington	Industrial 1 & 3 Core Industrial Area	Industrial 3 Zone	Policy required to address residential interface issues, noise and traffic access issues. Rezone IN1 to IN3
4	Normanby Ave (Anderson St)	Industrial 3 Secondary Industrial Area	Industrial 3 Zone	This area has reasonable separation from housing, good exposure to main road; other employment uses could be considered. Small precinct vulnerable to erosion of integrity. Maintain existing zoning and existing boundaries to the Industrial precinct.
5	Northcote West (Arthurton-Rd)	Industrial 3 Secondary Industrial Area	Industrial 3 Zone	This area has good exposure to main road and should be retained. Good residential interface should be maintained. Small precinct vulnerable to erosion of integrity. Maintain existing zoning and existing boundaries to the Industrial precinct.

Map	Description	Current Zone/Use	Future Zoning	Land Use and Policy Direction
6	Gadd Street, Northcote	Industrial 3 Single User site	Industrial 3 Zone	Two major land uses (Ensign and Joshua Pitt) currently operating with reasonable separation from housing and minimal traffic impacts. But old building stock, some purpose built would be difficult to reuse and not desirable to maintain industry in this location in the longer term therefore could be rezoned if major activity moves out.
7	Northcote Central (Arthurton Road)	Industrial 3 Secondary Industrial/ Employment Area	Business 3 Zone	Mix of activities. Any loss of major activities could trigger the need for a review: a Business 3 Zone could capitalise on the nearby activity centre allowing the development of office uses to complement the retail node and reinforce the role of Northcote and allow it to develop a "centre" rather than continuing "strip" style development. Retain as key area of business and employment opportunity.
8	Tram Depot, Plenty Road	Industrial 3 Service Business	Business 3 Zone Residential 1 zone	Isolated pocket in Irene Street has poor access and no street profile to be returned to residential zoning. Plenty Street frontage mixed uses to continue under Business 3 zoning.
9	Preston North	Industrial 3 Peripheral sales and local industries Secondary Industrial/ Employment Area	Business 3 Zone	Rezoning to Business 3 would allow the development of office uses in this area and also would allow continued use for peripheral sales. Business 3 would complement the zone to the south, recognise existing activity and allow for more diverse development.
10	The Junction (High St – Plenty Rd)	Industrial 3, Business 1 and Business 2 zones Mixed Use Area	Subject to Junction Integrated Development Plan	Integrated Development Plan prepared to develop a vibrant mixed-use area. Policy to provide guidelines for future redevelopment. Encourage amalgamation of holdings to promote larger scale developments. Refer Junction Integrated Development Plan (see Appendix 4)
11	Oakover Road	Industrial 3 Mixed industrial area	Residential 1 Mixed Use Zone	Some buildings nearing end of economic life. Good location adjacent to park and public transport. Transitional area with some industry still viable. Potential for innovative housing and small office development but need to consider impact on remaining industry when considering applications. Design guidelines to ensure good quality redevelopment.
12	Windsor Smith, St Georges Road	Industrial 3 Single User Site Windsor Smith factory	Assess zoning on departure of current use. Possibly residential/office mix.	Single site would be poor location for new industrial activity. Ensure residential amenity standards are met.
13	High Street - Northcote and Thornbury	Pockets of Industrial 3, Business 1 and Residential 1 zones. Mixed commercial and residential uses	Subject to High Street Development Plan	New zoning would better reflect the existing uses and preferred future development. Mixed area with Business 1 on west and Industrial, business and residential uses on east side of High Street. Prepare a High Street Integrated Development Plan to guide redevelopment of this area. Need to address issues of land use, built form, traffic, retail hierarchy, height controls and urban design. Integrate with the review of the Retail Strategy and the Integrated Travel Plan. Study to extend from Merri Creek to Regent.
14	Westgarth Industrial Area	Industrial 3 Mixed Use zone (Kennedy-Taylor) Active industrial pocket but with large vacancies	Business 2 Residential 1 (2 High St)	Significant pressure for residential redevelopment could be accommodated through Business 2 Zone to capitalise on nearby activity centre and allow mixture of office and residential uses. Good location for higher density residential with proximity to city, employment opportunities, public transport and local retail and community facilities. Gateway location with high profile sites. Prepare Local Policy to guide development of significant sites to ensure future development addresses urban design issues associated with high profile sites.

Map	Description	Current Zone/Use	Future Zoning	Land Use and Policy Direction
15	St Georges Road-& Merri Parade	Industrial 3 Mixed uses, commercial, industrial, residential	Residential 1 Business 2	Good redevelopment opportunities. Gateway site needs to be addressed accordingly when redeveloped. Significant residential use currently.  Prepare Gateway Policy to guide development of significant sites to ensure future development addresses urban design issues associated with high profile sites.
16	Heidelberg Road & Westfield St	Industrial 3 Mixed uses fronting Heidelberg Rd. Residential behind.	Business 3 Zone Residential 1 Zone	Need to revise zoning as does not correspond with built form. Good road access and exposure although access/safety issues with Heidelberg Road. Need to ensure residential amenity is retained for surrounding residents. Business 3 zone on Heidelberg Rd, Residential 1 north of Albert St.
17 a & b	Heidelberg Road pockets	Industrial 3 Mixed & unsuitable uses	Residential 1 & Business 3 and Business 4	Each pocket assessed individually and a zoning strategy applied to reflect longer term preferred zoning rather than existing uses. Zoning to consider land uses to the south in the City of Yarra. Urban design guidelines to improve Darebin's image on this main route.
18	High St, Northcote, Town Hall Area	Industrial 3 Variety of small commercial uses	Business 2 Residential 1	Landmark site on top of Ruckers Hill with extensive Melbourne views. Consider office or residential uses in context of Retail Strategy. These uses would support Northcote Town Hall precinct bringing more people to the area. Guidelines for the development of these sites to be addressed in the High Street Integrated Development Plan where height and bulk issues will be considered.
19	Separation Street, Northcote	Industrial 3 Mixed manufacturing and wholesaling	Industrial 3, Residential 1	Industrial pocket in residential area. Narrow street, poor access. Opportunity for rezoning land south of Separation Street for medium density development. Ensure residential amenity maintained. Single User site to the north of Separation Street with NCI Group. Considerable infrastructure & employment should be protected from residential encroachment.
20	Central Preston	Industrial 3 Industrial and car parking	Business 1	Isolated industrial pockets adjacent to Preston train station and supermarket. Facilitates increased depth to Preston centre rather than spread along High St. Creates opportunity for larger business to establish.
No map	Isolated pockets, High Street, Plenty Road, etc	Mixed	Varied	Isolated pockets of industrial land and service business areas need to be considered in context of their current use and appropriateness for the future. Zoning should reflect preferred development options. Also includes the rationalization of "remnants" adjacent to industrial areas (eg north-east corner Darebin Rd & Station St) Mixture of residential and commercial uses. Where local industrial function to remain use B3 zone.

## 4.4 Local Area Plans

Further detail on more complex areas will be required to guide not only land-use change but also:

- land-use conflict (and how new activities can be designed to minimise such conflict);
- how to maximise job creation and economic activity (whether that can be achieved through designing residential units for home-occupation, or through the provision of business units);
- traffic circulation, loading and parking;
- what activities would be desirable as part of a vibrant mix of uses;
- what streetscape works or other capital improvements are required to make the precinct work effectively.

Such a **Local Area Plan** need not be highly detailed, and should not involve a lengthy process. Rather, the plan should be worked through in conjunction with existing land-holders and occupiers to arrive at some clear and general principles to guide development, as well as a preferred traffic and circulation plan.

## 4.5 Contributions to Development

Council recognised the need to seek contributions toward the cost of the provision of social and physical infrastructure incorporating the following strategy into the Municipal Strategic Statement in 1999:

*“Measure the impact of new development and, where appropriate, require developers to contribute to additional or augmented social/physical infrastructure.”*

Council now needs to consider the range of mechanisms available to attract contributions for the renovation of streetscapes, provision and upgrading of social and cultural infrastructure and the development of an attractive and sustainable environment.

Traditional industrial areas have poor or no green space and a very low level of amenity with streetscapes dominated by the provision of overhead services, parking, storage of materials and waste storage and no setbacks.

Redevelopment of identified redundant industrial buildings and areas is expected to yield considerable dwelling opportunities and increase residential densities. Redevelopment of industrial sites/areas for office purposes can also have a similar impact on local services introducing potentially substantial workforces who require access to local facilities and a higher level of amenity. Some of these sites present substantial development opportunities and this will lead to an increase in demand for existing facilities and perhaps, where a demographic is substantially impacted, may result in a demand for new facilities.

If more sensitive uses are to be permitted in some of the industrial areas, then Council will have to improve the level of amenity in these areas.

Works necessary may include improvements such as:

- Provision of parkland/green spaces or upgrading of nearby parks
- Planting of street trees
- Undergrounding (or overhead bundling of cable) of power supplies
- Rationalization of street poles
- Roadworks – eg traffic management works
- Community and multi-cultural facilities
- Expansion/construction of social infrastructure such as maternal health, aged care, child-care facilities etc.
- Improvements to sewerage and drainage systems.

Improvements such as the upgrading of a child care facility would have a benefit to a segment of the wider community whereas the benefit of planting of street trees would be confined to a more immediate locale.

Substantial upgrading of the existing infrastructure will be required if Council allows the conversion of some industrial areas for non-industrial uses.

Ultimately the responsibility and thus the cost for upgrading this infrastructure rests with Council.

Council can seek contributions from developers and the community to fund these improvements via a number of techniques as discussed below.

#### 4.5.1 Development Contributions Policy

In March 1999 Council adopted a Development Contributions Policy to give effect to an element of the Council Plan 1998 which was to ensure:

*“The planning and implementation of timely and relevant social, cultural and recreational policies and funding programs to meet the needs of the diverse Darebin community”.*

**Council’s Development Contributions Policy has two specific objectives:**

1. To address all relevant development contribution levy requirements as part of the development approvals process.

2. To apply an appropriate development contribution levy which, when tested, is found to be viable and feasible in accordance with legislative requirements and which satisfies the criteria of **Need, Nexus, Equity and Accountability**.

This policy recognised that infrastructure and services within the municipality catered to a level of demand determined by past development and that changes resulting from urban consolidation and the conversion of industrial buildings is impacting on the population patterns and the demand for facilities.

The policy identifies Development Contribution Plans and Section 173 Agreements as vehicles for requiring contributions and it points out that these contributions could be by direct provision (ie providing the land or constructing the facility) or by cash contribution.

#### 4.5.2 Negotiated Section 173 Agreements

Under Section 173 of the Planning and Environment Act Council may negotiate with developers for the provision of infrastructure or a contribution toward the provision of infrastructure. This is done as part of the permit process and the Section 173 is included as a permit condition.

Section 173 agreements are the most common mechanism to obtain development contributions in Victoria. Council planners assess a development application, determining the likely impact on community infrastructure and facilities and negotiate an appropriate contribution.

The benefit of Section 173 agreements is that it gives Council and the developers the scope and flexibility, by agreement, to move beyond the stringent rules and tests of the Development Contributions Act 1995.

### 4.5.3 Development Contributions Plans

The Planning and Environment (Development Contributions) Act 1995 provides for Councils to collect contributions or levies through an approved Development Contribution Plan (DCP) which would be incorporated into the Darebin Planning Scheme via an amendment.

Two components to Development Contribution Plans were identified:

1. **Physical Infrastructure**, payable up front for items such as roads, drains, open space or land for community infrastructure.
2. **Social/Community Infrastructure**, which included community meeting halls, pre-schools, maternal and child health, care centres.

An upper limit of \$450 per lot for residential development was applied to the Community Infrastructure levy. This means an apartment complex of 40 homes would only be required to contribute \$18,000 to infrastructure yet, in a small or isolated locality 40

additional homes may have a substantial impact on local services. Non-residential development could attract a development contribution of up to 0.25% of construction costs for community infrastructure.

The Department of Infrastructure and Darebin is part of a pilot project.

Development Contribution Plans have not been utilized by most Councils, probably due to their cumbersome nature and the onerous work required by Councils to introduce them.

A comprehensive impact analysis is required to inform the level of contributions that must address the tests of need, nexus, equity and accountability.

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### 4.5.4 Special Rate Levy

Section 163 of the Local Government Act 1989 provides for Councils to levy special rates and charges. These Special rates and charges may be levied on any specified area for the purpose of “*defraying any expenses*”. Special Rate Levies are currently used in some retail centres in the City of Darebin to help Council market and promote the local centre.

The use of a special levy would enable Council to direct the cost of improvements to the community that is considered to benefit. Costs for tasks such as the bundling of overhead cabling could then be defrayed amongst the wider community that would benefit from the improved streetscape and thus minimise the cost to any individual or company.

Special rate levies are advantageous in that they can be applied to a larger community benefiting from the improvements and are not restricted to individual developments as are DCP’s and Section 173 Agreements.

## 5 INDUSTRIAL DEVELOPMENT & DESIGN OBJECTIVES

A fundamental aspect to future industrial development in the City of Darebin is to ensure not only the location is suitable, but also to make certain the scale, form and type of development are appropriate.

In addition to the requirements of Clauses 33.03 and 34.03 of the Darebin Planning Scheme it is proposed that a policy to guide the physical form of any development, the landscaping, amenity (on-site and off-site) issues, access, and streetscape issues be introduced into the planning scheme.

It is recommended that the Industrial and Commercial Land Policy be applied to all industrial zoned land and land zoned Business 3 in the City of Darebin.

The Industrial and Commercial Land Policy would then be introduced into Clause 22 of the Planning Scheme, the Local Planning Policies section of the Darebin Planning Scheme.

An Industrial Policy will provide guidelines for the assessment of permit applications to ensure a high standard of development is achieved that is cognisant of the opportunities and the constraints of an inner ring suburb.

*Policy objectives **should include the following elements:***

- *The protection of the integrity of viable and sustainable industrial areas (core and secondary) from ad hoc intrusion or compromise from competing non-compatible land uses;*
- *Ensuring a high standard of urban design is achieved to improve the visual character, functioning and layout of industrial areas;*
- *The encouragement of existing industries to improve performance including adopting best practice techniques, improving the appearance of existing buildings and reducing off-site impacts;*

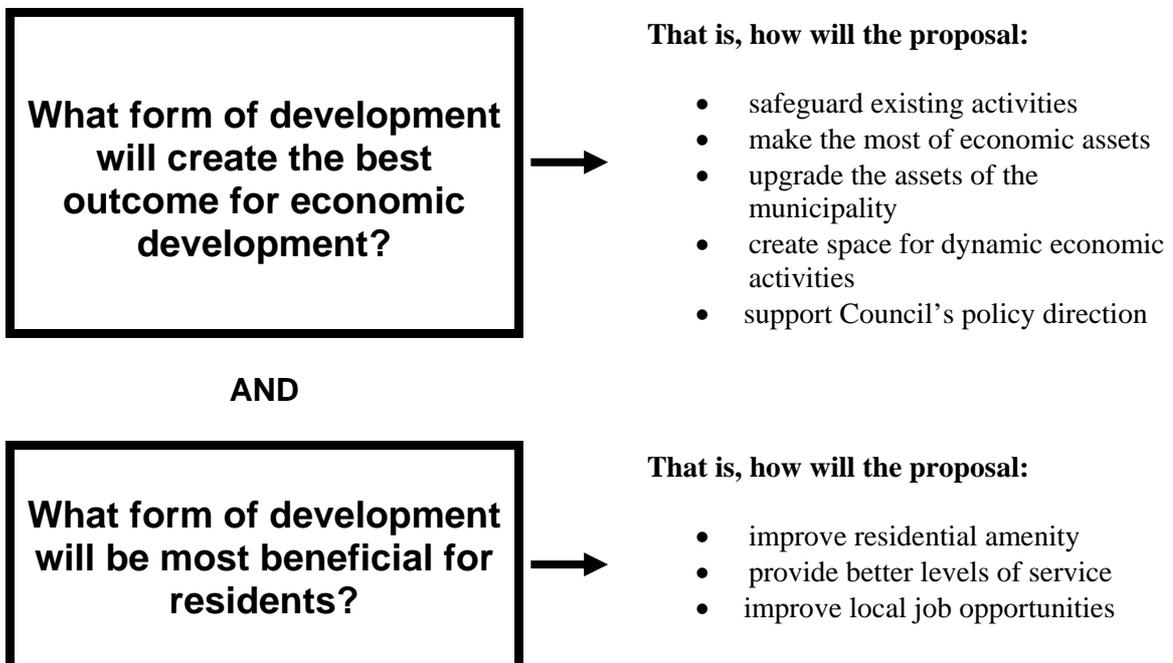
- *Minimisation of the impact on the amenity of surrounding residential areas from traffic, noise and emissions resulting from industrial land uses;*
- *To require the provision of suitable landscaping to improve the appearance of industrial and commercial areas;*
- *The reduction and minimisation of conflict between industrial and non-industrial land uses;*
- *The creation of and provision for a mix of local employment opportunities;*
- *The creation of a sustainable vibrant local economy providing a variety of both jobs and services;*
- *The facilitation of the transition of under-utilized sites and inappropriate industries to more suitable economic uses that provide choices in local employment;*
- *The encouragement of environmentally sustainable development that utilizes, where practical, best practice, energy efficiency, water reuse and recycling;*
- *Ensuring caretakers' dwellings do not adversely impact upon the primary use of the zone and to prevent caretakers' residences being developed for general residential purposes.*

## 6 A DECISION-MAKING FRAMEWORK

This section presents a framework to assist Council in decision making for rezoning applications and permit applications.

### 6.1 Principle Questions

When faced with a permit application or request for the rezoning of land, Council's should carefully consider the following questions:



The strategic intent of any decision should be, firstly, to retain appropriate land for economic activities, and secondly, to improve residential amenity and make best use of residential infrastructure. This implies that, even where continued industrial use may no longer be appropriate, that the use of the land for other economic activities should be tested.

In many cases, the decision will be relatively straightforward. However, in other instances, the issues will be less clear-cut.

A framework is provided to explore some of the issues in order to reach a decision. The example of a request for a change of use from industrial to residential is used. However, the framework can be adapted to other potential changes and for the assessment of permit applications.

The framework provides a starting point for the assessment of change. It is not intended to be definitive with each application presenting unique issues that can be added to this decision-making framework as required.

## 6.2 Rezoning Requests

The Industrial Land Use Strategy provides the framework for industrial development in Darebin over the medium term (the next 3 to 5 years). The implementation of the Industrial Land Use Strategy includes Council initiated rezonings in accordance with the preceding Industrial Zoning Guide (Section 4). Further rezonings will be necessary following completion of the subsequent studies identified in this strategy. Rezoning will also be

considered on the identified Single User sites if those users were to relocate.

Other than the relocation of Single User sites it is envisaged that there will be very limited rationale or strategic justification for the alienation of further industrial land.

Rigorous assessment of any request for rezoning should be undertaken by the Council in accordance with the principles established in this section.

### 6.2.1 Request for Rezoning – Industrial to Residential

Existing site characteristics			
Is the site vacant?	Yes	No	
Is the building vacant?	Yes	No	
Age and condition of building	Good	Moderate	Poor
Access to the site (loading, road widths etc)	Good	Moderate	Poor
Is the site coextensive with the zone? <sup>1</sup>	Yes	No	
Are there adverse impacts on surrounding uses?	Yes	No	

<sup>1</sup> Does the subject site cover the total zone area in that locality (both areas the same).

If the building is not vacant, can the applicant demonstrate why the rezoning is required? (eg. occupier soon to move).

Development interest		
How long has the site/building been vacant?	(months)	
Has the owner actively promoted the site to new owners or industrial tenants?	Yes	No
Is the site likely to be of interest to new industrial occupiers?	Yes	No
Is the site suitable for other economic activities? (Refer to MSS)	Yes	No
What is the attitude of the owner to use of the site for other economic activities	Positive	Negative

The site could be suitable for continued industrial or other economic activity if:

- It has good exposure to passing traffic
- It has good accessibility for commercial vehicles
- Any existing buildings are modern, with a high standard of construction
- The site is part of a larger industrial or commercial precinct
- There are likely to be minimal amenity conflicts with sensitive uses such as housing

## 6.2.2 Impact on Surrounding Uses

If the site is part of a larger industrial precinct, how will the rezoning proposal affect the future viability of that precinct?

<b>Viability of the Industrial Precinct</b>		
Will the proposed new residential development hide the other economic activities from main roads?	Yes	No
Will the entry to the industrial precinct be masked or impeded?	Yes	No
Will there be conflicts between residential/non-industrial and industrial traffic?	Yes	No
Will the new residents be affected by noise or other off-site effects from existing industrial occupiers?	Yes	No

If it seems likely that the proposal will seriously affect the viability of other significant economic activities, it should be refused. If a substantial part of the precinct is old and under-performing, a further option for the prospective developer could be to purchase sufficient land in the precinct to create a self-contained residential development that would not adversely affect the remaining economic activities. Piecemeal residential development should not be allowed to fragment coherent economic activity areas.

Council should have a consistent policy of protecting large industrial and employment precincts from residential encroachment. Industrial areas will only continue to function effectively if they are unconstrained by housing. The larger industrial precincts to be retained as economic activity areas are the **Core Industrial and Employment Areas** of:

- Reservoir
- East Preston
- Fairfield/Alphington

On the other hand, some smaller industrial precincts are well placed to evolve into a new style of business area, which can include housing as part of a dynamic mix of uses that will add to the vibrancy of the economic activity. These include areas such as:

- The Junction
- Westgarth

In these areas, residential and economic activities could be included within the same buildings, creating space for studios, workshops and home-based economic activity, as well as smaller self-contained business units.

<b>Improving residential amenity</b>		
Will change to residential development add significantly to the amenity of surrounding residents?	Yes	No
Will the proposed development support existing shops and community services?	Yes	No
Will the form of the development add to the attractiveness of the municipality for residents?	Yes	No

In some cases the replacement of an old industrial pocket, which may be vacant, by housing development will significantly improve the amenity of surrounding residents

and provide an increased residential population to support the surrounding retail and service businesses.

### 6.2.3 Planning Balance Sheet

This process can be used to develop a Planning Balance Sheet that sets out the costs and benefits of each proposal. The following examples are the partial application of the process to several rezoning proposals recently before Council.

**Example 1: Rezoning of factory to residential purposes**

Large vacant industrial building in the centre of a larger industrial zone.

Costs	Benefits
Likely to result in loss of amenity for other industrial users	More residents for the municipality, supporting shopping and community services
Likely to reduce the potential for further industrial investment	
Loss of main road exposure as an economic asset for the whole precinct	
Possible conflicts between residents and industrial users	
Fragments industrial precinct	
Few nearby residential services with residents needing to drive to nearest services	

In this case the costs outweigh the benefits and the rezoning proposal should be refused.

**Example 2: Rezoning of isolated industrial site**

Isolated industrial site with largely vacant premises, surrounded by residential development and parkland

Costs	Benefits
Loss of industrial land and potential economic activity	Land unlikely to be occupied by new industrial activity because of poor access and conflict with housing
	Improved security and amenity for surrounding residents
	Improved use of local shopping facilities and community infrastructure (parkland)
	Potential for a high degree of amenity for new residents because of excellent outlook

In this case the benefits outweigh the costs and the rezoning proposal should be granted.

**Example 3: Proposal to rezone an industrial site to a Mixed Use Zone**

Industrial building of 4,000+sq m within an industrial zone with main road frontage, to be developed for mix of business and residential purposes; other adjacent landowners have also expressed interest in rezoning from Industrial to Mixed Use.

<b>Costs</b>	<b>Benefits</b>
Loss of space for industrial activities (in an area with recent development of light industrial activity)	Business units proposed for main road frontage
Potential loss of amenity for existing industrial occupiers	Potential to begin transformation of this precinct into a vibrant economic activity and living area
Likelihood of loss of industrial activity in the surrounding precinct	Additional support for local shops and community services

In this case, the costs and benefits of the rezoning proposal are finely balanced. On the one hand, there will be a loss of potential for new industrial activity and existing activities may be challenged by the development.

On the other hand, there is unlikely to be demand from a significant industrial activity to locate in this old building; and there is potential to transform the precinct into a mixed use activity area which could generate space for new businesses in growing economic sectors (and for which residential units may provide necessary support).

Because of the fine balance of costs and benefits, it would be beneficial to prepare a *local area plan* to address the issues and the longer term future of this area in more detail (refer Section 4).

Where an area or site is to be rezoned from an industrial zone to any non-industrial zone (Business 1, 2 or 3, Residential or a Mixed Use zone or any zone which allows more sensitive land uses) the rezoning must be accompanied by an Environment Audit Overlay in accordance with Ministerial Direction 1.

## 6.3 Permit Applications

When permit applications for use of the land are lodged for discretionary uses, Council must consider the proposal in terms of its impact on the wider community, both industrial and residential.

The **Principle Questions** (Section 6.1) should be considered when determining a permit application to ensure the industrial area is not detrimentally impacted by the proposal and to determine how the proposal could be beneficial to nearby residents. These questions are set out in Section 6.2.2 “Impact on Surrounding Uses” which considers the impact of the proposal on the viability of the industrial precinct and how the proposal would improve residential amenity.

For example, a Child Care Centre is a discretionary use in the Industry 3 zone. If that facility were to be located in the centre of a vigorous industrial area it could compromise the continued operations of the surrounding industries and have only a limited benefit to nearby residents through

the provision of a service. However, if the child care facility were to establish on the edge of the industrial area there would be an improvement in amenity for surrounding residents by providing a buffer from industrial uses, there would be less traffic conflict and the centre could still service the needs of the industrial workers while having a lesser impact on the continued operation of the industries.

The concept of the **Planning Balance Sheet** can be applied to any application (rezoning and permit) and should be a fundamental tool in decision making as each proposal for the use or development of a site is weighed in terms of costs and benefits, both on-site and off-site.

## 7 CONCLUSIONS

Changes in the metropolitan economy, especially the growth of the knowledge sectors in inner Melbourne, have improved the level of economic development throughout Darebin, but especially in the southern half of the municipality, closest to the action. The wave of growth has created pressures for change in the economic geography within the municipality, especially in the replacement of old industrial premises with housing and smaller scale service industries. This reflects the increased demand for housing close to the rapidly growing economy of the inner city and the relatively poor demand for industrial development on constrained sites surrounded by residential areas.

This wave of change represents economic development in itself, as new and existing residents take advantage of skilled work in dynamic sectors of the economy, thereby increasing average household incomes.

**Council is faced with managing change for the benefit of the whole community.**

In particular, Council must respond to requests for changes to land-use zoning. Currently, the most requested change is for the turnover of industrial land to residential purposes. However, industrial land is an important source of jobs; and it may have the potential to become the location for other economic activities in the future (offices, shops, show-rooms etc). Furthermore, economic activities within the municipality are important because they provide work for people who may otherwise be disadvantaged in the labour-market (such as people who find it difficult to travel, part-time workers etc). Local activity can also improve the level of service to residents, making the municipality more attractive as a place to live.

**The current conjunction of economic growth and high demand is an opportunity to remodel the municipality for the future:**

- to encourage the upgrading of the building stock
- to provide sustainable job opportunities
- to strengthen the attractions of major industrial areas
- to ensure that space is provided for the most dynamic economic activities that will provide jobs in the longer term, including the development of new urban spaces that will encourage creativity (through a judicious mix of housing and business uses)
- to improve the residential amenity of the municipality, through better design and redevelopment of isolated and under-performing industrial sites.

If the Council can “surf the wave”, the municipality will be well-positioned to take advantage of future economic trends, providing a better standard of living for its residents.

Land-use planning is Council’s most important instrument (though not its only one) for encouraging a preferred future development pattern. As with any policy instrument in a mixed market economy land-use planning must work with market demands as far as possible, but show progressive leadership in areas where the market signals are mixed or where the market is not providing the required social outcomes.

## 8 RECOMMENDATIONS

1. That the key principles for the interaction of land-use policy and economic development be included in the Municipal Strategic Statement during its review.
2. That Council exhibit the necessary amendments to the Darebin Planning Scheme to give effect to the rezonings identified as necessary to implement the Industrial Land Use Strategy.
3. That Council exhibit an amendment to the Darebin Planning Scheme to introduce an Industrial Land Policy in accordance with this Strategy.
4. That Council prepare Integrated Development Plans to guide development of the following areas and to ensure a high quality urban environment is achieved:
  - The Junction (High Street and Plenty Road), Preston
  - East Preston Industrial Area (including Bell Street)
  - High Street Internodal/Regeneration Study (Merri Creek to Regent)
5. That Council work with any industry or business adversely affected by the implementation of the Industrial Land Use Strategy to assist them to improve the environmental efficiency of the business and reduce off-site impacts or to relocate to a more suitable location to ensure long-term viability.
6. That Council prepare a “gateway” policy to direct and control the urban design and built form at key entrances to the City of Darebin and high profile sites within the City.
7. That Council encourage landscaping and improvements to industrial and formerly industrial streetscapes in accordance with Darebin’s Green Streets strategy.
8. That Council investigate mechanisms for requiring development contributions to ensure the provision of adequate social and physical infrastructure is provided and to offset costs of transforming industrial streetscapes to business and residential quality streetscapes.
9. That Council produce an Industrial Design Guidelines brochure to assist Council and planners in achieving a high standard of industrial development.
10. That Council adopt a regular monitoring and review practice in conjunction with the triennial review of the Municipal Strategic Statement.
11. That Council investigate the establishment of a register of non-conforming use rights within the city.

## Notes

## APPENDIX 1 DESCRIPTION OF ZONES

To aid interpretation of the table illustrating the zoning strategy, the following brief descriptions of the relevant zones are provided. For more comprehensive descriptions please refer to the Darebin Planning Scheme.

The main purpose of the zones, as defined in the Planning Scheme, is:

### ***Industrial 1 Zone***

*“To provide for manufacturing industry, the storage and distribution of goods and associated uses in a manner which does not affect the safety and amenity of local communities”.*

### ***Industrial 3 Zone***

*“To provide for industries and associated uses in specific areas where special consideration of the nature and impacts of industrial uses is required or to avoid inter-industry conflict.*

*To provide a buffer between the Industrial 1 Zone or Industrial 2 Zone and local communities, which allows for industries and associated uses compatible with the nearby community.*

*To ensure that uses do not affect the safety and amenity of adjacent, more sensitive land uses”.*

### ***Mixed Use Zone***

*“To provide for a range of residential, commercial, industrial and other uses which complement the mixed-use function of the locality”.*

### ***Business 1 Zone***

*“To encourage the intensive development of business centres for retailing and other complementary commercial, entertainment and community uses”.*

### ***Business 2 Zone***

*“To encourage the development of offices and associated commercial uses”.*

### ***Business 3 Zone***

*“To encourage the integrated development of offices and manufacturing industries and associated commercial and industrial uses”.*

### ***Business 4 Zone***

*“To encourage the development of a mix of bulky goods retailing and manufacturing industry and their associated business services”.*

### ***Residential 1 Zone***

*“To provide for residential development at a range of densities with a variety of dwellings to meet the housing needs of all households.*

*In appropriate locations, to allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs”.*



The Table of Uses, following, is compiled from the Table of uses provisions of each of the zones in the Planning Scheme. It illustrates which land uses are as-of-right, which require a permit and those that are prohibited.

TABLE OF USES<sup>1</sup>

Use	Industrial 1	Industrial 3	Mixed Use	Business 2	Business 3	Business 4
Dwelling <sup>2</sup>	Prohibited	Prohibited	No permit required	Permit Required	Prohibited	Prohibited
Multi-unit dwellings	Prohibited	Prohibited	Permit required	Permit Required	Prohibited	Prohibited
Retail premises	Permit required	Permit required	Permit required	Permit Required	Permit required	Permit required
Shop <sup>3</sup>	Prohibited	Prohibited	Permit required	Permit Required	Prohibited	Prohibited
Bulk goods retail <sup>4</sup>	Permit required - must be at least 1000 m <sup>2</sup>	Permit required - must be at least 1000 m <sup>2</sup>	Permit required	Permit Required	Permit required - must be at least 1000m <sup>2</sup>	Permit required - must be at least 1000m <sup>2</sup>
Office	Permit required - limited to 500 m <sup>2</sup>	Permit required - limited to 500 m <sup>2</sup>	Permit required	No permit	Permit not required	Permit required - limited to 500 m <sup>2</sup>
Warehouse	No permit	Permit required	Permit required	Permit Required	Permit not required	Permit not required - subject to conditions
Industry <sup>5</sup>	No permit	Permit required	Permit required	Permit Required	Permit not required - subject to conditions	Permit not required - subject to conditions

<sup>1</sup> There are a number of exceptions to the above table (for example Adult Sex Bookshop is generally dealt with separately although it does fall into the category of Shop and Retail Premises) and thus it is intended as a guide to the intent of the Industrial Zoning Guide.

<sup>2</sup> Dwelling excludes Caretakers dwelling

<sup>3</sup> Excludes Convenience shop

<sup>4</sup> Defined as Restricted Retail and includes uses such as automotive parts and accessories, camping equipment, lights, floor coverings, furniture, household goods, pools, office supplies, equestrian supplies, videos, etc

<sup>5</sup> Generally excludes extractive industry.

1	Reservoir
2	East Preston
3	Fairfield/Alphington
4	Normanby Avenue
5	Northcote West (Arthurton Road)
6	Gadd Street, Northcote
7	Northcote Central (Arthurton Road)
8	Tram depot, Plenty Road
9	Preston North
10	The Junction (High Street & Plenty Rd, Preston)
11	Oakover Road
12	Windsor Smith, St Georges Road
13	High Street Northcote & Thornbury
14	Westgarth
15	St Georges Rd & Merri Parade
16	Heidelberg Road & Westfield Street
17a & b	Heidelberg Road
18	High Street, Northcote
19	Separation Street, Northcote
20	Preston Central

## APPENDIX 3 REFERENCES

**Municipal Strategic Statement**, City of Darebin, 1999

**Council Plan(s)**, City of Darebin, 1998 – 2004

**Economic Development Strategy**, City of Darebin, 1998/2002

**Linking Economic Development to Land-Use Planning – An Issues Paper**, Essential Economics, 1999

**Going Places – The Darebin Integrated Travel Plan**, City of Darebin, 2001

**Green Streets**, City of Darebin, 1995

**Darebin Creek Design and Development Guidelines**, David Lock & Assoc, 2000

APPENDIX 4 EXECUTIVE SUMMARY - THE JUNCTION  
INTEGRATED DEVELOPMENT PLAN

# The JUNCTION

## INTEGRATED DEVELOPMENT PLAN

Adopted by the City of Darebin  
19<sup>th</sup> December 2001



**Prepared by Pinnacle Property Group Pty Ltd. in conjunction  
with KLM Gerner Consulting Group and the City of Darebin  
December 2001.**



# EXECUTIVE SUMMARY

## INTRODUCTION

The Junction Integrated Development Plan is to provide a framework for the review of the existing planning zones applying to the land under the Darebin Planning Scheme, with particular emphasis on the land zoned for industrial use and having regard to several large redundant sites central to the precinct.

The focus of the study area is the industrial zoned land in the area known as the Preston Junction, being the convergence of High Street and Plenty Road, Preston. More specifically, the area is defined as follows:

**To the north:** Bell Street (consideration has been given to the Business 2 and Residential 1 Zone land which front the south side of Bell Street).

**To the west:** The Epping Railway Line.

**To the south:** Dundas Street.

**To the east:** Industrial zoned properties between Plenty Road and Hotham Street, otherwise properties fronting the east side of Plenty Road.

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## 9 Current Land Use

Traditionally, the study area has comprised a predominantly industrial precinct, centred around the historic land use industries of leather tanneries, piggeries and associated industries including footwear, clothing and bacon curing.

Many of these uses are now redundant or obsolete in the area given the availability of more appropriately located and serviced industrial land, in particular, further north in the suburbs of Reservoir and Thomastown.

The study area lies at a transition point part way along one of Melbourne's longest, traditional strip centres.

## URBAN DESIGN

The cohesion of High Street that exists to the south of Dundas Street is lacking in the study area along both High Street and Plenty Road. Many properties along these frontages are of a tired appearance or poor presentation from an urban design perspective. Many of the buildings are heading or have reached the end of their economic and / or useful life.

The mixed use and industrial parts of the study area lack a distinctive identity and character in both the public and private realm. While the residential parts of the study area are quite discrete there is poor visual contrast between them and non-residential parts, with which they compete in terms of amenity and visual quality.

## STRENGTHS AND WEAKNESSES

The study precinct has a number of identified strengths and weaknesses:

STRENGTHS	WEAKNESSES
<p>Stable commercial base.</p> <p>Re-development opportunities</p> <p>Identifiable precinct..</p> <p>Excellent road, rail and tram access</p> <p>Existing residential base.</p> <p>Local shopping facilities.</p> <p>Demand for residential re-development.</p>	<p>Poor presentation of many properties.</p> <p>Existence of vacant and under-utilised sites.</p> <p>Pedestrian safety concerns.</p> <p>Poor land use interface between industrial and residential uses.</p> <p>Limited public car parking.</p> <p>Lack of connection to High Street shops south of Dundas Street.</p> <p>Isolated industrial activity within the precinct.</p> <p>Fragmented ownership.</p> <p>Poor streetscape amenity and aesthetics.</p>

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## MARKET ASSESSMENT

Demand for large-scale industrial uses is directed towards newer industrial precincts, which provide better linkages to customers and suppliers, modern industrial services and infrastructure, the opportunity to up-date premises and technology and allow scope for expansion.

Small-scale industrial properties within the area continue to operate successfully. This is supported by relatively low rents and occupancy costs in comparison to the newer industrial precincts in nearby Thomastown.

It is not presently viable to refurbish or construct larger scale new commercial space in the precinct. Residential re-development provides the major development opportunity for the precinct.

There is little demand pressure for larger scale office space that would necessitate the expansion of the Business 2 zone to provide for new office development within the study area, outside of the existing Business 2 zones.

## THE VISION

### **CORE RESIDENTIAL & COMMERCIAL RE-DEVELOPMENT AREA**

The large redundant industrial sites on High Street and Plenty Road in the south of the study area have the potential to provide comprehensive redevelopment opportunities for commercial and residential purposes.

The progressive replacement of the existing uses and vacant sites with new well-designed development should help to bring about a new perception of the intrinsic values of the area, such as its location advantages and provide the catalyst for a re-generation of the study area.

### **RESIDENTIAL PRECINCT**

Extend the existing residential areas, to include the addition of some of the fringe rail land and the conversion of the land on each side of Milton Crescent.

### **INDUSTRIAL PRECINCT**

Australia Post's site, and the industrial area at the north east portion of the study area, to be retained. Development controls that will protect the operations of Australia Post from encroachment of potentially sensitive aspects of residential development are proposed.

### **MULTI-USE PRECINCT**

Remaining areas of land zoned Industrial 3 and the Business 3 Zone portion of the Howe Leather site be established as multi-purpose precinct which will facilitate:

- Smaller properties along High Street and Plenty Road to continue to function as mix of small businesses and some residential.
- Possible conversion into showrooms on the main roads.
- Potential for limited residential premises, for example, shop top living.

## **10 Retail Precinct**

A strengthened retail precinct has been defined at the southern part of the study area, including the Otto Wurth and Safeway land, the Junction Hotel and the existing commercial properties on the west side of High Street.

## SPECIFIC SITES

Design guidelines are recommended for key sites and precincts including:

### Properties between Australia Post and High Street & between Raglan St, High St and Plenty Rd

- Opportunity for larger scale development comprising commercial, industrial and residential.
- Landscaped setbacks to frontages and setbacks at corners to enable feature specimen trees to be included.

Inclusion of buildings of up to six stories based on careful design and siting.

### Otto Wurth site

- Improve image of properties around the intersection.
- Opportunities to link surrounding retail components.
- Conversion of the car sales yard to a retail use that includes a small civic space.
- Better integration of the strata titled shops near Safeway and improving access into Safeway car park.

### Howe Leather

- Opportunity to use upper levels for residential.

### Land between Oakover Road and Warrs Avenue

- Opportunity for medium-density residential dwellings oriented northwards, with the rears providing car access to screen habitable areas from Australia Post operations.

### New on-street car parking for industrial uses

- Develop car parking areas at the entrances to residential streets such as Showers, Adeline and Gertrude Streets to protect residential streets from non-residential traffic and increase car parking capacity.

### Railway Place East

- Improve access to residential blocks by extending and widening Railway Place East.
- Residential development on land surplus to rail needs.

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## URBAN DESIGN

A range of urban design improvements have been identified. These extend across the public and private realm and could be introduced progressively, some as discreet projects and some in association with property re-developments.

## IMPLEMENTATION STRATEGY

### PLANNING SCHEME CONTROLS

The Industrial 3 zone is no longer the appropriate zone for most of the land within the study area. It is recommended that most of the land in the Industrial 3 zone be re-zoned to Business 2 zone.

This zone allows a wide range of uses to be approved, including offices, industry, residential and retail. Of all the zones that could be applied to facilitate a mix of uses, this zone would give Council the widest possible degree of discretion. In this regard it does not have the shortcomings of the Mixed Use Zone, in which a dwelling is a Section 1 (permitted) use.

It will be important to apply development criteria via a design development overlay. This will provide a flexible mechanism for introducing development guidelines within a schedule to the overlay for the critical sites. These guidelines should address details such as heights, setbacks and landscape treatments as detailed within Section 5.3.3 of the report.

## RECOMMENDATIONS

**A major conclusion of this study is that there is a need to amend Darebin Planning Scheme to facilitate land use changes to better meet the changed role of the area.**

### RECOMMENDATION 1

The recommendations of the Junction Integrated Development Plan be incorporated into and inform the review of the Darebin Municipal Strategic Statement (MSS).

### RECOMMENDATION 2

A Junction Area Local Policy be included in Clause 22 of the Darebin Planning Scheme to provide a comprehensive overview of the recommendations of the study and to provide clear direction for land owners, tenants and any prospective purchasers.

### RECOMMENDATION 3

The objectives of the Junction Area Local Policy are to:

- Enhance the existing commercial spine along High Street and Plenty Road by encouraging a mix of uses.
- Improve the amenity of High Street and Plenty Road.

- Improve linkages between Preston South Shopping Centre and the High Street shops south of Dundas Street.
- Encourage re-development of redundant industrial sites central to the policy area for commercial, and medium to higher density residential purposes.
- Consolidate and improve the amenity of existing residential areas.
- Improve safety, amenity and surveillance of the Bell Railway Station.

The Local Policy should include a map of the proposed precincts and further detail of the recommendations as listed within this report.

#### **RECOMMENDATION 4**

That Council initiate rezonings to rezone the land around the Junction in accordance with the Proposed Zoning Changes referred to in Figure 9, to implement this study. This generally includes:

- Core Residential and Commercial Redevelopment Area to Business 1 and Business 2 zones;
- Multi-Purpose Area along High Street and Plenty Road to Business 2 zone;
- Consolidation of existing residential areas through extending the Residential 1 zone around Milton Crescent and north of Oakover Road.

#### **RECOMMENDATION 5**

That Council initiate rezonings to rezone the industrial area on the east side of Plenty Road north of Osborne Street to Business 3 Zone in accordance with the recommendations of Council's Industrial Land Use Strategy.

#### **RECOMMENDATION 6**

That Council initiate rezonings to rezone the existing residential areas to Residential 1 Zone in accordance with the Proposed Precincts (refer Figure 7). This includes land north of Railway Place East, industrial land between Oakover Road and Esther Streets and land around Milton Crescent.

#### **RECOMMENDATION 7**

That Council consider permit applications in the context of this Junction Integrated Development Strategy and give particular attention to managing the transition of this area from industrial uses to more residential development to minimise potential conflicts.

#### **RECOMMENDATION 8**

That Council apply development criteria via a Design and Development Overlay to specified key development sites to require an appropriate form of development to be achieved across the area, as this is the most appropriate and flexible mechanism for introducing development guidelines for the critical sites.

### RECOMMENDATION 9

The overall design objectives for the Design and Development Overlay(s) should generally seek:

- To achieve high quality design outcomes for commercial and residential premises and to improve the visual amenity and image of High Street and Plenty Roads.
- To promote design excellence on landmark sites and for multi-storey buildings.
- To ensure the design of developments protects the residential amenity of existing dwellings and the operational requirements of existing businesses.
- To encourage the retention of the fabric of industrial buildings (or significant parts thereof) of heritage value within new developments.

The Schedule to the Design and Development Overlay should address details such as heights, setbacks, and landscape treatments, as outlined in Section 5.3.3 Urban Design, of this report.

### RECOMMENDATION 10

All new developments should provide a self-sufficient level of car parking and limit reliance on on-street car parking. The level of car parking provided however, may be tempered by proximity to local services and public transport.

### RECOMMENDATION 11

That Council undertake a feasibility study to investigate the potential to realign Railway Place East and improve the amenity and security of the area around Bell Train Station.

### RECOMMENDATION 12

An Environmental Audit Overlay be applied to all land proposed to be re-zoned.

### RECOMMENDATION 13

That Council adopt the following implementation schedule:

- *Darebin City Council to endorse report.*
- *Preparation of a planning scheme amendment including Design and Development Overlay and Junction Policy.*
- *Exhibition of the planning scheme amendment.*
- *Panel hearing (if required).*
- *Planning scheme amendment adoption (subject to any modifications resultant from the public consultation phase [exhibition] and Panel hearing).*
- *Development of a detailed urban design, plan, costings and budget.*
- *Implementation of works program by Council and provision of landscape features (for example, corner feature tree sites as part of private development projects).*



Општината Даребин изврши ревизија на целата земја што се користи за индустриски и стопански цели во Општината. Општината предлага да се воведат нови прописи со кои ќе се контролира земјата што се користи за индустриски и стопански цели. Општината исто така предлага да се променат активностите што се дозволуваат во некои подрачја за индустриски и стопански дејности. Ако сакате повеќе информации, ве молиме јавете се на Повеќејазичната служба на Општината (Council's Multilingual Service) на 9230 4353 и побарајте да зборувате со Крис Чил.

Ο Δήμος Darebin αποπεράτωσε μια επανεξέταση όλων των εκτάσεων γης του δήμου που χρησιμοποιούνται για βιομηχανικούς σκοπούς. Η Δημαρχία προτείνει να εφαρμόσει νέους κανονισμούς για τον έλεγχο αυτών των βιομηχανικών εκτάσεων. Η Δημαρχία προτείνει επίσης να αλλάξει τις χρήσεις που θα επιτρέπονται σε μερικές βιομηχανικές εκτάσεις. Αν θέλετε περισσότερες πληροφορίες μπορείτε να τηλεφωνήσετε στην Πολυγλωσσική Υπηρεσία της Δημαρχίας στο 9230 4353 και ζητήστε να μιλήσετε με τον Chris Cheal.

لقد أنهى مجلس بلدية داربين مراجعة كافة الأراضي المستعملة لأغراض صناعية ضمن البلدية، ويعتزم إدخال قوانين جديدة من أجل إدارة هذه الأراضي الصناعية، كما ينوي أيضاً تغيير الأعمال المسموح بها في بعض هذه الأماكن. فإذا كنتم توتون الحصول على المزيد من المعلومات يرجى ان تتصلوا بخدمة البلدية المتعددة اللغات على الرقم 9230 4353 وأن تطلبوا التحدث إلى كريس تشيل.

City of Darebin 已經完成了對本市內所有工業用地的復查。市政府擬引入新的法規來控制這些工業用地。市政府還打算改變在一些工業區允許開展的活動。如果您想瞭解更多的情況，請撥打市政府多語種服務的電話 9230 4353 找 Chris Cheal。

Il Comune di Darebin ha completato un riesame di tutte le aree del territorio municipale, adibite ad uso industriale. Il comune propone di introdurre delle nuove norme di controllo di queste aree industriali e propone inoltre di cambiare il tipo di attività permesse in alcune di esse. Se desideri ulteriori informazioni, telefona al Multilingual Service (Servizio Multilingue) del Comune al 9230 4353 e chiedi di parlare con Chris Cheal.

Thành Phố Darebin đã hoàn tất công tác tái duyệt tất cả đất dùng cho mục đích công nghiệp trong địa phận thành phố. Hội Đồng Thành Phố đề nghị áp dụng các qui lệ kiểm soát mới cho vùng đất công nghiệp này. Ngoài ra Hội Đồng Thành Phố cũng đề nghị thay đổi các hoạt động cho phép ở một số vùng công nghiệp. Nếu muốn biết thêm chi tiết, xin gọi cho Đường Dây Điện Thoại Đa Ngôn Ngữ của Hội Đồng Thành Phố điện thoại số 9230 4353 và xin nói chuyện với *Chris Cheal*.

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