

# **DAREBIN ECONOMIC LAND USE STRATEGY**

**Literature review**  
**Background Research**  
**Key Issues**

Prepared for City of Darebin

June 2012



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### Disclaimer

It is important to recognize that the projections contained in this report simply reflect the assumptions made. While the assumptions are based on an objective assessment of economic trends and their likely future dynamics, there can be no certainty that they will be realized. Spade Consultants Pty Ltd does not guarantee that this report is without flaw or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise for you relying on any information in this Report.



## **BACKGROUND, PURPOSE AND DIRECTION**

The Darebin Economic Land Use Study (DELUS) is intended to provide Darebin City Council (Council) with a comprehensive strategy that will include clear directions and strategies to support viable and efficient economic land use activities within the municipality.

The strategy will have a specific focus on industrial activity but also encompass retail, commercial and office based activity.

The DELUS comprises several specific stages, the first of which is a Literature Review comprising Background Research and an assessment of current local policies and adopted strategies in light of economic land use activities in the City of Darebin (Darebin).

The purpose of the Literature Review is to establish a context and level of understanding about the nature of economic activity across the municipality and to undertake a review of current policy settings within the Darebin Planning Scheme as well as the reference documents that support local policy.

The second stage is a summary of the Key Issues impacting on economic land use in the municipality including, where practical, the early identification of options that may be considered to address the issues.

The actual Strategy itself will provide an Economic Vision which sets out the goals and objectives for economic activity in Darebin and provide detailed analysis of economic activity areas including their current status, strengths and weaknesses, challenges and opportunities. The Strategy will consider options for the future and provide recommendations about future land use.

This report is structured as follows:

### 1. Background Analysis

- 1.1 Context; which provides a general overview of the human and structural characteristics of Darebin.
- 1.2 Snapshot of key data; which provides an overview of key social and economic data in Darebin and paints a portrait of the changing characteristics of the municipality.
- 1.3 Employment in Darebin; which provides an overview of the key employment locations in Darebin.

### 2. Literature Review

- 2.1 Darebin Planning Scheme; which provides an overview of those sections of the local planning scheme that relate specifically to economic activity and economic land use planning;



2.2 Planning Strategies; which provides a summary of the key planning strategies that inform the Darebin Planning Scheme.

3. Key Issues Paper

3.1 Introduction; which provides a structure as how to how the Key Issues are broken down;

3.2 Influencing Issues; which discusses a series of issues that influence, but don't direct, how economic land use decisions are and will be made;

3.3 Industrial Land Issues; which provides an overview of the key issues impacting on industrial land use in Darebin and the considerations and broad direction the Darebin Economic Land Use Strategy will take;

3.4 Retail and Commercial Issues; which provides an overview of the key issues impacting on retail and commercial land use in Darebin and the considerations and broad direction the Darebin Economic Land Use Strategy will take;

3.5 Other Issues; which considers some of the key issues in relation to public land use, particularly in regard to education;

3.6 Conclusion and next steps; which provides a general conclusion to Key Issues and an overview as to how the Darebin Economic Land Use Strategy will deal with deal with the issues raised.

Appendix A: Includes excerpts of relevant sections of the Darebin Planning Scheme



# **PART 1: BACKGROUND ANALYSIS**



## 1.1 CONTEXT

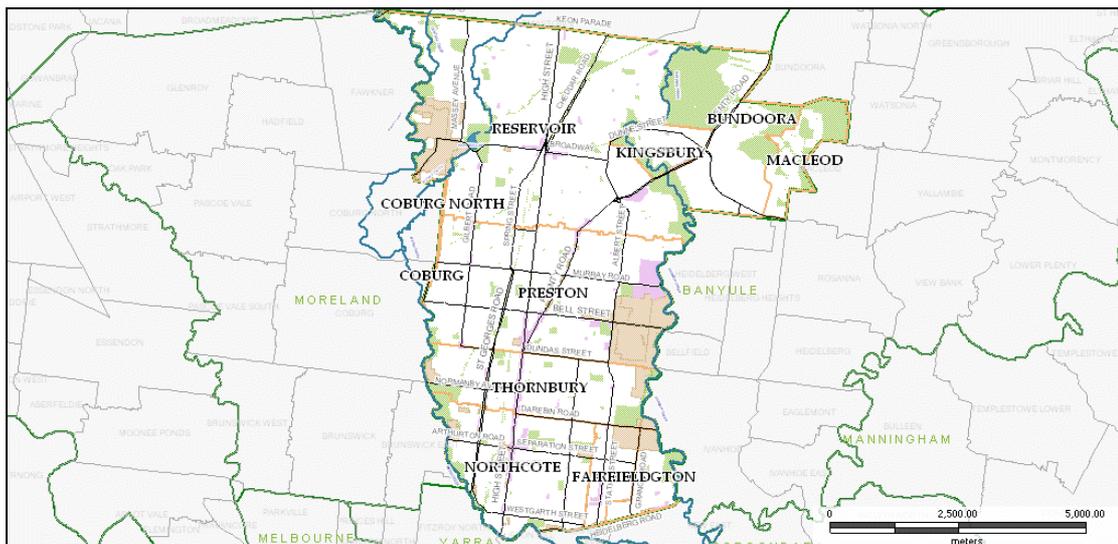
The City of Darebin (Darebin) is a municipality in Melbourne's north. It can be generally defined as being bounded by:

- Mahoneys Road in the north;
- Darebin Creek in the east;
- Heidelberg Road in the south; and
- Merri Creek in the west.

Darebin was established in 1994 following municipal amalgamations and covers an area of approximately 53 square kilometres. From north to south it stretches from what is regarded as inner suburbia (in the south) settled in the 19<sup>th</sup> century to areas of more recent development in the north at Mount Cooper and surrounds.

The municipality incorporates a number of well known Melbourne suburbs including Northcote, Thornbury, Preston, Reservoir, Alphington, Fairfield, Kingsbury and parts of Bundoora.

**Figure 1: Map of the City of Darebin**



Source: City of Darebin

Geographically, Darebin is best defined by its key north-south arterial roads - High Street, Plenty Road and St Georges Road – around which much of the city's activity is organised.

The city is comparatively well served by public transport with tram lines also focused on the north-south spines of High Street, Plenty Road and St Georges Road as well as Gilbert Road (which also runs north-south, west of St Georges Road).



With the exception of Plenty Road, which extends northward into the City of Whittlesea, trams generally extend to approximately the half way point of the municipality.

Darebin is also served by Melbourne's metropolitan rail network with the Epping line generally following the route of High Street through the full extent of the municipality. Another line dissects the south-east corner of Darebin and services the Alphington/Fairfield area.

As is typical across Melbourne, retail and commercial activity is concentrated in a linear arrangement along the key transport routes in the older suburbs while in more recently developed areas, stand alone centres of varying sizes tend to provide retail services.

This is most noticeable along High Street between Northcote and Preston where retail and commercial operations extend, in varying degrees of concentration, for a distance of around 5.4 kilometres<sup>1</sup>.

As the municipality progresses north the nature of retail and commercial services changes from a linear configuration to the more contemporary layout where centres tend to be supermarket based with car parking based on site. The most notable example is the Northland Shopping Centre in East Preston which commenced in the 1960's and has since expanded to become one Melbourne's larger stand alone shopping malls.

Industrial activity is focused around several key nodes (Reservoir, East Preston and Alphington) though, again betraying the area's history, there are also an appreciable number of smaller industrial clusters or stand alone sites dispersed throughout the municipality.

The municipality has undergone considerable changes over the past two decades as a result of so-called 'urban gentrification' which has seen a significant shift in the socio-economic make up of Darebin. This has been largely lifestyle driven and most noticeable in the older southern suburbs where older housing stock, proximity to Melbourne's Central Business District and availability of public transport have proved attractive to home buyers.

The result has been a substantial increase in property values, a shift towards high density forms of residential development and a changing emphasis in the retail and commercial mix towards lifestyle offerings, particularly in the area of food and beverage and other entertainment services.

It is noticeable that the socio-economic changes evident in the southern part of the municipality are gradually progressing north.

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<sup>1</sup> As a point of reference, the similarly elongated Sydney Road commercial spine which traverses Brunswick and Coburg is 4.2 kilometres.



## 1.2 KEY DATA

Some of the changes outlined in section 1.1 can be demonstrated through a review of key social and economic data.

### *Population*

Darebin has experienced significant population growth over the past 10 years growing from a population of 127,855<sup>2</sup> in 2001 to 141,791 in 2011. This represents an additional 13,936 persons at a rate of 1,393 per annum.

Recently updated population projections by the Victorian State Government – Victoria In Future 2012 (VIF 2012) – indicate that a similar rate of population growth is expected over the next 20 years with a further 30,800 residents to be added, an average of 1,540 per annum. This represents one of the higher expected rates of growth amongst Melbourne’s established area municipalities.

**Figure 2: Projected Population Growth in Darebin**

	<b>2011</b>	<b>2021</b>	<b>2031</b>
VIF 2012	141,800	157,500	172,600
id Consulting	142,940	158,940	173,394

Source: Victoria In Future 2012 (DPCD, id Forecasts (Darebin City Council))

As is evident in Figure 2, the VIF2012 projections compare closely with forecasts undertaken by id Consultants for Darebin City Council.

Translated into household requirements, VIF 2012 projects the need for an additional 14,700 households over the 20 year period, a rate of 735 per annum.

A growth in population of this magnitude will create additional demand for retail goods and services, other commercial activity, government and community services as well as the service industry sector.

### *Socio-economic profile*

Figure 3 provides a socio-economic snapshot of Darebin at the time of the last national census<sup>3</sup>. For comparison purposes, the Melbourne metropolitan average is provided in the right hand column. Key points can be summarised as follows:

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<sup>2</sup> ABS Cat No. 3218.0 (2010-2011 release)

<sup>3</sup> It should be noted that the results of the 2011 National Census are likely to be available from August 2012.



- Darebin is relatively older than the metropolitan average with:
  - A lower proportion of persons in the 0-14 and 15-24 age cohorts;
  - A higher proportion of persons in the 24-54 age cohort;
  - A higher proportion of persons in the 65 years and over age cohort.
- Darebin has a lower proportion of the population than the metropolitan average at primary and secondary school but a higher proportion at TAFE or university;
- A higher proportion of Darebin residents can speak a language other than English. By contrast a significantly lower proportion of Darebin residents speak only English;
- Household income levels are relatively lower in Darebin than the metropolitan average;
- Significantly higher levels of housing stock in Darebin are recorded as 'Owned' and as 'Rented'. In contrast a significantly lower proportion of dwellings are recorded as being purchased (subject to a mortgage);
- A significantly higher proportion of dwelling stock is recorded as 'medium density' in Darebin than the metropolitan average.



**Figure 3: Socio-economic profile**

City of Darebin 2006	2006		
	Number	%	Melb. %
<b>Persons</b>			
Persons	128,063	100.0	100.0
<b>Gender</b>			
Males	62,224	48.6	49.0
Females	65,839	51.4	51.0
<b>Age Structure</b>			
0-14 Years	20,910	16.3	18.8
15-24 Years	16,670	13.0	14.1
25-54 Years	58,996	46.1	43.9
55-64 Years	11,142	8.7	10.3
65 Years and over	20,345	15.9	12.8
<b>Education Institute Attending</b>			
Primary School	7,866	6.1	7.8
Secondary School	5,819	4.5	6.5
TAFE	3,016	2.4	2.1
University	8,131	6.3	4.8
<b>Proficiency in English</b>			
Speaks English Only	8,680	21.2	37.1
Speaks Another Language & English not well or at all	9,243	22.5	13.9
Speaks Another Language & English well or very well	22,623	55.2	48.0
<b>Employment Status (hours worked)</b>			
Full Time	35,670	59.6	61.0
Part Time	18,624	31.1	31.0
Unemployed	3,917	6.5	5.3
Not in Labour Force	15,306	29.7	25.5
<b>Qualifications</b>			
Bachelor or Higher Degree	22,947	21.4	19.6
Certificate Level	11,922	11.1	14.1
No Qualification	50,605	47.2	45.8
<b>Household Income (per week)</b>			
Nil to \$799	19,728	40.6	33.2
\$800 to \$1699	14,374	29.6	30.9
\$1700 or more	9,236	19.0	24.8
<b>Household Tenure</b>			
Owned	17,584	34.2	33.1
Purchasing	12,933	25.1	34.6
Renting	16,225	31.5	24.5
<b>Dwelling Structure</b>			
Separate House	33,597	60.8	66.1
Medium Density	16,279	29.5	19.6
High Density	1,292	2.3	5.7

Source: ABS, 2006 Census



At a geographic level, there is something of a socio-economic divide between the northern and southern halves of the municipality. The extent of the divide should not be overstated. It is not a gulf that necessarily points to serious social stratification within Darebin, but it is obvious enough to be of note when reviewing a range of economic and social measures such as income levels, education and qualifications and occupation.

At its simplest, these measurables can be demonstrated by examining data between the two Statistical Local Areas (SLA) within Darebin – SLA Northcote and SLA Preston. In reality however, the nature of socio-economic disadvantage within the municipality is not as simple as simply pointing to a north-south fracture. Rather there is something of a patchwork quilt loosely split between north and south but with notable and obvious exceptions.

A review of the SEIFA<sup>4</sup> Index for relative socio-economic disadvantage based on small area data demonstrates the patchwork nature of socio-economic distribution within Darebin but also underlines the strong bias towards greater disadvantage in the northern parts of the municipality.

The divergence in socio-economic measures is important in considering economic land use in terms of issues such as:

- accessibility to employment;
- ensuring there is a range of employment opportunities available; and
- ensuring community support networks and agencies are appropriately located;

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<sup>4</sup> SEIFA indices were developed by the Australian Bureau of Statistics from 2006 Census data. They are used to explore different aspects of socio-economic conditions by geographic areas. The concept of relative socio-economic disadvantage is neither simple, nor well defined. SEIFA uses a broad definition of relative socio-economic disadvantage in terms of people's access to material and social resources, and their ability to participate in society. While SEIFA represents an average of all people living in an area, SEIFA does not represent the individual situation of each person. Larger areas are more likely to have greater diversity of people and households.



**Figure 4: SEIFA Index of relative socio-economic disadvantage (Darebin)**

SEIFA Index of Disadvantage		
City of Darebin Small Areas	2006 SEIFA Index	Nominal Location North or South (N/S)
Northland Activity Centre	793.7	S
Reservoir (Oakhill)	883.9	N
Preston (East)	912.9	N
Reservoir (Cheddar)	915.6	N
Reservoir	918.4	N
Reservoir (Oakhill - Activity Centre)	922.3	N
Reservoir (Merrilands)	927.1	N
Preston Activity Centre	929.2	N
Reservoir (Edwardes Lake Activity Centre)	942.8	N
Preston	943.9	N
Reservoir (Edwardes Lake)	949.6	N
Kingsbury	964.9	N
<b>City of Darebin</b>	<b>971.6</b>	
Thornbury (East)	980.4	S
Preston (west)	982.3	N
Thornbury	995.2	S
Thornbury (West)	1017.1	S
Northcote Activity Centre	1020.4	S
Northcote (East)	1023.2	S
Northcote	1033.9	S
Fairfield	1035.3	S
Bundoora - Macleod	1039.3	N
Northcote (West)	1050.2	S
Alphington	1070.7	S

Source: ABS, SEIFA data 2006

There is also strong evidence of a changing socio-economic mix in Darebin with a growing proportion of the population possessing university degrees and other professional qualifications, working in management and professional occupations and having higher income levels than the metropolitan average. As noted, the trend has been particularly evident in the south of the municipality but, over time, appears to be moving in a northward direction, particularly along the High Street corridor.



The manifestation of this trend is largely borne out through median house prices which, while growing at a similar rate throughout the municipality over a ten year period, have reached values well above the metropolitan average in the southern and central parts of the municipality.

**Figure 5: Median House Prices (2000-2010)**

Suburb	Median House Price 2010	Median House Price 2001	Avg. Increase p.a. %
Alphington	1,000,000	347,800	11.14
Fairfield	810,000	272,000	11.53
Northcote	841,500	270,100	12.03
Preston	610,000	193,000	12.20
Reservoir	490,000	169,000	11.23
Thornbury	718,000	238,800	11.64
Lalor	380,000	148,000	9.89
Mill Park	400,000	172,000	8.81
Thomastown	415,000	152,300	10.54
Melbourne (Metro)	495,000	190,000	10.05

Source: A Guide to Property Values (2010), DPCD

As is evident in Figure 5, median house prices in the southern and central parts of Darebin are well above the metropolitan median while Reservoir in the north is almost identical to the metropolitan median. Notably, the median house price in Darebin's suburbs grew at a rate above the metropolitan average indicating relatively strong demand.

In contrast, suburbs to the immediate north of Darebin are below the metropolitan median and grew at a rate equivalent to the metropolitan average.

In short, median house price data suggests that purchasing a house in much of Darebin is a relatively expensive proposition, certainly by comparison with the metropolitan average. Median house prices themselves are a function of demand and supply and in Darebin's case represent strong demand operating in tandem with a limited supply.



### *Darebin's worker population*

In any major metropolitan area, there will be movement across municipal boundaries in terms of people travelling outside their municipality of residence for employment reasons. While self containment of employment within a municipality is a worthwhile objective, it is possible in metropolitan areas to work outside your residential municipality and travel a shorter distance than to travel to another part of the same municipality. Where people work provides a useful snapshot of the extent of containment as well as the travel patterns of the workforce.

The 2006 census recorded 40,154 persons as being employed in Darebin. Approximately, 29.3% of jobs<sup>5</sup> are filled by Darebin residents with Whittlesea and Banyule residents also prominent while Moreland, Hume and Nillumbik also provide significant contributions.

What is noticeable is the extent to which Darebin's workers come from Melbourne's central northern area. The 'regionalisation' of Melbourne's workforce is apparent across much of the broader metropolitan area.

**Figure 6: Areas of residence for workers in Darebin**

<b>Areas of Residence for Workers in City of Darebin</b>	<b>2006</b>	
	<b>Number</b>	<b>%</b>
Local Government Area		
Darebin	11,769	29.3
Whittlesea	5,929	14.8
Banyule	4,613	11.5
Moreland	2,499	6.2
Hume	1,898	4.7
Nillumbik	1,693	4.2
Manningham	1,548	3.9
Boroondara	1,168	2.9
Brimbank	976	2.4
Yarra	969	2.4
Moonee Valley	905	2.3
Whitehorse	691	1.7
Melton	446	1.1
Other Areas	5,050	12.6
Total People Working in City of Darebin	40,154	100.0

Source: economy id (Darebin City Council)

<sup>5</sup> This is noted in the Municipal Strategic Statement at Clause 22.02-1 of the Darebin Planning Scheme (which claims approximately one third of Darebin's workforce comprises Darebin residents).



A snapshot of Darebin's workforce force is provided in Figure 7. What is perhaps most noticeable is how closely the Darebin workforce accords with the metropolitan average. The most significant differences are:

- The median age of Darebin's workforce is older than the metropolitan average;
- Average individual income is lower than the metropolitan average; and
- A higher proportion of the workforce works in the manufacturing and retail sectors than the metropolitan average.

**Figure 7: Key Statistics of Darebin's workforce**

City of Darebin 2006 Key Statistics of the Workforce	2006		
	Number	%	Melbourne %
<b>Persons</b>			
Persons	40,151	100.0	100.0
<b>Gender</b>			
Males	20,694	51.5	52.4
Females	19,457	48.5	47.6
<b>Age Structure</b>			
15-24 Years	6,176	15.4	15.3
25-54 Years	28,038	69.8	70.5
55-64 Years	5,090	12.7	12.1
65 Years and over	847	2.1	2.1
Median Age		40.3 years	38.6 years
<b>Individual Income</b>			
Median Weekly Income		\$655	\$759
<b>Top 3 Industries</b>			
Manufacturing	6,649	16.6	13.5
Retail Trade	6,138	15.3	11.8
Education and Training	5,315	13.2	8.0
<b>Top 3 Occupations</b>			
Professionals	8,288	20.6	23.8
Clerical and Administrative Workers	5,572	13.9	16.9
Technicians and Trades Workers	5,426	13.5	13.2
<b>Employment Status (hours worked)</b>			
Full Time	24,979	62.2	65.9
Part Time	14,357	35.8	32.3

Source: economy id (City of Darebin)



*Where do Darebin's residents work?*

The other side of the equation is the question; where do Darebin's residents work?

Figure 8 provides the answer based on data from the 2006 census. As the data demonstrates, almost one quarter of Darebin's working population (55,903 persons) are employed in or close to Melbourne's Central Business District. Darebin itself accounts for a further 21.1% with Yarra (7.8%), Whittlesea (5.4%), Banyule, Hume and Moreland also significant.

Again, the analysis underlines the regional nature of employment within the metropolitan area. It should be noted that Northcote is approximately 5 kilometres from the central point of Melbourne's CBD and in that context represents an efficient commute in the metropolitan context.

**Figure 8: Where do Darebin's residents work?**

Areas of Work for Residents in City of Darebin	2006	
	Number	%
Local Government Area		
Melbourne	13,257	23.7
Darebin	11,769	21.1
Yarra	4,353	7.8
Not stated	3,007	5.4
Whittlesea	2,588	4.6
Banyule	2,491	4.5
Hume	2,445	4.4
Moreland	2,281	4.1
Victoria No Fixed Address	2,217	4.0
Port Phillip	1,788	3.2
Boroondara	1,592	2.8
Whitehorse	916	1.6
Brimbank	828	1.5
Moonee Valley	734	1.3
Stonnington	733	1.3
Monash	682	1.2
Maribyrnong	590	1.1
Other Areas	3,632	6.5
Total Resident Workers	55,903	100.0

Source: economy id (Darebin City Council)



*How many businesses are there in Darebin and how big are they?*

According to ABS data there are 10,509<sup>6</sup> registered businesses in Darebin. Given that some registered businesses are likely to be inactive or that some business operations may be home to several registered businesses the number of active business is likely to be significantly less than 10,000. Notably, over 6,600 registered business record 'no employees', though a significant number may be sole proprietors or home businesses.

Even so, the data relating to employment size provides an interesting insight into Darebin's business character and is broadly consistent with the metropolitan average.

Just 18 registered business in the municipality employee more than 200 persons, 30 between 100 and 199 persons and a further 87 between 50 and 99 persons.

**Figure 9: How big are Darebin's businesses?**

<b>Employment Size of Registered Businesses in City of Darebin 2009</b>			
<b>Number of Employees</b>	<b>Number</b>	<b>% of total</b>	<b>Melbourne % of total</b>
No Employees	6,619	63.0%	60.1%
1 to 4	2,490	23.7%	25.1%
5 to 19	1,060	10.1%	10.7%
20 to 49	205	2.0%	2.6%
50 to 99	87	0.8%	0.9%
100 to 199	30	0.3%	0.4%
200 or more	18	0.2%	0.2%
Total Businesses	10,509	100.0%	100.0%

Source: ABS, Australian Business Register 2009

Figure 10 provides a list of the top 20 employers in Darebin. Based on 2009 CLUE<sup>7</sup> data, La Trobe University is the largest employer in the municipality, followed by Darebin City Council, Bundoora Extended Care Campus, Northern Melbourne Institute of TAFE and the Department of Human Services. Retail and Education dominate the next group of employers and it is not until positions 19 and 20 that the manufacturing registers with Carter Holt Harvey and the Stafford Group<sup>8</sup>.

<sup>6</sup> At Clause 21.02-11 (Municipal Profile) Of the Darebin Planning scheme it is stated that "darebin is home to approximately 5,200 business"

<sup>7</sup> Census of Land Use and Employment

<sup>8</sup> It is understood that since CLUE data was recorded in 2009, the Stafford Group has shifted its manufacturing operations offshore.



**Figure 10: Top 20 largest employers in Darebin**

	<b>Trading Name</b>	<b>Number Employed</b>	<b>Industry Description</b>
1	La Trobe University Campus Central	2,045	Education and Training
2	Darebin Council Offices	1,327	Public Administration and Safety
3	Bundoora Extended Care Campus	430	Health Care and Social Assistance
4	NMIT	406	Education and Training
5	Department of Human Services	370	Health Care and Social Assistance
6	Bunnings	263	Retail Trade
7	Rydges	250	Accommodation
8	Australia Post	239	Transport, Postal and Storage
9	Coles - Northcote Plaza	210	Retail Trade
10	Yarra Trams East Preston	180	Transport, Postal and Storage
11	Coles	173	Retail Trade
12	Myer	165	Retail Trade
13	Woolworths	154	Retail Trade
14	Northcote District High School	150	Education and Training
15	Santa Maria College	144	Education and Training
16	McDonald's	142	Food and Beverage Services
17	ALDI Supermarket	134	Retail Trade
18	K-Mart	130	Retail Trade
19	Carter Holt Harvey	130	Manufacturing
20	Stafford Group Pty Ltd	120	Manufacturing

Source: Census of Land Use and Employment (2009)

*In what industries is Darebin's workforce employed?*

A review of the industry sectors in which Darebin's workforce is engaged provides an insight into the relative employment strength of different industry sectors.

Figure 11 demonstrates changes in employment by industry sector in Darebin between the 2001 and 2006 censuses and again between 2006 and 2009 when the Census of Land Use and Employment was undertaken. It should be noted that comparing census data (2001 and 2006) with the CLUE data (2009) is not a perfect comparison of 'like data' but does provide an indication of ongoing trends.



**Figure 11 Changes in employment by industry sector (2011-2009)**

Industry Sector (2006 ANZSIC)	2009 CLUE Data	2006		Change	2001	
		Jobs (no.)	% of total	2001 to 2006	Jobs (no.)	% of total
Agriculture, Forestry & Fishing	49	96	0.20%	9	87	0.20%
Mining	2	99	0.20%	13	86	0.20%
Manufacturing	5,111	6,790	16.90%	-1,813	8,603	22.00%
Electricity, Gas, Water Supply	83	36	0.10%	-10	46	0.10%
Construction	736	2,127	5.30%	38	2,089	5.40%
Wholesale Trade	2,133	2,853	7.10%	306	2,547	6.50%
Retail Trade	8,035	7,580	18.90%	121	7,459	19.10%
Accommodation, Cafes and Restaurants	3,364	1,364	3.40%	112	1,252	3.20%
Transport & Storage	618	1,056	2.60%	89	967	2.50%
Communication Services	438	695	1.70%	25	670	1.70%
Finance & Insurance	623	749	1.90%	19	730	1.90%
Property & Business Services	1,482	2,907	7.20%	12	2,895	7.40%
Government Administration & Defence	1,681	1,554	3.90%	739	815	2.10%
Education	4,915	5,266	13.10%	739	4,527	11.60%
Health & Community Services	4,715	4,122	10.30%	567	3,555	9.10%
Cultural & Recreational Services	653	862	2.10%	-7	869	2.20%
Personal & Other Services	1,890	1,575	3.90%	27	1,548	4.00%
Other	477	420	1.00%	133	287	0.70%
Total Industries	37,005	40,151	100.00%	1,119	39,032	100.00%

Source: economy id (Darebin City Council), ABS 2006 Census data, Census of Land Use and Employment (2009)

As is evident, there is a continuing decline in manufacturing as an employer with a decrease of several thousand jobs over the period and a proportional decline between 2001 and 2006 from 22% of all jobs to 16.9%. Of note, it is estimated that approximately 20% of those employed in manufacturing in 2006 were also residents of Darebin meaning that 80% of those working in manufacturing in Darebin live outside the municipality.

The decline of the manufacturing sector has been well documented in public discourse. Broadly, it is influenced by:

- Global and national factors:
  - Strong Australian dollar
  - Relatively high cost of labour (in comparison with alternative locations)
- Local influences:
  - Poor accessibility
  - High cost of land/high remediation costs



### **1.3 ECONOMIC ACTIVITY IN DAREBIN**

Economic activity and employment in Darebin can be described in both spatial terms and in terms of land use.

In terms of understanding employment by way of the underlying land use, economic activity can be thought of as comprising:

- Industrial land (consisting of a range of manufacturing, services, logistics, retail trade, wholesale trade and office activity);
- Business land (consisting of retail, restricted retail, services and commercial activity);
- Public Use land (consisting of health, government services and education)

Spatially, economic activity in Darebin is widely dispersed with much of the retail activity in the municipality following public transport routes and major roads and arranged in a traditional – and in Darebin's case a literal – High Street format.

Despite the somewhat eclectic dispersal of economic activity in Darebin it is possible to identify a number of obvious clusters. To the extent possible these are grouped according to their primary underlying land use.

#### **Industrial**

The need for and future of zoned industrial land is the primary issue to be considered in the DELUS.

Consistent with previous analysis of industry in Darebin it is possible to identify and group industrial land into several key types;

- Core industrial areas, which represent the principal areas of industrial activity;
- Secondary industrial areas, which represent smaller but still significant clusters of industrial activity; and
- Other industrial areas; which represent single industrial sites or small clusters of industrial activity.



**Figure 12: Industrial land area by location**

Area	Industrial 1 Zone (ha)	Industrial 3 Zone (ha)	Total industrial land (ha)
<u>Core Industrial Areas</u>			0
Reservoir	54.90	42.12	97.02
East Preston (EPIP)	58.29	72.66	130.95
Fairfield/Alphington		35.16	35.16
<u>Secondary Industrial Areas</u>			0.00
Anderson Road		7.74	7.74
Beavers Road		5.98	5.98
<u>Other Industrial Land</u>		18.15	18.15
<b>Total Darebin</b>	<b>113.19</b>	<b>181.81</b>	<b>295.00</b>

Source: Urban Development Program (2010), Department of Planning and Community Development, Spade Consultants, Pty Ltd

Total zoned industrial land in Darebin presently equates to 295 hectares. Three core industrial areas are evident at Reservoir, East Preston and Fairfield/Alphington.

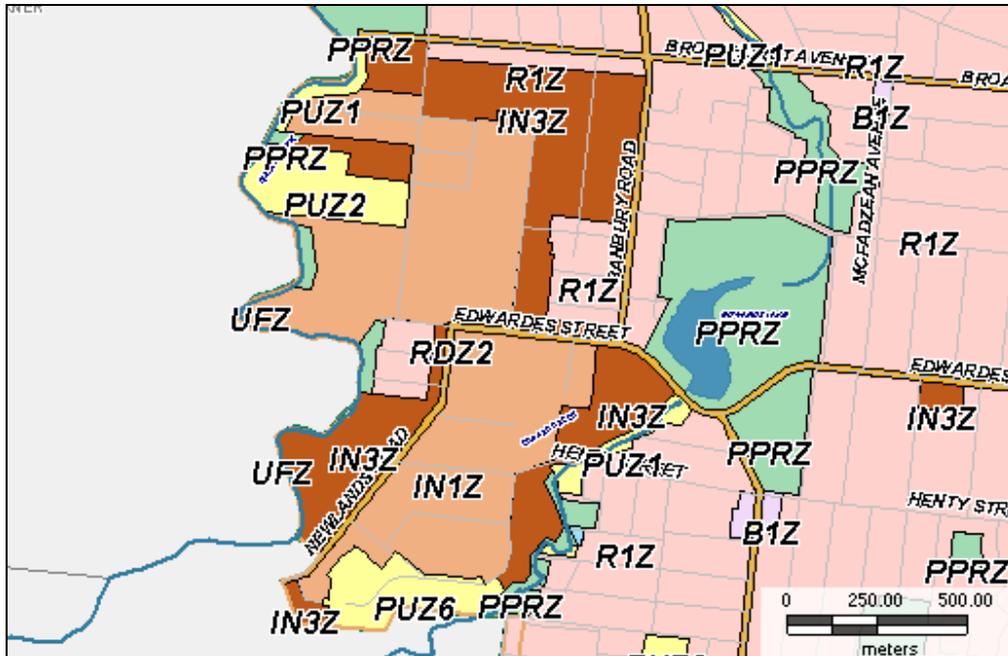
#### *Core Industrial Areas*

##### Reservoir Industrial Area:

The Reservoir Industrial area is located in the north-west of the municipality around the Newlands Road and Edwardes Street area. It comprises some 97 hectares of industrial land of which 54.9 hectares are in the Industrial 1 Zone and 42.12 hectares in the Industrial 3 Zone.



Figure 13: Reservoir Industrial Area



The Reservoir industrial area is typical of other industrial areas in Darebin in that there are several significant industrial premises (for example, Visy) and a large number of light industrial premises.

One of the most noticeable characteristics of the Reservoir industrial area is the potential for land use conflict with several pockets of residential land located within the industrial precinct and other residential uses directly bordering industrial land. The future of these interfaces, particularly residential land fully enclosed by industrial land is to be examined as part of the DELUS.

To the south, and located in the Public Use Zone 6, is a Council owned waste transfer station and depot.

Based on data from the 2009 Census of Land Use and Employment, the Reservoir industrial area is estimated to employ around 2,500 persons with manufacturing (1,501 persons) being the most significant industry sector.

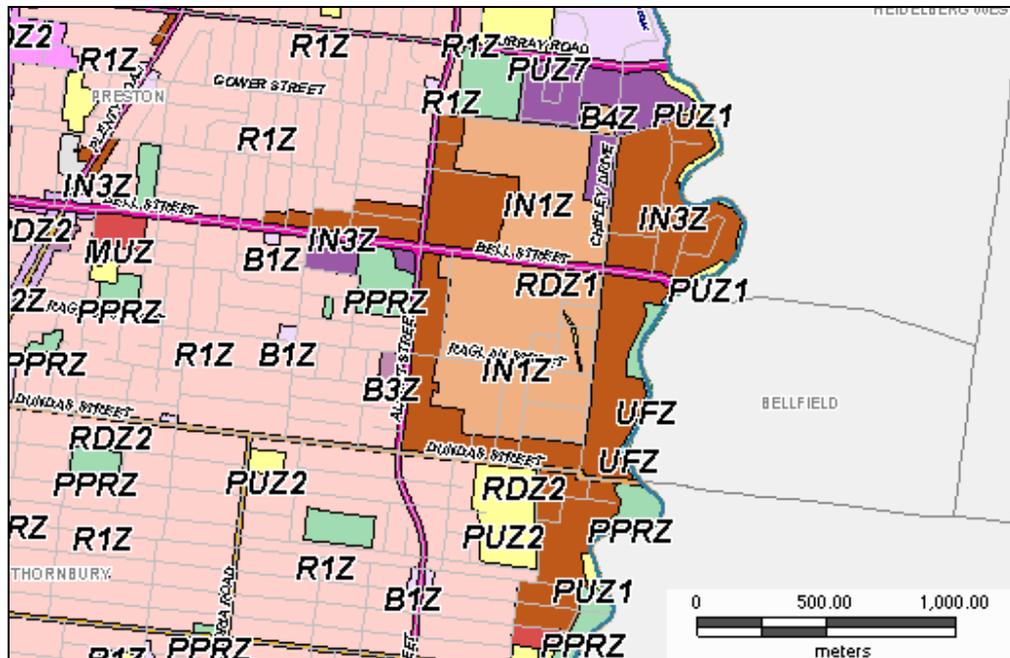
This represents a rate of approximately 26 employees per hectare.

#### East Preston Industrial Precinct

The East Preston Industrial Precinct (EPIP) is Darebin's largest industrial area. It is broadly bounded by Gower Street, Darebin Creek, Dundas Street and Albert Street and covers a total area of 130.95 hectares with 78.66 hectares in the Industrial 3 Zone around an internal core of 58.29 hectares of land in the Industrial 1 Zone.



Figure 14: East Preston Industrial Precinct



The EPIP includes several significant industrial facilities and, like other industrial areas in Darebin, a large number of light industrial premises many of which operate as wholesale (and retail) trade depots.

Based on data from the 2009 Census of Land Use and Employment, the EPIP is estimated to employ around 4,000 persons of which around 1,750 are employed in manufacturing.

This represents a rate of 30 employees per hectare.

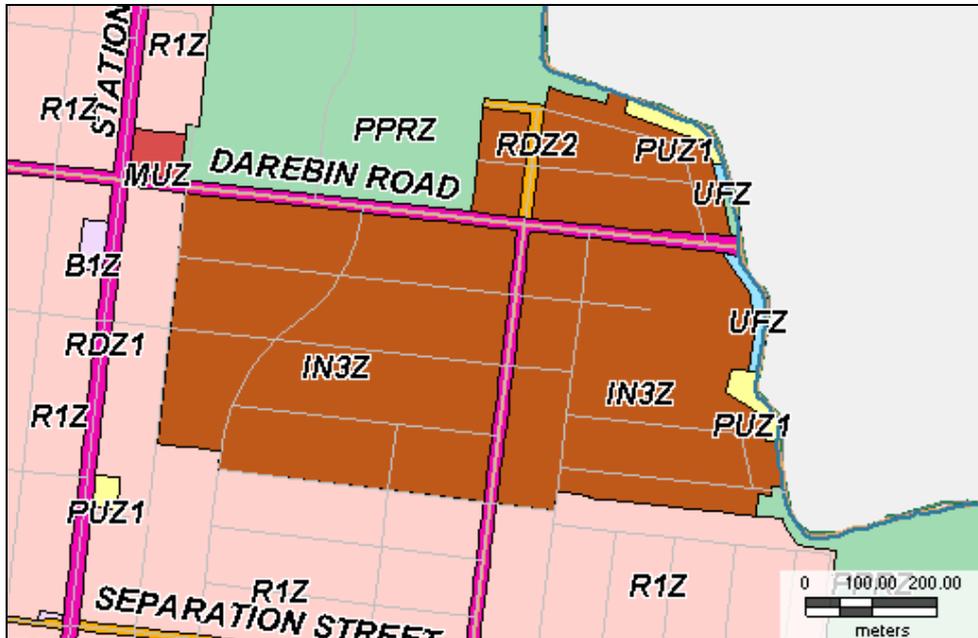
Noticeably, in the northern part of the EPIP there are several large industrial facilities that, given a sharp decline in employee numbers, now represent underutilised parcels of land. This is explored further in part 3 (Key Issues) of this report.

#### Fairfield Industrial Area

The Fairfield Industrial area is located in the south-east of the municipality (directly south of the EPIP) around the axis of Darebin Road and Grange Road. It comprises some 35.16 hectares of land all of which is in the Industrial 3 Zone.



Figure 15: Fairfield Industrial Area



Again, the area is typified by a large number of industrial premises with many active in wholesale and retail trade as well as service industries.

Based on data from the 2009 Census of Land Use and Employment, the Fairfield industrial area employs around 1,700 persons of which manufacturing employs around 550 persons in manufacturing and 500 in wholesale trade.

This represents a rate of approximately 49 employees per hectare, a figure which is significantly higher than the other two core industrial areas. This may be explained by what appears to be a higher density of built form in the precinct and the mix of industries which favour wholesale and retail trade functions over manufacturing and logistics.

#### Secondary Industrial Areas

Beyond the three core industrial areas, this report identifies two further industrial areas of note centred around Anderson Road (7.74 hectares) and Beavers Road (5.98 hectares). Both secondary areas are located in the south-west of the municipality and all land is in the Industrial 3 Zone.

The 2009 Census of Land Use and Employment indicates employment to be in the order of 100 in the Anderson Road Industrial Area and around 135 in the Beavers Road area.



Built form in Anderson Road area appears to be variable though businesses appear to be relatively settled. In the Beavers Road area, built form is relatively modern though several areas appear to be underutilised.

*Other industrial land*

A further 18.15 hectares of industrial land (all in the Industrial 3 Zone) is scattered across the municipality on several dozen sites.

Commentary and future options analysis detailing the status of these sites as well as in the Core and Secondary industrial areas is to be undertaken as part of the DELUS.



## Retail

Retail is one of Darebin's most important industry sectors and, if measured by employment, is the largest industry sector in the municipality.

As discussed, retail and commercial activity is widely dispersed across the municipality. The scale and location of retail activity is set out in the City of Darebin Retail Activity Centres Strategy (refer Part 2 of this report).

**Figure 16: Activity Centres Summary**

Activity Centre Designation/Location	Total Retail Floorspace (square metres)
<u>Principal Activity Centres</u>	
Northland <sup>9</sup>	95,000
Preston Central	27,000+
<u>Major Activity Centres</u>	
Northcote (inc Northcote Plaza)	45,000+
Reservoir Village	12,900+
<u>Primary Neighbourhood Centres</u>	
Summerhill/Target Centre	14,800+
Fairfield	1,200+
High Street Thornbury	6,650+
The Broadway, Reservoir	6,300+
South Preston	4,400+
<u>Bulky Goods Centres</u>	
Northland Homemaker/Bunnings	36,000
Bell Street	16,000
<u>Local Centres (approximately)</u>	
	65,000

Source: City of Darebin Retail Activity Centres Strategy (2005), Spade Consultants

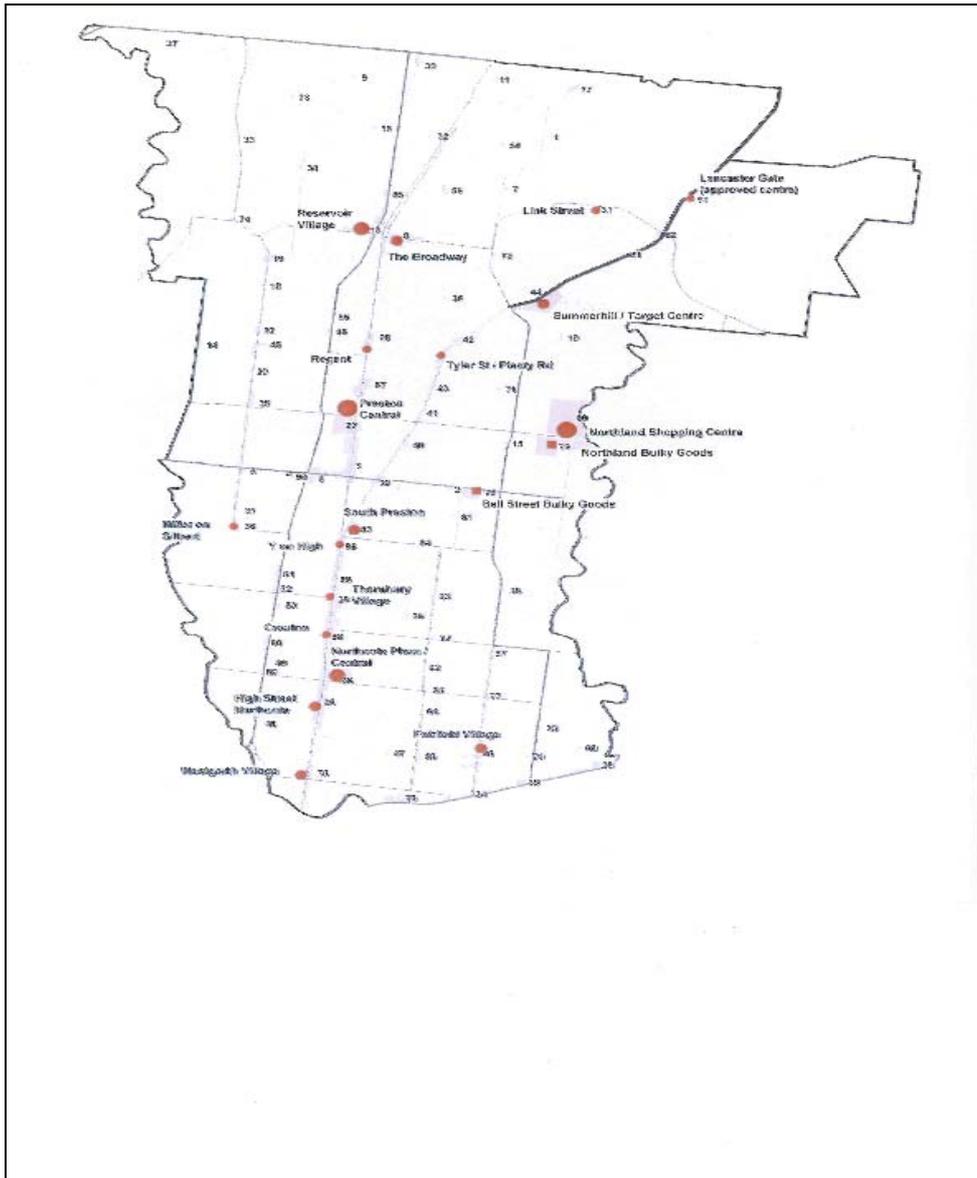
As is evident from Figure 16, the Northland Shopping Centre is the dominant single location retail centre in the municipality (and in the region). That said, if the retail floorspace available along the linear spine of High Street is aggregated a similar retail floorspace total is arrived at for the High Street spine.

<sup>9</sup> The Retail Floorspace figure for Northland has been adjusted to account for the most recent expansion. All other retail floorspace measures are based on data contained in the City of Darebin Retail Activity Centres Strategy



Figure 17 identifies the locations of activity centres in Darebin and underlines the spread of centres, particularly smaller local centres which are simply identified with a number.

**Figure 17: Map showing the spread of Activity Centres in Darebin**



Source: City of Darebin Retail Activity Centres Strategy, Essential Economics (March 2005)

A review of the status of each retail centre and its present performance, along with recommendations concerning further review or changes in land use is to be carried out as part of the DELUS.



## **Other areas of economic activity and employment**

Perhaps overlooked in terms of economic activity and employment in Darebin is the important role of the public sector.

It has already been observed that the Education sector is a major employer in the municipality. In this context, the presence of La Trobe University cannot be understated with the area in and around the university employing more than 2,350<sup>10</sup> persons of which over 2,000 are employed in the education sector.

The Preston campus of the Northern Melbourne Institute of TAFE on St Georges Road, Preston is another significant employer in the education sector with over 400 employees.

Similarly, specific health related facilities are significant employers with the various health related facilities in the extreme north-east of the municipality alone employing around 430 persons in the health related sector.

Finally, the government administration sector plays a significant role in the central Preston area with over 950 employees recorded as engaged in Government Administration in the Preston Central area. This represents a significant proportion of total municipal employment in the government administration sector. The concentration can be explained by the fact Darebin Council offices are located in the Preston Central area.

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<sup>10</sup> Census of Land Use and Employment (2009)



## PART 2: LITERATURE REVIEW



## 2.1 INTRODUCTION

This section of the Literature Review considers those parts of the Darebin Planning Scheme relevant to economic matters and economic land use. Typically, such issues are captured in terms of commentary in the planning scheme concerning industry or industrial land, activity centres (where business – commercial, retail and other business activities take place) as well as select commentary concerning other areas of employment such as La Trobe University.

Relevant sections of the Darebin Planning Scheme can be found under the following subheadings:

- State Planning Policy Framework, which sets out for planning authorities and responsible authorities those areas of State planning policy which they are to take into account and give effect to in planning and administering their respective areas.
- Local Planning Policy Framework, which itself comprises:
  - a Municipal Strategic Statement, which sets out the future direction for Council's decision making and land use planning and provides the strategic justification for the detailed controls contained within the planning scheme.
  - Local Policies; specific local policies which apply to the area or parts of the area covered by the planning scheme.

This section of the report provides commentary on the relevant sections of the Darebin Planning Scheme.

Relevant sections of the planning scheme are provided in full at Appendix B to this report.

## 2.2 DAREBIN PLANNING SCHEME

### **State Planning Policy Framework**

Clause 17 deals with 'Economic Development', 17.01 with 'Commercial' development and 17.01-1 specifically with 'Business' with an objective to encourage development which meets the communities' needs for retail, entertainment, office and other commercial activities.

Strategies outlined to achieve the objective are focused on ensuring that commercial development is located in existing activity centres.

Clause 17.01-2 deals with 'out of centre' development and discourages development that is remote from the existing activity centre. Strategies direct that where commercial development cannot be accommodated within an existing activity centre, preference should be given to locations bordering an existing centre.



Clause 17.02 deals with 'Industry' with 17.02-1 addressing 'Industrial Land Development' with a stated objective to identify land for industrial development in urban growth areas.

Nominated strategies include the protection of existing industrial areas to, where possible, facilitate further industrial development and to avoid approving non-industrial uses which may prejudice the use of industrial land for its intended purpose.

Clause 17.02-3 relates to 'State Significant Industrial Land' which is afforded specific protection by state policy. No areas of Darebin are nominated.

### **Municipal Strategic Statement**

Clause 21.02 provides a 'Municipal Profile' with 21.02-11 dealing with 'Economy'.

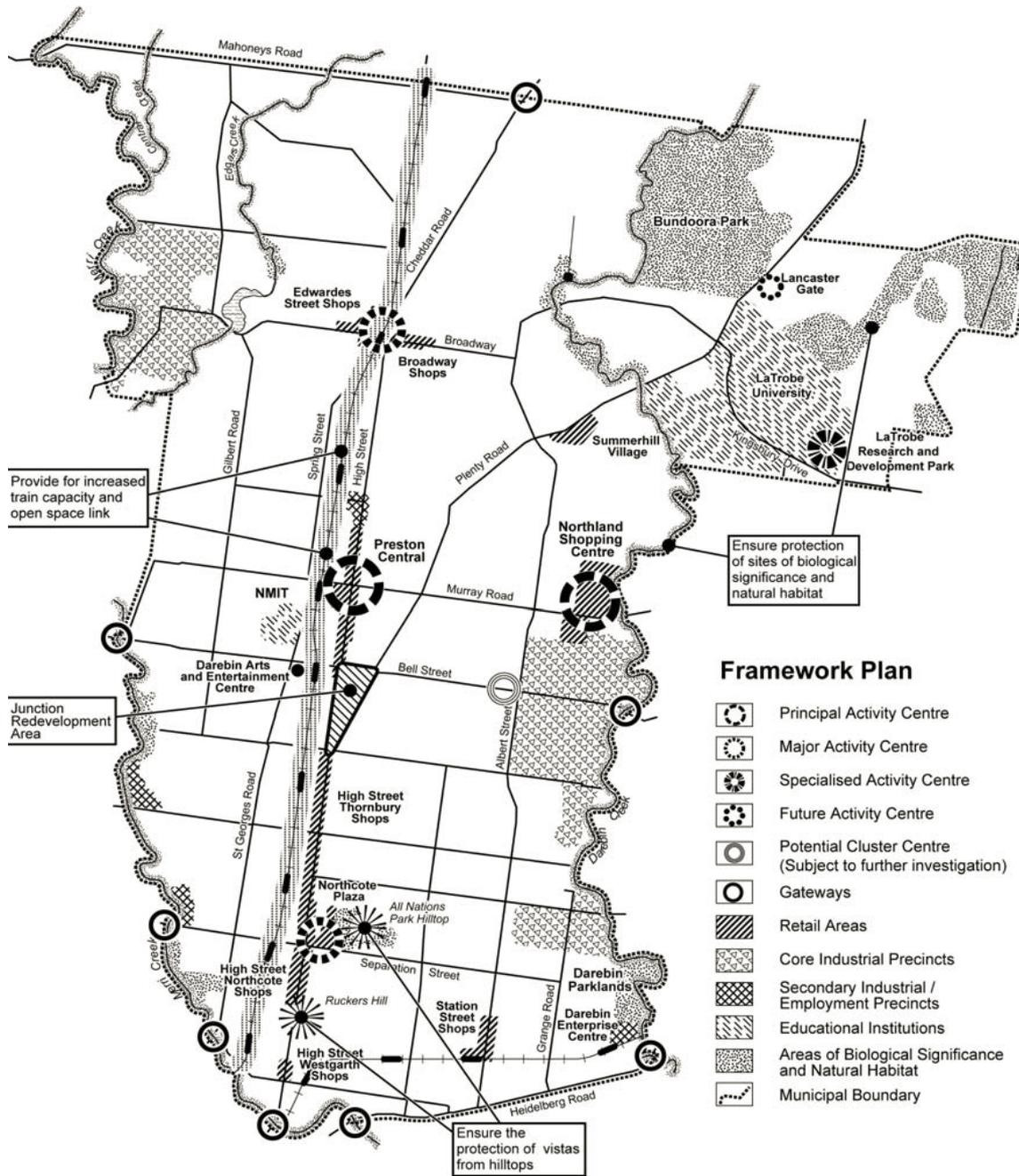
The commentary provides a useful narrative on the evolving nature of Darebin's economy as it moves from a traditional industrial base to a more modern structure focused on retail and business. Traditional manufacturing is particularly mentioned as having declined with there being an expectation that more modern manufacturing facilities may in time replace older redundant industrial sites.

Clause 21.03 lists a number of 'Key Themes and Influences'. In respect of 'Economic Development and Employment' it is again noted that the structure of the municipality's employment base has, and continues to, change and that protecting existing industrial and employment areas will be necessary. Caution is urged to ensure that existing industrial activities are not lost to the conversion of industrial land to a residential use.

Clause 21.04 provides a general vision for the future of Darebin in line with the overriding principles established in the MSS and elsewhere. Embedded within 22.04 is a Framework Plan identifying, among other things, key transport routes and activity centres as well as core and secondary industrial areas.



Figure 15: Framework Plan



Source: Darebin Planning Scheme (Clause 21.04)



Clause 21.05 nominates a series of 'Objectives-Strategies-Implementation' against a host of 'Elements'.

Element 5 (at Clause 21-05-5) addresses 'Economic Development' noting (in 'Overview and key issues') that while some industrial and commercial sectors are thriving, others are languishing with high vacancy rates and underutilised premises. It is again stressed that facilitating new industries such as research and development and technology based industry is critical whilst maintaining the current industrial base also remains important. High land values are cited as one reason for the dislocation of traditional industry from the area. It is also re-emphasised that a reduction in the area of core industrial land or allowing conflict points with non-industrial uses should be resisted.

A 'vision' is established which aims for a sustainable and prosperous business, industrial and commercial environment within the municipality.

Six objectives are listed with relevant strategies applicable to each. Key strategies in terms of the potential to impact on economic land use include:

- encouraging the range of educational institutions in the municipality, particularly at La Trobe University. This extends to the promotion of research and 'hi-tech' development in and around the La Trobe University area;
- promotion of Darebin as a location for private and public office development;
- promotion and facilitation of fledgling and small microbusinesses including the potential for dispensations from normal requirements such as car parking;
- protection of viable industrial and commercial uses and facilitation of appropriate (commercial and residential) re-use of industrial and commercial areas experiencing decline.
- encouraging the redevelopment of the 'Junction' area for business and residential purposes;
- introduction of a Development Contributions Plan to collect for social and community infrastructure;

These objectives and associated strategies are advanced under the heading of 'Implementation' and beneath that 'Using policy and the exercise of discretion' as well as 'Applying zones and overlays'. Specific recommendations (or instructions) in relation to implementation include;

- the application of identified local policies such as the Industrial Land Use Strategy (with specific reference to the decision making guidelines contained in the strategy) and the Junction Local Area Planning Policy;
- the application of specific zones, including:
  - the Environmental Audit Overlay to all land zoned industrial when it changes to a non-industrial use;
  - the Environmental Audit Overlay to all land suspected to have been subject to contamination in the past;
  - business or residential zones to industrial land now considered redundant;
  - various rezonings recommended in local structure plans, including the Priority Development Zone at Preston Central.



Under 'Other Actions', Element 5 points to the need to review the Industrial Land Use Strategy.

Element 6 (at Clause 21-05-6) addresses 'Activity Centres' noting (in 'Overview and key issues') the extensive provision of a range activity centres within the municipality, the importance of preserving the established activity centre hierarchy along with an expected increased need for retail and non-retail floorspace driven by population growth.

Other key points include:

- the future of poorly performing local centres;
- the potential to revitalize the intermodal areas along High Street (between Northcote and Preston) by encouraging offices and showrooms at ground floor level with housing above;
- the emergence of large format retail operations that generally look to establish operations outside established activity centres in order to minimise development costs;

As with Element 5, Element 6 establishes a 'Vision' - the development of a vibrant and sustainable activity centre network with a mix of activities.

Six objectives are listed with relevant strategies applicable to each. Key themes within the strategies in terms of the potential to develop the activity centre network include:

- encouraging a wide mix of activities including higher density housing in Principal and Major Activity Centres;
- particular focus on Preston as a multifaceted and intensively developed activity node;
- focus bulky goods development in the environs of the Northland Shopping Centre and along Bell Street in proximity to Albert Street, Plenty Road and High Street;
- ensuring land use development is integrated with transport infrastructure;
- locating major shops, such as supermarkets and department stores on main roads;

These objectives and associated strategies are advanced under the heading of 'Implementation' and beneath that 'Using policy and the exercise of discretion' as well as 'Applying zones and overlays'. Specific recommendations (or instructions) in relation to implementation include:

- the use of the decision making framework that sits in the Retail Activity Centres Strategy; and
- use of similar decision making guidelines within other local policy documents.

### **Local Planning Policies**

Local policies vary from area specific policies to generic policies dealing with specific land use types.



Clause 22.01 is concerned with the Northland Regional Activity Centre and focuses specifically on the mechanism (timeframes) for which development plans proposing to expand the Northland Shopping Centre are to be dealt with.

Clause 22.02 deals with the Junction Local Area Plan and provides policy guidance concerning development at the so-called Junction area. The direction and shape of development is provided in more detail in the reference document, Junction Integrated Development Plan, December 2001.

Clause 22.03 provides policy direction for activity centre development more generally. It provides reference to underlying documents such as the Retail Activity Centres Strategy (2005) and again encourages a mix of uses, greater intensity of development and adherence to the established activity centre hierarchy.

Clause 22.04 deals with Neighbourhood Character, 22.05 with Darebin Creek (Adjacent Land design and Development) and 22.06 with Outdoor Advertising Policy.

Clause 22.07 relates to Industrial and Commercial Activity, while 22.07-1 provides 'Policy Basis' for the direction of local policy.

Notably, the policy basis reiterates the changing structure of industry in Darebin with the decline of footwear and textile manufacturers and increasing demands to convert old industrial stock to new purposes, specifically residential.

It is again stated that Council is committed to the retention of employment opportunities and encourages a transition from 'old' manufacturing to more modern employment uses. It is noted that new industry will be encouraged to locate within the core industrial areas.

Policy Objectives that are prescribed at Clause 22.07-2 include:

- to protect the integrity of viable and sustainable industrial areas;
- to reduce the conflict between industrial and non-industrial areas;

Clause 22.08 deals with the High Street Corridor Land Use and Urban Design and is informed by the High Street Urban Design Framework (2005) and the Industrial Land Use Strategy (2005) which are both listed as reference documents.

The policy extends to land along High Street (excluding the Northcote Structure Plan area) and, while primary design outcome focused includes among its objectives the strengthening of core retail areas along High Street and the development of inter-nodal areas (between identified activity centres).

Clauses 22.09 and 22.10 address residential and mixed use development of less than four stories in the Business 1 Business 2 or Priority Development Zone and residential and mixed use development of four or more storeys respectively. Both policies are directed towards providing guidance on design matters.

Clause 22.11 addresses the Northcote Major Activity Centre and provides policy and direction from various reference documents, particularly the Northcote Activity Centre Structure Plan (April 2007). The policy sets out a series of objectives including:



- To reinforce High Street as the core retail and commercial activity spine.
- To encourage a diversity of use and development focused around walking, cycling and public transport as the preferred forms of access.
- To encourage increased residential development throughout the Activity Centre.
- To support a mix of uses, activities, services and facilities that enhances the economic, social and environmental viability of the centre.

Clause 22.12 is called 'Preston Central (Incremental Change)' and provides guidance and direction for development within the Preston Central area (an identified Principal Activity Centre). Several reference documents are noted, particularly the Preston Central Structure Plan (2006). The policy sets out a series of objectives including:

- To protect valued residential character.
- To discourage underdevelopment.
- To encourage the development of underutilised sites and redundant buildings.

### **Comments on the Darebin Planning Scheme**

In many respects the Darebin Planning Scheme, at least those aspects that relate to economic activity and land use, are similar to many planning schemes in that common themes that emerge are repeated through the SPPF, the MSS and in local policies.

This is, to an extent, unavoidable as a number of issues and themes are common to both state and local government. Moreover, in articulating a vision for the municipality in the MSS and setting out key strategies to implement the vision (and its objectives) there is a tendency that high level strategies are echoed down to local policy level.

Even so, there are several specific issues that emerge in reviewing the Darebin Planning Scheme and can be highlighted in this Literature Review and expanded on in the Key Issues Paper than forms Stage 2 of the DELUS.

The first is the extent to which intensive forms of development are encouraged in a number of Darebin's key activity centres and along the spines that link them. While support for higher density forms of development has been enshrined in State Policy for some time and is regularly supported in local policy, the depth of policy (including extensive design guidance) provided in the Darebin Planning Scheme is somewhat unique.

The second, and more relevant matter for the DELUS is the hint of contradiction within various parts of the planning scheme concerning the future of industrial land.

Whereas some sections of the LPPF are strong in their protection of existing industrial land, other references appear to encourage the conversion of redundant or 'unviable' industrial land for other uses (including residential).

This issue will be explored in further detail in the Key Issues Paper.



## **2.3 STRATEGIC DOCUMENTS**

The following represents a review of relevant supporting documents that assist in guiding and directing economic land use decisions in Darebin.

The review focuses firstly on documents that were referenced in the Darebin Planning Scheme and secondly, on documents that are not presently in the planning scheme but have some degree of status as seriously entertained documents.

### **Industrial Land Use Strategy (City of Darebin, 2001)**

The Industrial Land Use Strategy (ILUS) was adopted by Council on 19<sup>th</sup> November 2001 and is a reference document in the Darebin Planning Scheme.

The ILUS was drafted against a background of increasing demands on industrial land for housing and other non-industrial activities in light of a declining manufacturing base within the municipality. It is perhaps notable that 11 years later, the trends that informed the ILUS have not changed.

The ILUS stated that advanced manufacturing activities and other highly skilled activities had not generally replaced traditional manufacturing enterprises in Darebin. The basis for changes in the industrial structure of Darebin were said to include:

- The desire of land-extensive industries to relocate to Greenfields locations on the urban fringe with accessibility to the metropolitan freeway network;
- The skills of the local labour force did not lend itself to advanced or high technology industrial activities;
- The building stock and local environment had not been attractive to advanced manufacturing or research based enterprise. The ILUS suggested the reason for this was the difficulty of attracting skilled staff who prefer areas with high cultural and/or environmental attributes.

These issues have not changed significantly over the past decade though it could be argued that, while the industrial areas of Darebin may still be unattractive to next generation advanced manufacturing or research facilities, the municipality overall and particularly the High Street spine is now regarded as a metropolitan-wide destination for cultural activity. In this sense, it might be argued that the key inhibitor in attracting new enterprises is the inability to develop as a blank canvas. This issue will be explored in more detail in the Key Issues Paper.

The ILUS notes, correctly, that notwithstanding several adverse trends, Darebin maintains a large and diverse industrial sector.



Accordingly, the ILUS identified the three core industrial areas (Reservoir, East Preston and Fairfield/Alphington) and several secondary<sup>11</sup> Industrial/Employment Nodes (Normanby Avenue, Northcote West (Arthurton Road), Northcote Central (Arthurton Road) and High Street (North-Preston/Regent)).

The core areas effectively selected themselves based on their substantial clustering of industrial land uses. They remain Darebin's key industrial clusters a decade later.

The ILUS notes that the secondary centres "*tend to reflect the Darebin's industrial past of clustering industry on the creek and close to the rail line*"<sup>12</sup>

The Normanby Road and Northcote West (Arthurton Road) are described in section one of this report as secondary industrial areas but under different names – Anderson Road and Beavers Road, respectively.

The ILUS notes the challenges in terms of managing local conflicts for the secondary industrial areas as well as the significant number of single use sites scattered throughout the municipality.

Even so, the ILUS regarded the retention of employment opportunities as an important component of Darebin's industrial strategy and focused on planning controls to ensure existing industrial facilities were protected and, where possible, enhanced.

This led to a series of specific planning control recommendations. They included:

- a) In terms of the Core and Secondary Industrial Areas, the ILUS recommended that all land within these areas be rezoned to the Industrial 3 Zone to indicate Council's preference for development; specifically development that would limit potential impacts with surrounding residential areas.

It is noted that this was partly carried out with most industrial areas now in the Industrial 3 Zone though central areas within the core precincts at Reservoir and East Preston were retained in the Industrial 1 Zone.

- b) The application of the Business 3 Zone to some existing industrial land, particularly the Northcote Central Industrial node and potentially in the EPIP (subject to further study).

It is noted that apart from a small area of land at the corner of Raglan and Albert Streets, there has been little advancement of this recommendation.

- c) A merit based assessment of existing isolated pockets of Industrial 3 Zone land with consideration to be given, where appropriate, to rezoning to the Business 3 Zone for local service use. Where such pockets are no longer functioning in an

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<sup>11</sup> The ILUS nominated 4 secondary industrial nodes:

1. Normanby Avenue - referred to as Anderson Road in Part 1 of this report
2. Northcote West (Arthurton Rd) – referred to as Beavers Road in Part 1 of this report
3. Northcote Central (Arthurton Rd)
4. High Street (North Preston – Regent)

<sup>12</sup> ILUS (2001), page 9



industrial or employment capacity or where they are inappropriately located, the ILUS suggested rezoning to reflect the surrounding activity.

Apart from a number of proponent lead and site specific rezoning, it is understood that a merits based assessment was not subsequently undertaken.

The DELUS is intended to advance site based assessments of scattered parcels of industrial land.

- d) Single user sites were recommended to remain in their existing zoning and Council encouraged to work with industries to ensure that off-site impacts were minimized.

The DELUS is intended to advance site based assessments of individual industrial sites.

The ILUS catalogued all industrial areas within the municipality and provided guidance as to the future zoning. To some extent this has been carried out. The table (at section 4.3 of the ILUS) however provides a context for the assessment to be carried out in the DELUS which will be presented in the Key Issues Paper.

Finally, the ILUS dealt with the potential for the introduction of Development Contributions Plans (which were not advanced) and provided a decision making framework for the consideration of rezoning (from industrial to non-industrial uses) and permit applications.

### **City of Darebin Retail Activity Centres Strategy (Essential Economics, Planning by Design and David Lock Associates, 2005)**

The Retail Activity Centres Strategy (*Essential Economics Pty Ltd, Planning by Design and David Lock and Associates (City of Darebin) 2005*) is a reference document in the Darebin Planning Scheme.

The Retail Activity Centres Strategy (RACS) is intended to provide a strategic basis to guide development in retail activity centres and planning activity in those centres and in the myriad smaller centres within the municipality.

The RACS comprised three parts:

- a) A background report which provides context and background of retail and associated activities within Darebin;
- b) Preparation of strategies to address identified issues and activities; and
- c) Recommendations to put the strategy into effect including specific changes to zones, changes to the MSS and the introduction of Council programs.

Two distinct reports emerged from the RACS, a background report and the strategy itself which included recommendations.



The RACS dealt with anticipated trends in retailing and noted specific characteristics relating to existing and future retail provision in Darebin including;

- The significant extent of existing retail provision in the municipality;
- The expected growth in the residential population which will lead to additional demand for retail and other services;
- The extent to which retail demand in Darebin is driven by neighbouring municipalities (which is also expected to drive future demand for additional retail floorspace);
- Specific demands at identified centres and locations including:
  - Expansion at Northland Shopping Centre;
  - Growth in the provision of bulky goods floorspace;
  - Strengthening of the retail offering along the High Street spine;
  - New retail and business development at locations such as Mount Cooper (Lancaster Gate);
  - Additional expansion in lifestyle services including restaurants, cafes, bars as a result of the changing demographic profile of the population.

The RACS noted however that at a local centre level (at centres beneath the scale identified as Principal, Major or Neighbourhood Activity Centres) there is likely to be limited additional demand for retail and other floorspace.

These and other issues translated into specific strategies to support state and local policy positions in respect of retail and activity centre development. In terms of land use the relevant strategies included:

- Supporting the existing activity centre network;
- Retaining retail expenditure through the provision of an efficient activity network (the RACS confirmed a hierarchy of activity centres in accordance with the hierarchy established in Melbourne 2030)
- Identification of future development options for poorly performing local centres;
- Encouraging a wide range of mixes of activities in Principal, Major and Neighbourhood Activity Centres;
- Ensuring integrated development within Activity Centres;
- Careful monitoring of out of centre development, restricting such development to nominated locations;
- Supporting the development of new retail centres only where such development is supported by new residential communities;



As noted, the RACS established a Retail Activity Centre Framework which outlined the expectations and role/function of the various activity centres depending on their existing and future scale.

The following activity centres hierarchy was established:

- Principal Activity Centre (Retail): Northland Shopping Centre
- Principal Activity Centre (multi use): Preston Central
- Major Activity Centres: Reservoir Village  
Northcote Plaza/Central
- Primary Neighbourhood: The Broadway (Reservoir)  
Summerhill  
South Preston  
Thornbury Village  
Fairfield Village
- Secondary Neighbourhood: Lancaster Gate (approved)  
Link Street  
Miller on Gilbert
- Bulky Goods Clusters: Northland  
Bell Street
- Local Centres: Various (77 in total)

A core role/function was described based on the existing role each centre performed.

Based on the individual assessments of each centre, future directions were prescribed and a decision making framework established to assess proposed applications for rezoning. This report regards the 'Decision Making Framework' as well founded and likely to provide a useful platform for future decision making.

While many of the future directions for centres are general in nature and largely consistent with the broad direction of activity centre policy (at the time), a number of specific recommendations in regard to potential rezoning were made at some of the poorly performing local centres. These included recognition of their current (often poor) state and recommendations towards rezoning towards a mixed use or residential zone to reflect the changing nature of these centres.

It is understood that, in most instances, these recommendations were not followed through. The DELUS will re-assess each centre and provide a new series of recommendations.



In terms of bulky goods development the RACS noted that large integrated developments of 15,000 square metres of retail floor space tend to be the preferred format for new development and should be encouraged in preference to ad hoc strip development. In this sense, potential was identified in the Bell Street area.

### **The Junction Integrated Development Plan (City of Darebin, 2001)**

The Junction Integrated Development Plan (Junction IDP) was undertaken by Council and was adopted by Council on the 19<sup>th</sup> of December 2001 and is a reference document in the Darebin Planning Scheme.

The Junction IDP relates to the area known as the Preston Junction, essentially the area around the point at which Plenty road meets High Street. The area was bounded by Bell Street (to the north), the Epping railway line (to the west), Dundas Street (to the south) and, generally Plenty Road (to the east).

The primary aim of the Junction IDP was to provide a framework for the review of the existing planning zones, with particular emphasis on land zoned for industrial use and having regard to several large redundant sites central to the study area.

In terms of land use controls, the outcomes of the Junction IDP included the rezoning of a significant area of land from the Industrial 3 Zone to variously the Business 1 Zone, Business 2 Zone, Residential 1 Zone (and other zones) in order to promote mixed use (primarily residential) redevelopment opportunities. The Junction IDP always introduced various overlays including an Environmental Audit Overlay and Design and Development Overlay.

Significantly, the Australia Post site at the north east of the study area was recommended to be retained in the Industrial 3 Zone and remains so today.

In terms of acting as a catalyst for change, the Junction IDP is regarded by many as one of Melbourne's most successful urban renewal initiatives. The result has been the conversion of a previously underdeveloped and unattractive area to a mixed use precinct which is continuing the process of urban renewal to this day.

### **Northcote Activity Centre Structure Plan (Ecologically Sustainable Design Pty Ltd and alphaplan, 2007)**

The Northcote Activity Centre Structure Plan (NACSP), April 2007 was prepared by Ecologically Sustainable Design Pty Ltd and alphaPlan, is a reference document in the Darebin Planning Scheme.

The NACSP covers an area bounded (approximately) by the Town Hall (in the south), Beaconsfield Parade (in the north), All Nations Park (to the east) and the railway reserve (to the west).

In terms of land use recommendations and actions that relate to employment, the NACSP focuses primarily on consolidating the role of High Street as a core retail and



commercial activity spine, but also seeks to encourage the emerging arts sector as well as the 'evening' economy (bars, restaurants etc).

A series of precinct plans were developed for different parts of the structure plan area including the Arthurton Road precinct (area west of High Street) where the southern part was, and is, in the Industrial 3 Zone. The NACSP recommended this area of industrial land be rezoned to an appropriate zoning, such as the Business 2 Zone, to facilitate more intensive development of the land which is adjacent to the Northcote railway station.

A related objective from the NACSP relating to economic land use is to target medium to large scale office tenants to the Arthurton Road redevelopment as an employment anchor to Northcote.

It is understood that matters relating to the Arthurton Road precinct redevelopment (Australian Horizons site) remain at the planning stage.

### **Preston Central Structure Plan (City of Darebin, 2007)**

The Preston Central Structure Plan (September 2007) (PCSP), was prepared by the City of Darebin and David Lock and Associates and is a reference document in the Darebin Planning Scheme.

The PCSP covers the substantial retail and commercial area based around the Preston Market, Preston City Oval, Darebin City Council offices and the Preston 'auto-alley' to the immediate north of the core retail area.

The structure plan itself reinforces the current role of the centre and encourages an intensification of uses specifically the redevelopment of sites for higher density residential or commercial (office) opportunities while retaining retail or other non-residential uses and ground level.

### **The Bell Street Corridor Strategy (Hansen Partnership, 2006)**

The Bell Street Corridor Strategy, or as it more commonly known, the Bell Street Strategy (BSS) was prepared by Hansen Partnership in December 2006. The BSS has been adopted by Darebin City Council and referred to an independent panel but is not yet included in the Darebin Planning scheme as a reference document. It is understood the strategy remains under consideration by the Minister for Planning.

Despite the fact the BSS is not a reference document in the planning scheme, it is important in so far as it is regarded as a seriously entertained document and is referred to in decision making.

The BSS relates to that section of Bell Street that passes through Darebin (between Merri Creek and Darebin Creek). The key objectives of the BSS were to:

- Understand the role of land in Bell Street and the development pressures for change;



- To establish a sustainable role for Bell Street in the context of the Melbourne 2030 strategy; and
- To provide a clear framework for decision making.

The Strategy established a vision and series of overarching principles, the latter picking up on the former and seeking to establish active interfaces and an improved pedestrian environment along with redevelopment in accordance with specified design principles.

The design principles were intended to guide and shape development within the study area.

The BSS identified four specific precincts along Bell Street, progressing from west to east;

- a Live Precinct - a core residential area, punctuated by several retail areas;
- an Engage Precinct – between St Georges Road and Harold/Patterson Street and characterized by a disparate set of uses. This section of Bell Street is crossed by the major arterial roads of the area (St Georges Road, High Street and Plenty Road as well as a railway line). The BSS supports ongoing redevelopment with direction provided on preferred height levels which range up to 8 levels;
- a Sell Precinct – the area east as far as Albert Street. The western end is to be characterised by single level residential buildings while the eastern end is to be focused on the existing bulky goods area;
- a Work Precinct – from Albert Street to Darebin Creek and running through the EPIP. The BSS seeks to retail and reinforce this areas role as a core industrial and business precinct with a view to accommodating redevelopment of large underutilized sites and resisting further encroachment of bulky goods uses within the precinct.

In terms of land use, the BSS recommended the rezoning of land fronting Bell Street to the west of Albert Street to O’Keefe Street from INZ1 to B4Z. It is noted that this land is presently in the Industrial 3 Zone (INZ3). Other land in the INZ3 was recommended for retention.

### **Urban Renewal Strategy (High Street and Plenty Road), 2011**

The Urban Renewal Strategy (High Street and Plenty Road (URS) has been prepared by Charter Keck Cramer for Darebin City Council. The URS was adopted by Darebin City Council in 2011 and, as such, can be regarded as a seriously entertained document.

The key objective of the strategy is to find ways to accelerate the rate and scale of urban renewal along High Street and Plenty Road by:



- Increasing the number of permit applications being received and processed;
- Increasing the rate of conversion of permits into actual development activity;  
and
- Generating greater private sector urban renewal activity.

The general thrust of the URS is residential as it is considered to be the primary use for the majority of renewal sites in the Study Area. However the strategy can be considered important in an economic land use sense as urban renewal is directed to make use of a number of sites in non-residential zones with a view to retaining active business activities at street level. Additionally, in the St Georges Road corridor it is likely that should urban renewal of some scale be successful in time, there will be a need for retail and other activities at street level beneath residentially focused projects.



## PART 3: KEY ISSUES



### 3.1 INTRODUCTION

In reviewing economic land use in Darebin, a series of key issues can be identified. To provide a structure for outlining and discussing these issues, they have been broken down into several specific areas as follows:

- Influencing Issues; which include broad issues impacting on the future of Darebin itself such as anticipated future population growth and the way in which the municipality is evolving.
- Industrial Land Use Issues; which includes those issues which impact directly on the way industrial land is presently used and expected to be used in the future.
- Retail and Commercial Issues: which includes those issues which impact on the way the municipality's activity centres function both now and in the future. This section considers land use relating to retail, retail services and commercial (including commercial office uses);
- Other Issues; which includes those issues relating to Darebin's other key economic activities such as the education and healthcare sectors.

### 3.2 INFLUENCING ISSUES

***ISSUE: Darebin is expected to be one of the faster growing established area municipalities***

As noted in Part 1 of this report, population and therefore dwelling growth is expected to remain relatively strong in Darebin over the next 20 years. Population growth will inevitably create additional demand for retail goods and services, other commercial activity, government and community services as well as the service industry sector.

In this context it can be expected to impact directly on economic land use. Additional demand for retail goods and services leads to an additional requirement for retail and bulky goods floorspace, additional demand for commercial floorspace and additional demand for a range of service industries.

In this context the DELUS will provide direction on a range of issues including:

- The need to update or replace the Retail Activity Centres Strategy (2005) (RACS). While the RACS is regarded as having ongoing currency, it will be necessary at some point to update the retail floor space requirements in light of the VIF 2012 population projections and changing trends in retail;
- How, and if, additional demand for service industries can be accommodated within the municipality. It is likely that additional service industry can be accommodated in the core industrial areas.



***ISSUE: There is a socio-economic divide between the northern and southern halves of the municipality***

As outlined in Part 1 of this report, there is gap in socio-economic measures between large parts of the north and south of the municipality. As noted, this issue is not so great as to represent a significant cultural divide but it is a relevant issue. It is also important to note that there is some evidence to suggest the gap will lessen over time as changes occur in Darebin's socio-demographic mix (refer to the next Issue).

This issue is significant in considering economic land use for reasons such as:

- Accessibility to employment – whilst Darebin is relatively well served by the fixed rail network (tram and train) it is noticeable that the core industrial areas of the municipality have little, if any, walkable access to fixed rail infrastructure<sup>13</sup>. Rather, these areas must rely on the bus network (as does Darebin's largest retail centre – Northland). This is not necessarily a matter that the DELUS can in and of itself address but it is significant issue for strategic planning matters in the future and particularly the way in which fixed rail infrastructure integrates with high density mixed use development;
- Ensuring there is a range of employment opportunities available and that they are well located – strategic planning documents such as the Preston Central Structure Plan emphasise the importance of generating genuine mixed use development to ensure that residential and employment opportunities are located near to each other. While such development is typically at its most viable where land values are highest, it is noticeable that high density residential development is now considered viable north of Bell Street and in this respect there is the potential to ensure relatively affordable and diverse residential opportunities exist for residents in and around employment nodes.

It is also important to note that employment in the retail sector and the commercial sector provides opportunities for unskilled workers. In this context the promotion of genuine mixed use development at Preston and Reservoir provides valuable employment opportunities in the north of the municipality; and

- Ensuring community support networks and agencies are appropriately located – as noted, it is important for Council to ensure adequate support is provided in the right locations in terms of government and non-government agencies and departments. Moreover, it is important that such services are established in locations where public transport access is optimal.

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<sup>13</sup> In this regard Darebin's Core Industrial Areas are not unique in an Australian industrial context. Few substantial industrial areas have ready access to fixed rail infrastructure.



### ***ISSUE: 'Gentrification' continues to push north***

As noted in Part 1 of this report, there is a change in the socio-demographic mix of Darebin. In general terms the shift is in a northerly direction with indications that it is particularly pronounced in the central part of the municipality along the High Street corridor.

In terms of economic land use, ongoing changes in the socio-economic composition of the municipality will ultimately impact on the nature of economic activity. For example, it has already been noted that a relatively insignificant proportion of those who work in the manufacturing sector in Darebin are also residents of the municipality. It is unlikely that this will change and, as housing becomes more expensive, a growing number of workers in lower paid industrial jobs may come from nearby municipalities. In contrast, part time work in retail and other service industries may attract a growing number of local residents particularly younger people who may be studying and living nearby. Of this demographic, it is likely that work in retail or other services located along one of the key spines served by fixed rail transport may prove attractive.

Either way, as gentrification continues, it is likely to be accompanied by higher land prices. Two specific impacts are likely to arise as a result:

- There will be a gradual change in the retail mix with an increasing number of 'higher end' cafes, coffee shops, delicatessens, bars and more specialised retail offerings. This is consistent with what has already occurred in the southern part of the municipality;
- Land owners will re-invest or redevelop their properties if the cost of doing so can be met with realistic expectations about increased rental returns. The extent of the redevelopment opportunity is enhanced if there is an opportunity to increase the intensity of development on the site. This is particularly relevant where there are isolated industrial properties within or near to areas that have been subjected to recent redevelopment activity (this issue is addressed in more detail in the Industrial Issues section).

The DELUS will be influenced by the changing socio-demographics of Darebin. Fortunately the municipality has already shown leadership in this regard with a significant amount of strategic planning already undertaken in regard to the structure planning of key activity areas and potential redevelopment areas.

### ***ISSUE: Employment is largely contained within the region***

The issue of employment containment is a significant one in terms of how municipalities look to plan, organise and manage economic land use within their areas of governance.

Whereas within a regional city, employment containment can be easily measured and managed, in major metropolitan areas particularly those with multiple local government areas, the issue is rather more complex. As noted in Part 1 of this report, this is certainly the case in Melbourne where the geographic distribution of



employment tends to take on a regional rather than municipal flavour with Darebin being no exception.

The issue is that while employment containment (or the maximisation of employment self sufficiency) represents a laudable objective for policy makers, the data demonstrates that, by and large, the leakage of employment is likely to be contained within the region. Moreover, the ability for example to travel by train from a range of locations within Darebin to other municipalities such as Melbourne (CBD) provides a more sustainable journey to work pattern than traversing the municipality and beyond by motor vehicle.

Notwithstanding the regionalisation of employment, the DELUS will take the following approach in relation to the containment of employment:

- It is necessary to consider the efficiency of employment in the municipality's industrial areas. If for example, industrial land is underutilised in terms of its current use it is reasonable to ask whether there is an alternative use that affords a higher intensity of employment (for example, commercial and bulky goods based employment);
- It is also necessary to consider the regional impact of changing land use. For example, if efficient and viable industrial land is lost to the municipality, the regional impact may be greater at a regional level than at a local level; and
- If the cost of travel (including congestions costs measured in terms of time lost) becomes so acute as to force material changes in travel behaviour, what are the likely implications? In terms of Darebin, it is apparent that a very significant number of persons travel by car and public transport to the Melbourne CBD and its fringes on a daily basis. Should congestion deteriorate further, what are the options available to Darebin in terms of providing a substantial commercial (office) precinct as an alternative for commuters. This key issue is considered in more detail in the Retail and Commercial Issues section of this report.

The DELUS is unlikely to be able to resolve detailed transport infrastructure issues. It can however make recommendations in regard to land use that will support increased intensity in employment within the municipality and therefore maximise employment self sufficiency at a local and regional level.

## **Summary**

In terms of the influencing issues outlined in this section, the most important factor for the DELUS to consider is the need to ensure the most efficient economic use is derived from the finite amount of land available within the municipality.

Population growth and so-called gentrification both point to further real increases in land values meaning the optimal use of land is paramount. The prospect of increasing transport congestion exacerbates this point.

Socio-demographic differences and change within the municipality require a sense of equity to be considered in any changes recommended in the DELUS.



### 3.3 INDUSTRIAL LAND ISSUES

There are a range of generic issues relating to industrial land in Darebin. These include:

- the size of land parcels and the nature of the existing built form;
- the underlying price of land;
- the fragmentation of land parcels and the ability to consolidate land;
- the availability of appropriately zoned land for specific purposes
- the actual location and accessibility of industrial land;
- the services and infrastructure provided to industrial land;
- the potential for conflict with non-industrial land uses

Specific key issues are explored as follows:

#### ***ISSUE: The employment base of the municipality is changing***

As noted in Part 1 of this report, the employment base of the municipality is changing and evolving with ongoing decline in the manufacturing sector (a fact recognised in the Municipal Strategic Statement) and significant growth evident in public sector employment.

The actual and proportional decline of manufacturing is not unique to Darebin and the move to a largely post-industrial economy (a term also used in the Darebin Planning Scheme) appears to be a well defined trend.

In terms of local factors, stakeholder feedback indicates there is a relatively strong view that accessibility to the municipality's industrial areas is poor, particularly in so far as access for 'B-Doubles' and semi-trailers is concerned. The ease of connectedness with key freeway routes is also regarded as challenging.

Further, the limited supply of and constrained nature of industrial land makes it difficult for existing enterprises to expand their operations, while the underlying value attributed to land (industrial or otherwise) in the municipality undermines the economic case for the establishment of new operations or the expansion of existing ones.

This is an important point. Modern manufacturing facilities generally require a tailored solution in terms of built form. The economic proposition confronting the developer or user of a proposed manufacturing (or other industrial) facility in Darebin is that firstly the price of land is higher than in alternative greenfield locations and secondly, in all likelihood, there will be demolition costs and possibly remediation costs involved in preparing the site for construction. Unless there is a specific need to be in Darebin, it is likely the greenfield site will represent a more cost effective and efficient option.

It should be noted that while the trend appears to be well defined there may be opportunities for the establishment of 'advanced manufacturing' facilities in the municipality which are less reliant on heavy transport, involve a higher proportion of office space for research and technology based functions and generally require a more educated workforce.



While there is no comprehensive or widely accepted definition of advanced manufacturing, it can generally be thought of as manufacturing which involves the use of technology and innovation to improve the process of value adding. Advanced manufacturing has been widely regarded in many western nations and cities as something of a panacea in offsetting the decline of traditional manufacturing. In this context it is important not to overstate the extent to which advanced manufacturing can replace traditional manufacturing (in terms of land use and employment) or the rate at which it may occur. At the same time, it is also important to encourage transition to technology driven enterprises if and when opportunities present themselves.

From a land use perspective advanced manufacturing enterprises can be difficult to define as they can be frequently focussed on research, design and project management with manufacturing or assembly facilities housed elsewhere including offshore. In this context, it may not be necessary or desirable for some kinds of advanced manufacturing enterprises to be located in an Industrial 1 or 3 Zone. Rather, a Business Zone (in largely commercial office space) may be more appropriate.

It will be necessary for the DELUS to carefully consider the value proposition to such enterprises in establishing within the municipality and whether any changes should be made in zoning or in local policy to encourage growth in this area.

It should be noted that advanced manufacturing enterprises are frequently attracted to areas with a high sense of amenity and creativity, two attributes that Darebin can be regarded as possessing. On the other hand, depending on the nature of the business, proximity to key transport routes can also be regarded as critical.

Other observations and trends in relation to municipality's changing employment base and the implications in terms of economic land use include:

- The relative importance of the wholesale trade sector - at present wholesale trade is strongly represented in the Fairfield and East Preston areas. While it may not be necessary to rezone land to provide for this ongoing activity, the DELUS may consider it prudent to note the importance of the sector in these locations in Local Policy;
- The increasing importance in terms of employment of the food and beverage services sector – while food and beverage establishments can be accommodated in a number of business and other zones, the DELUS may consider it appropriate to recognise the growing importance of the sector in Local Policy;
- The potential re-use of redundant industrial sites for other purposes – the re-use of redundant industrial is already contemplated in Local Policy and in the Industrial Land Use Strategy (2001). This issue is dealt with in the section on Industrial Issues;
- The viability of re-using former industrial sites for other industrial purposes such as wholesale trade, light service industry and transport and storage – the extent to which this is viable is complex. In some locations (particularly where



there is a perceived alternative or higher order use for land) demolition and remediation costs frequently negate the viability of converting a redundant industrial use to a new industrial use.

***ISSUE: Several significant tracts of industrial land within the core industrial areas are underutilised or underused***

A number of large parcels within the identified core industrial areas are presently underutilised with minimal industrial activity and relatively little employment.

Three specific examples are:

- The former Lakeside Secondary College site in Radford Road (Reservoir Core Industrial Area) which while presently in the Public Use Zone 2 is surrounded by industrial zoned land;
- A small pocket of residential land located south-west of the intersection of Edwardes Road and Newlands Road (also within the Reservoir Core Industrial Area) and surrounded by industrial zoned land; and
- The area bounded by Gower Street, Chifley Drive, Bell Street and Albert Road in the east Preston Industrial Precinct;

The former Lakeside Secondary College site comprises an area of approximately 6.4 hectares and is presently owned by the Department of Education. The site represents a significant area and any non-industrial use permitted on the site as a consequence of any future sale of the land has the potential to introduce conflict and amenity issues into one of the municipality's core industrial areas. This land should be rezoned to provide for an industrial use consistent with the surrounding core industrial area.

The small area of residential land (approximately 3 hectares) enclosed within the Reservoir Industrial Area represents an obvious inconsistency and potential point of land use conflict. This land should be seriously considered for rezoning to an industrial zone to better recognise its location within one of Darebin's core industrial areas.

The land within the East Preston Industrial Precinct comprises an area of some 35 hectares located immediately south of the Northland Activity Centre. There is an estimated 673<sup>14</sup> persons employed within the defined area which represents a rate of 19 employees per hectare compared with a rate of around 35 person per hectare in the balance of the East Preston Industrial Precinct.

The key issue is that within this part of the East Preston Industrial Precinct there are several large sites which, while once significant manufacturing facilities, now employ considerably fewer persons<sup>15</sup>. It is understood that in several instances remediation and demolition costs are likely to impede future redevelopment of land for industrial purposes.

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<sup>14</sup> Census of Land Use and Industry (2009)

<sup>15</sup> In the case of the Cigweld site (4.5 hectares) there were in excess of one thousand employees 15 years ago. Today there are approximately 40 employees.



Given the potential constraints to redevelopment as well as the strategic position of this area (immediately south of the Northland Activity Area) there may be merit in considering alternative employment uses such as broad scale commercial office use as part of the DELUS.

Setting a future direction for the core industrial areas will be a critical component of the DELUS.

The Reservoir and Fairfield Industrial Areas appear to operate efficiently as industrial precincts albeit with their own distinctive characteristics. Considerations within the DELUS for these areas will focus on recognising them within Local Policy in an appropriate way and to ensure that any inconsistencies in prescribed land use or potential conflicts are addressed (if necessary by rezoning). The latter is particularly relevant to the Reservoir Core Industrial Area.

The East Preston Industrial Precinct is in some ways more problematic. While much of the precinct operates efficiently as an industrial area, the significant area that appears underutilised is adjacent to the Northland activity area and, in that sense, represents a potential opportunity for major redevelopment at a broad scale. The direction of this area is likely to be one of the most significant matters to be addressed in the DELUS.

#### ***ISSUE: Some isolated industrial sites serve a limited industrial purpose***

Beyond the three core industrial areas, Darebin contains two secondary industrial clusters (based around Beavers Road and Anderson Street) and a significant number of dispersed industrial locations, some of which comprise several adjoining industrial properties and others of which are stand alone industrial sites.

The extent to which some of the non-core industrial areas are presently serving a strictly industrial purpose is debatable. Moreover, the extent to which they are likely to do so in the future is problematic. While the DELUS will provide detailed analysis of each area or site, it is evident there are instances where non-industrial uses such as offices and other light commercial activities are operating within non-core industrial areas.

#### ***Secondary Industrial Areas***

In regard to the secondary industrial areas (Anderson Road and Beavers Road) are concerned the following points are relevant;

- Anderson Road – As noted in Part 1 of this report, the Anderson Road secondary industrial area comprises around 8 hectares of land and employs in the order of 100 persons.

Built form within the precinct is of variable quality and there is little evidence of significant re-investment or redevelopment. For the most part, industries appear to be reasonably well established and of a light industrial or service industry type.



While it is probable that landowners within the precinct would be interested in a rezoning to a use that provides for residential development opportunities, the established nature of the precinct, apparent high level of occupancy and the presence of industry to the immediate west (in Moreland) suggests the status quo may be the preferred way forward; and

- Beavers Road – As noted in Part 1 of this report, the Beavers Road secondary industrial area comprises around 6 hectares of land and employs in the order of 135 persons.

Built form in the precinct is, for the most part, relatively modern and provides a mix of service industry as well as what appears to be commercial office style accommodation. The latter (a significant development overlooking Merri Creek) appears to be largely underutilised.

It is understood that the Beavers Road area is the subject of a rezoning request that would see industrial land north of Beavers Road converted to a residential use. In as far as this property appears to be largely unused rezoning would not represent a loss in terms of economic activity or employment. Moreover, its future as an industrial site appears limited.

Although partially underutilised, the balance of the Beavers Road appears either to provide a functional basis for ongoing use as a service industry precinct or for commercial office style space. Consideration will need to be given as to whether a more appropriate zone for the commercial development adjacent to Merri Creek would be the Business 3 Zone.

The DELUS will provide specific recommendations in regard to the future of the two secondary industrial areas.

#### *Other Industrial Areas*

As noted in Part 1 of this report, in addition to the core and secondary industrial areas, Darebin contains around 18 hectares of other industrial land in several dozen locations scattered throughout the municipality.

This land can be generally described as being of two types.

The first is where stand alone industrial sites are located in the midst of a residential neighbourhood. There are several examples of this scenario in the southern part of the municipality (for example Gadd Street and Separation Street). In these instances it is likely that existing use rights protect the industrial use allowing the existing operation to continue to operate. Even so, in several examples there is ongoing potential for conflict over amenity issues. It should be noted that such examples are not widespread across the municipality and, in terms of the industrial land involved, does not represent a significant area.

On the basis of initial analysis the ongoing viability of such sites as industrial facilities appears limited and an alternative land use which promotes either residential development or mixed use development is likely to represent a more efficient use of such land.



The second example is where there are small clusters of industrial land (or single sites) located along the Principal Public Transport Network. An obvious example is along Plenty Road, north of Bell Street, where up to 32 industrial properties (many of them no larger than a small shop) are nestled amongst and aside business zones and the Residential 1 Zone.

In these areas it is evident that non-industrial uses are quite strongly represented in the industrial zone and there may be merit as part of the DELUS to consider an alternative zone (such as the Business 2 Zone) which recognises the limited industrial capacity of these areas while promoting and facilitating alternative employment uses such as business or a mixture of business and residential.

What is apparent across much of the industrial zoned land outside the three core industrial areas is a relative lack of re-investment in built form. In a number of instances this is likely to be because landowners are reluctant to re-invest in what they regard as a limited investment prospect (industrial) particularly if they believe a non-industrial future for their land may be possible. In this respect some owners may be prepared to 'sit it out' until an alternative use is permitted.

On the basis of a simple feasibility analysis it appears unlikely that small industrial premises such as those on Plenty Road would be redeveloped as industrial sites. In this context, the DELUS will need to consider such sites and locations on their merits in forming land use recommendations.

***ISSUE: Some industrial land occupies key strategic locations***

Some of the smaller industrial locations such as that on the south side of Arthurton Road occupy key strategic locations. While the Arthurton Road industrial cluster continues to perform a semi industrial role (primarily focussed on service industries), its location between the Northcote Railway Station and the retail core of Northcote impedes the amenity and connectivity of the area and arguably represents a significant underutilisation of a key strategic location.

For example, with an area of approximately 1.4 hectares, the industrial land south of Arthurton Road has attributes that may afford a far more intensive set of uses.

As noted it is adjacent to the Northcote railway station and within 150 metres of High Street, Northcote. Unlocking the land value of this small industrial area may provide opportunities for commercial office space, retail, residential or any mix thereof.

It is noted that the Panel that considered the Australian Horizons site recommended a review of the current Industrial 3 Zone zoning.

The issue to be dealt with is what is the appropriate zone going forward and, if an alternative zone is identified, what potential is there for ongoing employment within the precinct.



## **Summary**

Industrial land in Darebin is presently provided in three core, two secondary and a variety of small cluster or stand alone sites. While, for the most part, the core industrial areas function efficiently, there is a large area in the northern part of the East Preston Industrial Area which is underutilised. It is possible given the site's location immediately south of the Northland Activity Centre that an alternative and more intensive use of the land would provide better employment outcomes.

In regard to the future of smaller and stand alone industrial sites the DELUS will undertake a merit assessment of each area/site to determine whether an alternative provides a more efficient use of land.



### 3.4 RETAIL AND COMMERCIAL ISSUES

There are a range of generic issues relating to retail and commercial land in Darebin. They include:

- the size of land and the nature of the existing built form;
- the underlying price of land;
- the ability to aggregate land for large format uses;
- the availability of appropriately zoned land for specific purposes
- the actual location and accessibility of business zoned land;
- the services and infrastructure provided to business zoned land; and
- car parking issues
- the performance of specific retail centres

Specific key issues are explored as follows:

#### ***ISSUE: The municipality's key Activity Centres continue to evolve***

One of Darebin's defining characteristics is a series of north-south spines of retail and commercial activity; these include High Street, St Georges Road, Plenty Road, Gilbert Road, Station Street.

A number of activity centres have emerged along the spines that carry out convenience retail offerings and have, or are in the process of, consolidating their roles. These include the key centres of Preston, Northland, Northcote and Reservoir (NOTE: matters relating to Northland are considered as a separate issue)

Other centres along the north-south spines such as Thornbury, Plenty Road (Tyler Street), Gilbert Road (Regent Street) and Summerhill Village have critical mass but are in a state of redevelopment or regeneration.

Each of these centres is recognised in some form or another within the hierarchy of retail activity centres established in the Retail Activity Centres strategy (2005) and supported in Local Policy.

Several specific issues emerging in regard to the key centres include:

- Reservoir: The potential for grade separation of rail and road at Reservoir and the resultant ability to connect the two separate parts that presently form the Reservoir retail and commercial centre. The opportunities for economic land use such a project would afford would be significant. The DELUS will provide specific comments and recommendations, though a transformative project such as that of rail grade separation is well beyond the scope of land use planning recommendations.
- Preston: The status of the Preston market redevelopment has to be considered, along with the extent to which recent and proposed development has been and is aligned with the goals and objectives of the Preston Central Structure Plan.



The future of the so-called 'auto alley' (a small cluster of new and used car sales premises) at the north end of the Preston Activity Centre will also require examination. It is understood that several owners of these site have indicated interest in the redevelopment of their sites with a primarily residential focus. The underlying question relates to whether substantial sites currently devoted to automobile sales and services represents a use of land appropriate to the vision of the centre and the underlying value of the land. The DELUS will need to consider whether employment uses can be and should be retained on the land in the event redevelopment occurs and whether there is an alternative and appropriate location within the municipality for car sales and servicing;

- Northcote: The ongoing evolution of the Northcote activity centre as a significant retail and lifestyle hub and the intensity of future development along the public transport is a relevant consideration. At present, High Street as well as Northcote Plaza are in the Business 1 Zone, while the extended area along High Street to the north is variously in the Business 1 Zone and the Business 2 Zone. The DELUS needs to consider the extent to which the goals and objectives in relation to economic activity in the Northcote Activity Centre Structure Plan are being met and whether any changes to zoning or local policy are appropriate.

Specific issues and comments relating to Darebin's secondary activity centres include:

- Summerhill Village: Summerhill Village is a stand alone shopping centre on Plenty Road approximately 1.5 kilometres from the entrance to La Trobe University. It includes Safeway and Coles supermarkets and a Target store. The appearance of the centre is presently underwhelming and it is understood that several redevelopment proposals have been discussed with Council. The nature of these proposals are understood to be mixed use including high density residential development.
- Fairfield: Fairfield, or Fairfield Village as it is commonly known is a well performing activity centre and a retail focal point for the south-east of the municipality. It is understood that there is interest in the development of a full line supermarket within the centre.
- High Street, Thornbury: Thornbury sits between Northcote and Preston, south of Bell Street. Economic activity is located along High Street and represents an eclectic mix of retail, commercial and light service industry. The area is experiencing ongoing redevelopment of available sites (some of which have been aggregated) with retail or other commercial activity at ground level and residential apartments above. The extensive use of the Business 2 Zone in the Thornbury area has provided Council with a degree of control over the mix of uses in an area with considerable appeal for higher density residential development.

Bulky Goods Precinct, Bell Street: The bulky goods precinct on the south side of Bell Street near the intersection of Albert Street is (appropriately) in the Business 4 Zone. It is presently home to a Harvey Norman store and an Officeworks. In terms of built form, the centre could be described as 'tired'.



The generic questions for each of the key and secondary centres that will need to be addressed include:

- Are they performing the role contemplated for them in the Darebin Planning Scheme and the Retail Activity Centres Strategy (2005)?
- Given recent and proposed development activity are there any changes in zoning or Local Policy support that should be made?
- In light of projected population growth and changing retail trends, to what extent is a full review of retail floor space needs required and when?
- Do the current zones support the current and future direction of the centre?

***ISSUE: The area around Northland Shopping Centre represents a significant opportunity for investment***

With more than 95,000 square metres of retail floorspace Northland Shopping centre is one of Melbourne's most significant and well known regional shopping destinations and its retail catchment extends beyond the boundaries of Darebin and neighbouring Banyule.

The area around the Northland Shopping Centre comprises residential (to the north) and bulky goods (to the south) as well as industrial uses to the south of Gowers Road (the East Preston Industrial Precinct). This area is presently the subject of the Northland Structure Plan.

Like a number of other large regional shopping centres in metropolitan Melbourne the area around Northland is arguably underdeveloped with existing built form primarily single storey (in the case of the bulky goods development) or single and double storey (in the case of the residential built form).

With increasing land values in and around the Northland Structure Plan area there are likely to be increasing opportunities over time for higher density forms of residential and non-residential development. The key to facilitating redevelopment in the area will be to identify areas where land is relatively unfragmented and where opportunities for an uplift in land values based on development opportunity will most likely facilitate outcomes.

As noted, while the area around Northland is currently the subject of a structure planning exercise, the DELUS will provide comment and land use recommendations that support development in this important precinct.



***ISSUE: A number of local centres appear to be struggling***

Darebin has 77 identified local centres ranging from 1-2 shops through to 20 or more different premises. Many of these centres include a significant number of vacant premises and many also include a large number of non-retail uses which, based on observational assessments, appear to provide a quasi business incubator role due (presumably) to the relatively low rentals available in small local centres.

Local centres appear to fall into several distinct groups:

- Those that appear to be performing relatively well and evolving based on changing demographics in the local neighbourhood and/or on the enterprise of various business owners;
- Those that have effectively ceased to operate as a retail or commercial centre. Several centres of up to 12-15 former retail and commercial premises in the southern part of the municipality have, with the exception of 1-2 shops, converted to residential dwellings.
- Several centres, particularly in the central part of the municipality, which based on previous strategies and reviews appeared to be struggling, now appear to be slowly evolving. In such instances the 'evolution' is often based on the arrival within the strip of a contemporary coffee shop or delicatessen around which other businesses begin to emerge.
- A number of centres, particularly in the northern part of the municipality, appear to face significant challenges with numerous vacancies and poor amenity.

It should be noted that the decline of local centres has a direct impact on the traditional sense of 'neighbourhood' (defined as a readily walkable catchment) and by extension, economic activity at a local level. This includes a decrease in neighbourhood based employment. On the flipside, the decline in local centres has been matched by the centralisation of retail and commercial activity, and therefore employment, in larger activity centres. As noted, even if some newer activity is not strictly retail based, the business incubator role some local centres appear to play cannot be under-estimated in terms of their economic contribution to the municipality.

The DELUS will assess each centre and, if appropriate, make recommendations in relation to the underlying zone. Recommendations may include:

- Retention of the existing zoning;
- A change in zone to recognise changed conditions within the local centre;
- A change in zone to facilitate higher density residential development existing in tandem with business uses; and
- Changes in Local Policy to better define the role and expectation of local centres.



***ISSUE: In emerging redevelopment areas there may be a limit to how much retail development is sustainable***

The facilitation of high density residential development at the intersection of High Street and Plenty Road as a result of The Junction Integrated Development Plan is arguably one of Melbourne's most successful urban renewal outcomes. With Darebin's most prominent north-south spines – High Street, Plenty Road, St Georges Road and Gilbert Road – being relatively rich in public transport infrastructure the opportunities for further higher density residential development are plentiful. Various urban design strategies are in place or being put in place to facilitate an appropriate level of built form along these corridors.

There is a generally held view that where there is multi level development along key transport corridors it is desirable to encourage active frontages, often through the incorporation of retail or commercial floor space at ground level.

While active frontages are frequently encouraged, it should also be noted that there may be a limit to how much retail (and commercial) floorspace can be sustainably provided in certain areas.

The specific issues in each of the key redevelopment corridors include:

- **The Junction:** As noted, the so-called Junction precinct (at the confluence of Plenty Road and High Street) has seen a significant amount of redevelopment occur over the past decade with a number of medium rise apartment towers constructed. Generally, these have included some degree of active street frontage.

The DELUS will need to consider the extent to which the encouragement of economic activity (active frontages with retail and commercial tenancies available at ground level) has been successful in this area. The answer will be useful in informing policy in the other potential redevelopment areas following.

- **St Georges Road:** between Merri Parade and Bell Street, St Georges Road presently contains seven separate clusters of non-residential zoned land. Some is in the Priority Development Zone (at the intersection of Bell Street), some is in the Mixed Use Zone, some is in the Business 1 and Business 2 Zones and some is in the Industrial 3 Zone.

Given the high quality of transport and physical infrastructure along St Georges Road the intensity of built form along the boulevard is generally regarded as underdeveloped.

As more intense forms of residential development occurs along St Georges Road it will be necessary to consider the extent to which retail, commercial or other forms of economic or active use should be provided at ground level.

Given the existence of non-residential zones already in place, the DELUS will consider whether the conversion of existing non-residential zones to the Business 2 Zone for example would be appropriate in facilitating active frontages in specified areas along St Georges Road. The residual issue the



DELUS will need to deal with is whether additional retail and commercial activity beyond the existing identified areas should be encouraged given the proximity of the High Street activity area.

- Plenty Road: A similar issue is likely to arise in Plenty Road, particularly the area from Bell Street to the Tyler Street retail precinct. This part of Plenty Road is characterised by a significant amount of existing land in the Business 1 Zone and the Industrial 3 Zone. The use and future of the Industrial 3 zoned land has already been commented on and it is apparent that a significant amount of the Business 1 Zone land along Plenty Road is also underutilised given the existence of valuable tram infrastructure.

Accordingly, the DELUS will consider whether an alternative zone (such as the Business 2 Zone for example) would be more appropriate to facilitate residential development which also retains employment at ground and/or subsequent levels.

- Gilbert Road: Several local centres of varying scale also exist along Gilbert Road which is serviced by a tram line as far north as Regent Street. The most prominent are located at Miller Road, Murray Road and the aforementioned Regent Street. With the exception of a single industrial site in Regent Street, all local centres along Gilbert Street are in the Business 1 Zone.

As with Plenty Road and St Georges Road, the DELUS will consider the performance of the existing retail areas and whether the most appropriate zone is in place given the potential of Gilbert Road to accommodate redevelopment opportunities.

There may be also merit in considering ways in which to provide employment opportunities such as showrooms and office space within residential apartment developments rather than the simple inclusion of 'shop' at ground level.

### ***ISSUE: The corporate office sector is limited in scope***

Melbourne's suburban office market is largely concentrated within the City Fringe, Inner east and Outer Eastern regions. Historically, the majority of office building development has occurred in Melbourne's East with only a very small proportion of the total of Melbourne's office stock being located in the Northern and Western Regions. The underlying reason has been a higher proportion of Melbourne's population and a significantly higher proportion of Melbourne's white collar employees being within the eastern and south-eastern suburbs.

Office space in Darebin (as with much of the Northern and Western Region) has generally consisted of Government tenants, welfare and community support agencies as well as small consultancy firms and professional service providers.

It is probable that changes to this historic paradigm will occur though it is likely to be incremental rather than monumental.



Firstly, a rebalancing of Melbourne's population is now underway with the demographic centre of the metropolitan area moving slowly, but steadily north-west over the past decade.

Secondly, the pioneering University Hill development at Bundoora has demonstrated that office development in the Northern Region can be successful with the right preconditions. Office space at University Hill comprises both strata development as well as some corporate space connected to advanced manufacturing facilities. While the strata offices (in excess of 15,000 square metres) cater primarily for professional services firms and consultancies, the campus style nature of the overall development has attracted a corporate presence in the form of Siemens VDO (now Continental) which combines an advanced manufacturing facility with 7,000 square metres of office space.

The success of office development at University Hill is based largely on the scale of land available to tailor development to a particular need (in the case of Siemens VDO) or to provide for a niche product in the case of strata office space (in buildings of 3-4 levels with approximately 5,000 square metres in each). The availability of car parking for each development has been regarded as critical and the ability to create a sense of amenity has been fundamental in attracting occupants.

While several office developments have been completed or are proposed along Bell Street near the junction of Plenty Road/High Street the market for office space in Darebin remains at an embryonic stage. The emergence of niche product and the factors that have provided a successful outcome at University Hill will be important in considering the potential for an expanded commercial office space sector.

The promotion of commercial office development in Darebin is a worthy objective for several reasons:

- The changing socio-demographic composition of the municipality indicates an increased number of persons engaged in white collar professions;
- Commercial office development provides a far higher rate of jobs per hectare than industrial uses;
- Commercial offices provide a range of employment opportunities at a range of income levels;
- Increased congestion on roads and public transport create opportunities for work opportunities at a municipal and regional level;
- The perception of amenity that exists within Darebin affords the municipality the opportunity to take a leading role in facilitating commercial development in Melbourne's northern region; and
- If an appropriate location can be identified, it should be able to be provided at far lower land values than in Melbourne's CBD or fringe CBD areas.

While campus style accommodation is generally the preferred style of office development for developers and large corporate occupants, there are potentially niche



opportunities within and around the Northcote activity centre which may be considered attractive for professional service providers and consultancies due to the high sense of amenity in the area.

The challenges in establishing a commercial office market or precinct in Darebin presents some key issues that the DELUS will seek to address. For example:

- While this report has already flagged the potential for the industrial area south of the Northland Activity Centre to provide campus style office accommodation, a clear evaluation process needs to be established as part of the DELUS. Questions that need to be addressed include, is there a location within the municipality that presents as a viable location for campus style office accommodation? Is the identified location strategically located and is it of a scale whereby a 'sense of place' can be created. What is the best zone to accommodate such activity? Is such a concept best promoted in a mixed use environment with a genuine mix of employment and residential development?
- Are there any locations in Northcote where the development of niche office accommodation can be promoted and facilitated? Again, what is the best zone?

## **Summary**

Retail and commercial land use in Darebin is largely focussed on the municipality's key north-south spines. The notable exception is Darebin's largest retail node; the Northland Shopping Centre.

Key and secondary activity centres are evolving with a focus on accommodating residential development above retail and commercial uses. The extent to which retail growth can be accommodated into the future is a key issue.

Smaller local centres are split between those that are evolving as mixed use centres and those that are struggling to establish their role in a changing retail environment. Even so, a number of local centres appear to providing a useful role as business incubators due to their affordable rental.

Between the key and secondary centres and along the north-south spines, there are areas that present as redevelopment opportunities for genuine mixed use development with residential development located above retail or commercial uses. Ensuring the right zone is in place and that Local Policy accurately prescribes the intended outcome will be the key challenge.

Darebin, like most of Melbourne's north and western municipalities has little in the way of an established commercial office market. This can be expected to change, albeit incrementally, in the future. Darebin however has attributes that may accommodate a viable office market if an appropriate location can be established and the right conditions created. Facilitating this possibility will become a key issue for the DELUS.



### 3.5 OTHER ISSUES

***ISSUE: La Trobe University appears disengaged from the economic life of the surrounding area***

La Trobe University is the largest employer in Darebin with over 2,000 direct employees and many more indirectly employed in related businesses.

In general terms however, the La Trobe University appears to be disengaged from the economic life of the municipality. For example, due to the way the university was originally laid out, there is little integration with the surrounding community and little hint of the scale of activity within at its Plenty Road entrance. The potential for commercial and some retail development in the Plenty Road access point should be explored further.

In terms of the capacity for expansion at La Trobe University it is important to recognise the limitations facing the university following recent changes to university funding and the competition it will now face from more readily accessible alternatives such as RMIT and the University of Melbourne.

The other key tertiary institution in Darebin is the Northern Melbourne Institute of TAFE (NMIT) located in St Georges Road, Preston. At a distance of approximately 450 metres from the heart of the Preston activity centre, the NMIT achieves what La Trobe does not – the potential for students to integrate within and contribute to a substantial activity centre.



### **3.6 CONCLUSION AND NEXT STEPS**

Economic land use in Darebin is evolving at a considerable pace. It is partly caused by an increasing population and changing demographics but also by increasing land values, themselves driven by the demand for housing and higher order redevelopment opportunities.

The municipality's industrial areas are, broadly speaking, focused around three core industrial areas as well as a number of dispersed sites scattered around the municipality.

The core industrial areas are less focused on manufacturing than they once were but continue to play a regionally important role in providing a location for service industries and wholesale traders. Some manufacturing facilities have shifted their operations offshore leaving large parcels of underutilised industrial land, some of which are strategically located and offer opportunities for potential redevelopment. In several instances, the costs involved in demolition and remediation present a significant economic impediment to their future use.

Smaller industrial sites dispersed through the municipality provide a mix of opportunities. In some cases their industrial use seems assured while in other instances the existing uses are no longer industrial and their future may be best optimised with the application of other employment or mixed use based zones.

On the retail front, the municipality's multiple retail and commercial centres (both large and small) are evolving based in part on Darebin's changing demographics.

This Key Issues Paper provides an overview of some of the key matters to be addressed in the Darebin Economic Land Use Strategy. The Strategy itself is to be guided by an economic vision for Darebin to be developed in conjunction with Council.

The DELUS will examine existing economic land use – industrial, business and other – on an area by area basis, centre by centre basis and in some cases on a single site basis and assess the current situation and performance, provide options for the future and provide a recommendation in each case.



## APPENDIX A

### Relevant sections of the Darebin Planning Scheme

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#### A1 STATE PLANNING POLICY FRAMEWORK

##### A1.1 Clause 17.01 Commercial

###### 17.01-1 Business

###### **Objective**

*To encourage development which meet the communities' needs for retail, entertainment, office and other commercial services and provides net community benefit in relation to accessibility, efficient infrastructure use and the aggregation and sustainability of commercial facilities.*

###### **Strategies**

*Locate commercial facilities in existing or planned activity centres.*

*Provide new convenience shopping facilities to provide for the needs of the local population in new residential areas and within, or immediately adjacent to, existing commercial centres.*

*Provide outlets of trade-related goods or services directly serving or ancillary to industry and which have adequate on-site car parking.*

*Locate cinema based entertainment facilities within or on the periphery of existing or planned activity centres. Such facilities should not require a permit for use within activity centres and are not encouraged on freestanding sites.*

*A five year time limit for commencement should be attached to the planning approval for all shopping centres or expansions of over 1,000 square metres in floorspace.*

###### 17.01-2 Out of centre development for Metropolitan Melbourne

###### **Objective**

*To manage out of centre development in Metropolitan Melbourne.*

###### **Strategies**



*Ensure that proposals or expansion of single use retail, commercial and recreational facilities outside activity centres are discouraged by giving preference to locations in or on the border of an activity centre.*

*Ensure that out-of-centre proposals are only considered where the proposed use or development is of net benefit to the community in the region served by the proposal.*

*Discourage large sports and entertainment facilities of metropolitan, State or national significance in out-of-centre locations unless they are on the Principal Public Transport Network and in locations that are highly accessible to their catchment of users.*

## **A1.2 Clause 17.02 Industry**

### **17.02-1 Industrial land development**

#### **Objective**

*To ensure availability of land for industry.*

#### **Strategies**

*Identify land for industrial development in urban growth areas where:*

- *Good access for employees, freight and road transport is available.*
- *Appropriate buffer areas can be provided between the proposed industrial land and nearby sensitive land uses.*

*Protect and carefully plan existing industrial areas to, where possible, facilitate further industrial development.*

*Provide an adequate supply of industrial land in appropriate locations including sufficient stocks of large sites for strategic investment.*

*Protect industrial activity in industrial zones from the encroachment of unplanned commercial, residential and other sensitive uses which would adversely affect industry viability.*

*Encourage industrial uses that meet appropriate standards of safety and amenity to locate within activity centres.*

*Avoid approving non-industrial land uses, which will prejudice the availability of land for future industrial requirements, in identified industrial areas.*

### **17.02-3 State significant industrial land**

#### **Objective**

*To protect industrial land of State significance.*



## **Strategies**

*Protect large areas of industrial land of state significance to ensure availability of land for major industrial development, particularly for industries and storage facilities that require significant threshold distances from sensitive or incompatible uses. Industrial areas of state significance include but are not limited to:*

- *Dandenong South in the City of Greater Dandenong.*
- *Campbellfield and Somerton in the City of Hume and Thomastown in the City of Whittlesea.*
- *Laverton North in the City of Wyndham and Derrimut in the City of Brimbank.*

*Protect heavy industrial areas from inappropriate development and maintain adequate buffer distances from sensitive or incompatible uses.*

## **A2 MUNICIPAL STRATEGIC STATEMENT**

### **A2.1 Clause 21.02 Municipal Profile**

#### **21.02-11 Economy**

*Darebin's local economy has undergone significant change in recent time, moving from a traditional industrial base to a more modern retail and business focussed profile. The City of Darebin is home to approximately 5,200 businesses, providing around 44,000 jobs, about one third of which are occupied by Darebin residents. However Darebin experienced a loss of 5,000 local jobs between 1996 and 2001 and this trend is expected to continue. Darebin's two major employers include the manufacturing industry and the retail sector. The manufacturing sector has undergone a period of significant change and restructure, resulting in the decline of some parts of the industry and a demand for modern manufacturing facilities on well serviced and accessible land.*

### **A2.2 Clause 21.03 Key Influences and Issues**

#### ***Economic Development and Employment***

*The changing structure of the employment base in the City requires management to ensure that the identified industrial and employment areas in the City are retained and their role strengthened. Appropriate new industries need to be attracted and fostered to create opportunities for local employment. There is a danger that industrial activities could otherwise be lost from the City by gradual conversion to or encroachment by residential development. The community is keen to retain a balanced mix of employment opportunities, and shopping facilities.*

*Activity centres are the focus of the achievement of many directions of Melbourne 2030. The opportunities for incorporating residential development in and around*



*centres need to be identified and quantified. The role of each centre also needs to be identified, and objectives for each developed to ensure the individuality of each is retained and enhanced.*

## **A2.3 Clause 21.05 Objective – Strategies - Implementation**

### **21.05-5 Element 5: Economic Development**

#### ***Overview and key issues***

*The long term sustainability of a city as a place to live, work and invest depends in part on a strong and dynamic local economy. The City of Darebin recognises that land use structure and planning must be conducive to appropriate economic development, balanced with social, environmental and cultural considerations. Economic activity provides vibrancy to Darebin in terms of generation of employment opportunities, business and retail activities, entertainment and attracting visitors to the area.*

*In light of Darebin's relatively high unemployment, Council must work proactively with both the industry, business and education sectors (as the main sources of labour demand and supply) to support business growth and local employment.*

*Whilst some industrial and commercial sectors are thriving, others are subject to high vacancy rates, inappropriate uses and poor functioning. Council must play an active role in rationalising its economic outlook and attracting new types of land use activities in these locations.*

*The municipality has a number of economic strengths. These include proximity to major interstate and regional transport networks, Melbourne Airport, Melbourne Central Activities District, La Trobe University including its Research and Development facilities, Northland Shopping and Homemaker Centres, Preston Market and a skilled local labour force. These strengths need to be maximised in order to enhance the performance of the local economy.*

*Facilitating new industries such as research and development, technology based industries and personal services, whilst maintaining a viable and vibrant industrial base, have been identified as important underpins to developing the city's economic base. Combined with the proactive stance, is the need to protect industrial areas from encroachment and redevelopment for residential development. The lack of greenfield sites in Darebin for future expansion emphasises the importance of maintaining existing land resources wherever possible. Increased land values have placed pressure on the Council to rezone land for uses that could either replace industry or threaten the long term viability of nearby industry. The Industrial Land Use Strategy identified areas considered to be core to the City's industrial future. Reduction in either the amount of core industrial land or the isolation of industrial uses from residential uses can significantly limit the flexibility of the sector to respond to future growth needs and directions, and must therefore be resisted.*



## **Vision**

*A sustainable and prosperous business, industrial and commercial environment that is reflective of the diverse local community, both as potential employees and consumers, and which is governed in a flexible, proactive and innovative way.*

## **How the vision will be achieved**

### **Objective 1**

*A responsive and diverse local economy which is responsive to external economic change.*

### **Strategies**

- *Direct land use changes which either support or rationalise economic activity, in accordance with the Darebin Economic Development Strategy.*
- *Research wider global economic trends and identify associated impacts for the function and role of the City's industrial areas.*
- *Encourage the range of educational institutions in the City to develop educational opportunities that are accessible to the local community and provide appropriate skills for the jobs available locally.*
- *Promote Darebin as a location for further public and private office development through making available suitably zoned land.*
- *Facilitate the redevelopment of the Preston Fresh Food Market and the commercial and civic activities in the Preston Central Activity Centre by implementing the recommendations of the Preston Central Structure Plan (2006).*

### **Objective 2**

*Facilitate and support fledgling small and micro businesses as a sector providing employment growth.*

### **Strategies**

- *Continue to provide a business incubator program to encourage micro and "start up" businesses to locate in Darebin.*
- *Provide support for high need groups within Darebin to create business opportunities to provide appropriate local employment opportunities.*
- *Provide support to fledgling and micro businesses through the provision of advice and provision of dispensations from normal requirements (for example car parking requirements) if appropriate.*



### **Objective 3**

*Protect viable industrial and commercial uses in the city and facilitate appropriate reuse of industrial and commercial areas experiencing decline.*

#### **Strategies**

- *Through implementing the Industrial Land Use Strategy, encourage the reuse of redundant industrial land to more appropriate commercial and residential uses.*
- *Encourage the revitalisation of the Junction area for a range of business and residential development, through implementing the Junction Integrated Development Plan.*
- *Do not allow the encroachment of business and residential uses on industrially zoned land that has been identified as core to the City of Darebin in the Industrial Land Use Strategy.*
- *Implement the recommendations of the High Street Study through encouraging a range of supporting business, commercial and residential uses in the internodal areas of High Street, between the key activity centres.*

### **Objective 4**

*Encourage the development of research and development and high technology facilities.*

#### **Strategies**

- *Encourage the development of the La Trobe University Research and Development Park.*
- *Encourage the development of complementary businesses in the vicinity of the La Trobe University Research and Development Park.*

### **Objective 5**

*Support economic development that contributes to sustainability, is compatible with the natural and built form and which makes a social contribution to Darebin.*

#### **Strategies**

- *Liaise with business operators to promote 'green industries' and best practice environmental performance.*
- *Work with the Department of Sustainability and Environment and Environment Protection Authority to resolve issues such as acceptable noise and emission levels in industrial and business zones.*
- *Introduce a Development Contributions Plan to collect a levy for social and physical infrastructure when new development occurs.*



- *Resolve problems of noise emissions from land zoned industrial and Business 3.*
- *Promote Council and consumer support of local businesses to enhance sustainability and to reduce the environmental impacts of transporting products long distances.*

### **Objective 6**

*Promote and enhance the range of environmental, cultural and recreational facilities in the City to encourage people from outside the area to visit Darebin.*

### **Strategies**

- *Recognise the contribution of Northland Shopping Centre, Preston Market, Bundoora Park, John Cain Memorial Park and Velodrome, Edwardes Park Lake, Central Creek Grasslands, Bundoora Homestead, Reservoir Civic Centre, Darebin Parklands, All Nations Park, Minbah Trash and Treasure Market, Melbourne Wildlife Sanctuary, Gresswell Forest Reserve, Merri and Darebin Creeks and the bike trail network to attracting visitors to Darebin.*
- *Encourage the development of a diverse range of short term accommodation opportunities, such as serviced apartments and hotels in the city, particularly taking into consideration the proximity to the Austin Hospital, La Trobe University.*
- *Promote Preston Central as the pre-eminent Principal Activity Centre in the City of Darebin and strengthen its role as the major focus and attractor for business, shopping, community, government, recreational and cultural activities for the northern suburbs of Melbourne.*

### **Implementation**

#### **Using policy and the exercise of discretion as follows:**

- *Apply the Junction Local Area Local Planning Policy to the consideration of planning applications in and around the intersection of High Street and Plenty Road Preston, generally known as 'The Junction' in accordance with the Junction Area Plan contained in that policy.*
- *Apply the Industrial and Commercial Activity Local Planning Policy to applications in Industrial 1 Zone, Industrial 3 Zone and Business 3 Zone.*
- *Apply the Outdoor Advertising Local Planning Policy for signage applications.*
- *Apply the decision making guidelines of the Industrial Land Use Strategy – A Framework For Decision Making 2001 in consideration of requests for the rezoning Industrial land.*



**Applying zones and overlays as follows:**

- *Apply the Environment Audit Overlay to all land currently zoned industrial when it changes to another non industrial zone.*
- *Apply the Environment Audit Overlay to all land suspected to have been subject to contamination in the past.*
- *Rezone redundant Industrial 3 Zone and Industrial 1 Zone land to more appropriate business and residential uses.*
- *Rezone identified areas of High Street to more appropriate business or mixed residential and other uses, in accordance with the High Street Study.*
- *Encourage redevelopment in accordance with the Junction Integrated Development Plan, December 2001, Pinnacle Property Group Pty Ltd and KLM Gerner Consulting Group Pty Ltd.*
- *Apply a Priority Development Zone (PDZ1) to the Preston Market site to facilitate redevelopment in accordance with the Preston Market Incorporated Plan 2007.*
- *Apply a Priority Development Zone (PDZ2) to the remaining substantial change precincts located in High Street and Bell Street, as identified in the Preston Central Structure Plan (2006), to guide development in accordance with the Preston Central Incorporated Plan 2007.*
- *Rezone areas identified in the Northcote Activity Centre Structure Plan to more appropriate business zones.*

**Undertaking further strategic work as follows:**

- *Prepare a Tourism Implementation Strategy.*
- *Prepare structure plans for activity centres within Darebin.*
- *Investigate the feasibility of establishing a tourist trail in consultation with the Heritage Branch of Aboriginal Affairs Victoria that includes recognition of aspects of aboriginal settlement of the area and resourcefulness.*

**Other Actions:**

- *Publish promotional literature, electronic and audio visual resources highlighting the business, industrial and educational institutions and locational strengths of the City.*
- *Maintain the Council's commitment to the business incubator for small and micro businesses.*
- *Review the Industrial Land Use Strategy – A Framework for Decision Making 2001.*



- *Continue to work with the traders and operators of the Preston Fresh Food Market and other traders in the Preston Central Activity Centre.*

## **21.05-6 ELEMENT 6: ACTIVITY CENTRES**

### ***Overview and key issues***

*One of the key components of the future of Darebin is the form, composition and appearance of its activity centres. The retail industry is one of the most important industry sectors in the municipality for its contribution to employment, incomes and the provision of goods and services to residents. Based on Australian Bureau of Statistics data for 2001, it is estimated the retail sector in Darebin contributes 8,000 jobs to the local economy (16% of jobs). There are also approximately 1,200 retail businesses in the city, representing 22% of all business located in the municipality. The activity centres serve a large residential population that is predicted to increase over the next 10-20 years.*

*In addition, Melbourne 2030 places great importance on activity centres as the focus for:*

- *High quality development, activity and development for the whole community.*
- *A wide range of services over longer hours, while restricting out-of-centre development.*
- *A substantial proportion of new housing.*

*Melbourne 2030 identifies a hierarchy of Principal, Major, Specialised and Neighbourhood activity centres. Northland Shopping Centre and the Preston Central are identified as Principal Centres, two other nodes on High Street at Northcote and Reservoir are identified as Major Activity Centres, and La Trobe University Technology Park is identified as a Specialised Activity Centre. The Neighbourhood Centres are to be identified by Council, and the Retail Activity Centres Strategy has identified Fairfield Village, The Broadway, South Preston and Thornbury Village as primary neighbourhood centres, with others serving smaller catchments at Link Street, Westgarth Village and Miller on Gilbert.*

*In addition to the hierarchy of centres identified in Melbourne 2030, the Darebin Retail Activity Centres Strategy identified approximately 55 local convenience centres that also play a part in retailing within the City. Six of these centres were identified as poorly performing and these warrant action to determine their future. High Street is a major north-south corridor in metropolitan Melbourne that supports one of Melbourne's longest retail and commercial strip centres. Council's High Street Urban Design Framework establishes key principles for land use in High Street are as follows:*

- *strengthen the role of designated activity centres by focussing primary retail development at ground floor level with housing above*



- *revitalise the inter-nodal areas between the designated activity centres by encouraging offices and showrooms at ground floor level with housing above.*

*The Retail Activity Centres Strategy has identified the important and varied role of the City's retail activity centres. Key issues that face activity centres in Darebin are as follows:*

- *The emergence of large format retail operations, such as factory outlets, that tend to seek sites outside of existing retail centres in order to minimise development costs.*
- *There is a need to appreciate the importance of retailing as an economic activity which contributes to jobs and incomes as well as its important social role and contribution to the built environment.*
- *There are trends in the operation of the retail industry which arise from demographic and behavioural shifts, and which are important to understand in order to fully appreciate the factors that influence retail development in Darebin.*
- *There is a low rate of escape expenditure from the City of Darebin indicating that the current mix of retail facilities available serves the community well. However, due to a combination of factors including increase in the Darebin and surrounding municipality's populations over the coming years and real growth in per capita spending, it is estimated that there is potential for a further 78,000sqm of retail floor space over the period 2001 – 2016.*
- *The roles and functions of activity centres, including opportunities for future roles and higher density residential development, need to be clearly defined to direct Council and other stakeholders in investment decisions.*
- *The need to ensure that community facilities are located within or close to activity centres.*
- *Centre management and business planning needs to be supported by Council in many cases.*
- *Potential conflicts arising from the integration of residential and commercial land uses.*
- *The urban design of centres is important to achieving the long term goals for any centre, to aid in defining role and identity, assist in general attractiveness and vibrancy of centres, and improve functioning.*
- *High Street supports a number of core retail areas separated by internodal areas that contain portions of redundant industrial land. These areas are gradually changing in response to changes in the economy. Preston Central is one of the largest traditional main street shopping centres in Northern Melbourne. Its key attractors are diverse. Apart from being the seat of local government, Preston Central is the location for a number of major community facilities, the Northern Melbourne Institute of TAFE (NMIT), a premium railway station, Melbourne's second largest fresh food market which is attended by 3.5*



*million visitors per annum, three major supermarkets, and four major car dealerships. The potential of Preston Central Activity Centre lies in the Centre's ability to retain and enhance the key attractors; increase the amount of retail, office, entertainment, community and civic activities; and to encourage more residential development and improve housing choice.*

### **Vision**

*The development of a vibrant and sustainable activity centre network through appropriate integrated and diverse land use planning, residential, community and business development, as well as centre management policies that focus investment in activity centres as key community focal points.*

### **How the vision will be achieved**

#### **Objective 1**

*Consolidate retail, business, employment, community and leisure facilities and higher density housing in and around identified activity centres.*

#### **Strategies**

- *Encourage a wide mix of activities, particularly in the Principal and Major Activity Centres of Northland, Preston Central, Northcote and Reservoir.*
- *Encourage new core retail, community, employment, business and leisure facilities to locate within or close to identified activity and centres.*
- *Encourage higher density housing to locate within walking distance of identified activity and neighbourhood centres.*
- *Ensure residential development within and adjoining activity centres is appropriately designed so as to minimise conflict between the needs and aspirations of users.*
- *Encourage the following in the Preston Central Activity Centre:*
  - *the maintenance of the role and function of Preston Central as the civic heart of Darebin City and the development of the Preston Civic Precinct (Precinct A) as the major focus and location for the civic and administrative headquarters for the City of Darebin; community services hub for library, intercultural centre, children's services and justice activities; the desirable location for corporate office accommodation, business services, cafes and specialist retail; and, residential accommodation;*
  - *multi-level mixed use development comprising office, retail, leisure and entertainment, residential and civic uses that facilitate day and evening activity predominantly in Precinct B (High Street Central), Precinct C (Market), and Precinct D (Mary Street);*
  - *the retention and the redevelopment of the Preston Fresh Food Market;*



- *the concentration of core retail and entertainment uses in Precinct B (High Street Central) and Precinct C (Market);*
- *the establishment of a vibrant café, restaurant and entertainment area, principally between Murray Road and Cramer Street in Precinct B (High Street Central);*
- *office development above retail uses in Precinct B (High Street Central) and Precinct C (Market), and at any level in Precinct A (Civic), Precinct D (Mary Street) and Precinct J (Western Gateway) and along the remainder of High Street;*
- *the retention of employment uses supporting large format retail, light industrial, and offices in Precinct F (High Street), Precinct G (High Street North) and Precinct H (Northern Gateway);*
- *the retention of the cluster of car yards and related businesses in Precinct H (Northern Gateway); and,*
- *residential development throughout the centre, except in Precinct H (Northern Gateway) and at ground floor level along High Street, in Precinct C (Market) and in Precinct I (Southern Gateway) along Bell Street between High Street and St. Georges Road.*

## **Objective 2**

*Ensure appropriate land supply and location for bulky goods retailing and factory outlets.*

### **Strategies**

- *Encourage large format bulky goods retailing and factory outlets to locate in the identified cluster centres, namely the environs of the Northland Shopping Centre, Bell Street in proximity to Albert Street, Plenty Road Preston and High Street Preston.*
- *Encourage the development of integrated bulky goods developments that house multiple tenants thereby reducing the need for short car trips and providing an opportunity to deliver other forms of transport access.*
- *Ensure that proposals for new or expanded bulky goods development at the cluster centres are accompanied by a retail economic analysis of the potential impact of the proposals on the existing retail framework.*
- *Encourage the development of smaller bulky goods outlets, trade supplies and showrooms in the internodal areas of High Street.*
- *Encourage large format retail to be located at ground floor level in Precinct F (High Street), Precinct G (High Street North), and Precinct H (Northern Gateway) within the Preston Central Activity Centre.*



### **Objective 3**

*Ensure that land use development is integrated with transport infrastructure so that activity centres are well served by public transport, have safe and pleasant pedestrian and cycle access and use of the car is minimised.*

#### **Strategies**

- *Coordinate land use development with the provision of integrated transport infrastructure.*
- *Support the implementation of State and local government programs that promote walking, cycling and public transport options.*
- *Encourage the integration of the Preston Railway Station with the Preston Central Activity Centre.*
- *Facilitate the creation of an east-west pedestrian thoroughfare connecting the Preston Railway Station, Preston Fresh Food Market, High Street and Preston Library, generally aligned with The Centreway.*
- *Facilitate the creation of a north-south pedestrian thoroughfare between Murray Road and Mary Street, south of Cramer Street, Preston.*
- *Encourage the use of Murray Road to the north, Bell Street to the south and St Georges Road to the west, as the primary through traffic routes outside of the Preston Central Activity Centre,*
- *Encourage the use of Cramer Street as the secondary transport route for cyclists, pedestrian and local traffic in the Preston Central Activity Centre.*
- *Facilitate the creation of a new north-south road (the future Station Avenue) between the Preston Railway station (and the multi-modal interchange) and the Preston Market site to provide safe and efficient private and public, multi-modal transport movements.*

### **Objective 4**

*Consolidate the network of local convenience centres.*

#### **Strategies**

- *Identify future development opportunities for poorly performing local convenience centres.*
- *Encourage the appropriate reuse of local convenience centres which have been identified as having limited potential as retail nodes.*
- *Ensure that local convenience centres are reasonably located and accessible, by public transport or walking, to all residents, particularly less mobile residents.*



### **Objective 5**

*Require a high quality standard of design for new development and redevelopment within activity centres.*

#### **Strategies**

- *Encourage retail uses to maximise visual interest and exposure to passers-by, through presenting a shopfront to the main movement routes and maximising the shopfront address to the street frontage.*
- *Locate major shops, such as supermarkets and department stores, on major roads.*
- *Encourage an urban design form which reflects and supports the image, role and function of the centre.*
- *Encourage development, abutting public open spaces, which will accommodate ground floor uses that activate those spaces.*
- *Create identifiable landmarks at the Bell Street and St Georges Road entrances to the Preston Central Activity Centre.*
- *Discourage under development of identified key redevelopment sites and precincts in the Preston Central Activity Centre.*

### **Objective 6**

*Provide well designed community activity centres that service the local community.*

#### **Strategies**

- *Facilitate the establishment of a neighbourhood activity centre to serve Lancaster Gate new residential area.*

#### **Implementation**

##### **Using policy and the exercise of discretion as follows:**

- *Use the Decision-Making Framework for Planning at Local Convenience Centres, within the Retail Activity Centres Strategy, to assess proposed use and development at local convenience centres.*
- *Use the Planning Checklist in the Retail Activity Centres Strategy to assess planning applications as appropriate.*
- *Use the High Street Land Use & Urban Design Local Planning Policy and the Northcote Activity Centre Policy to encourage primary retail activity into designated activity centres.*
- *Use the Retail Activity Centres Local Planning Policy*



- *Apply the Northland Regional Activity Centre Local Planning Policy to applications in the Northland Activity Centre*
- *Apply the Outdoor Advertising Local Planning Policy for signage applications.*
- *Use the 'Preston Central (Incremental Change)' Local Planning Policy at Clause 22.11 to assess applications within the Preston Central Activity Centre.*
- *Apply the Northcote Activity Centre Policy to applications in the Northcote Activity Centre.*
- *Use the Northcote Activity Centre Medium and Low Change Residential Areas Precinct Guidelines, 2008 to encourage development to contribute to the preferred character of the activity centre.*

***Applying zones and overlays as follows:***

- *Apply Business 1 zone to the core retail areas, except in the Preston Central Activity Centre where the Priority Development Zone applies.*
- *Apply the Priority Development Zone (PDZ1) to the Preston Market site identified in the Preston Central Structure Plan (2006) and use the Preston Market Incorporated Plan 2007 to guide use and development.*
- *Apply the Priority Development Zone (PDZ2) to the remaining substantial change precincts (other than the Market site) identified in the Preston Central Structure Plan (2006) and use the Preston Central Incorporated Plan 2007 to guide use and development.*

***Undertaking further strategic work as follows:***

- *Prepare an Activity Centre Policy utilising the recommendations of the Retail Activity Centre Framework, in the Retail Activity Centres Strategy, to identify the future roles and functions, centre management, business planning, and urban design issues of all activity centres in the City.*
- *Prepare Structure Plans including detailed urban design guidelines for all Principal and Major activity centres and areas around them, to guide future development.*
- *Prepare a Structure Plan for the La Trobe University Research and Development Specialist Activity Centre.*
- *Undertake further investigation of the 6 local convenience centres identified in the Retail Activity Centres Strategy as performing poorly and requiring future direction for alternative business development where possible.*
- *Prepare a 'Discretionary Uses in Residential Areas & Out of Centres Development Local Planning Policy'.*
- *Prepare a Bulky Goods Retailing Strategy.*



- *Prepare an Urban Design Framework for Bell Street including the area identified as a Potential cluster centre*

**Other Actions:**

- *Encourage and support the establishment of business associations for businesses in activity centres to undertake centre management and business planning programs.*
- *The High Street Urban Design Framework 2005 and Retail Activity Centres Strategy 2005 identify that the internodal areas in High Street require aspecific land use planning response. Rezoning of land in the internodal areas allow for office and retail development. Land use in the internodal areas will need to be monitored to determine the effect of new developments on activity centres.*

### **A3 LOCAL PLANNING POLICY FRAMEWORK**

#### **A3.1 Clause 22.07 Industrial and Commercial Activity**

##### **Clause 22.07-1 Policy Basis**

*The industrial base of the City of Darebin has been undergoing considerable change with the decline of the traditional footwear and textile industries and the increasing demand for the recycling of old industrial building stock for new uses including residential.*

*The City of Darebin supports appropriate industrial and commercial development as an integral component of the economic growth and viability of the Municipality. The Council is committed to retaining employment opportunities and encourages the orderly transition from the declining industries to the light industry and commercial sectors.*

*Council recognises that development must be sustainable and must be balanced with social, environmental and cultural development to ensure Darebin remains a vibrant place to live and work. Council must work proactively with industry, business and education to support economic growth and local employment opportunities essential to the long-term growth and vitality of the municipality.*

*Land use patterns in the municipality are changing in response to population renewal, property price increases and shifts in the main economic activity. The Darebin City Council is keen to ensure that these changing patterns can provide a secure economic future for the local community. Council acknowledges that this change must be managed to ensure continued appropriate land uses and to manage areas of conflict between competing land uses and interfaces between non-complimentary uses.*

*New industry will be encouraged to locate in the identified core industrial areas as identified in the Industrial Land-Use Strategy which have been identified as suitable for industrial development and use in the long-term.*

*When making decisions on applications Council should have particular regard to the*



*provisions of Clause 52.10 of the Darebin Planning Scheme.*

### **Clause 22.07-2 Policy Objectives**

- *To protect the integrity of viable and sustainable industrial areas (core and secondary areas) from ad hoc intrusion or compromise from competing non-compatible land uses.*
- *To ensure a high standard of urban design is achieved to improve the visual character, functioning and layout in industrial and commercial areas.*
- *To require the provision of suitable landscaping to improve the appearance of industrial and commercial areas.*
- *To encourage existing industry to improve its performance including cleaning up and improving the appearance of existing buildings and reducing off-site impacts.*
- *To minimise the impact on the amenity of surrounding residential areas from traffic, noise and emissions resulting from industrial land uses.*
- *To reduce and minimise conflict between industrial and non-industrial land uses.*
- *To create and provide for a mix of local employment opportunities.*
- *To create a sustainable vibrant local economy providing a variety of both jobs and services.*
- *To facilitate the transition of under-utilized sites and inappropriate industries to more suitable economic uses that provide choices in local employment.*
- *To encourage environmentally sustainable development which utilizes, where practical, best practice, energy efficiency, water reuse and recycling.*
- *To restrict caretakers' dwellings to those that are properly planned and appropriately located for their supervisory role to associated industrial or commercial activity.*
- *To ensure caretakers' dwellings do not adversely impact upon the primary use of the zone.*
- *To prevent caretakers' residences being developed for general residential purposes.*

### **Clause 22.03-3 Activity Centres**

#### ***Policy***

*In all Retail Activity Centres it is policy to:*

- *Ensure that development occurring within activity centres demonstrates an ability to complement and strengthen the role and function of the activity centre, seeks to improve the level of physical amenity of the centre and where possible provides sufficient car parking for that use as determined by the responsible authority.*
- *Ensure that development is responsive to its environment having a high quality appearance with regard to its surrounding urban form with consideration given to:*



- *Appropriately designed and positioned signage, which is uncluttered and contributes rather than detracts from the overall appearance of the centre.*
- *Loading and unloading of service vehicles.*
- *Waste management measures.*
- *Visual and acoustic impacts of plant equipment and other equipment associated with the use.*
- *Provision of an active street frontage with adequate weather protection for pedestrians for the length of the street frontage.*
- *Environmentally Sustainable Design (ESD) principles.*
- *Variety of transport access modes including walking, cycling and public transport.*
- *Encourage residential uses above or to the rear of retail uses that complement the retail function of the centre and do not adversely impact upon the amenity of the retail function.*
- *Ensure that development addresses environmental concerns including potential interface issues with surrounding sensitive land uses. Residential uses in retail centres will incorporate noise attenuation measures to protect the residential amenity of the dwellings from the surrounding commercial uses.*
- *Encourage development that contributes to the vibrancy and vitality of the centres.*
- *Ensure that centres provide amenable urban environments that represent vibrant focal points for local communities through improved public and private investment.*
- *Require that all applications for proposals in excess of 1000m<sup>2</sup> are accompanied by a retail-economic analysis of potential impacts on the existing retail framework.*

### **Principal Activity Centres**

*It is policy to:*

- *Provide a greater mix of activities including commercial office, community and government facilities.*
- *Encourage greater intensification of activity including appropriate expansion of retail and commercial development, consolidation of car parking and redevelopment of underutilised sites.*
- *Encourage intensive housing development to locate in or in close proximity to the Centre, particularly Preston Central.*
- *Promote the different roles of the Principal Activity Centres encouraging the development of Preston Central as a multi-functional centre and Northland Shopping*



- *Centre as a regional centre for retail, entertainment and related uses.*
- *Promote better use of public transport to, from and around activity centres.*

### **Major Activity Centres**

*It is policy to:*

- *Provide for a wide mix of economic, social and community facilities including major grocery shops, specialty retailing and entertainment, office (where appropriate) and leisure activities, including cafes and restaurants.*
- *Encourage high-order retailing (where supported in terms of market demand), office development, entertainment venues and other economic, social and community roles.*
- *Encourage high density housing within or adjoining to the Centre to add to the Centres vibrancy and to achieve sustainability objectives.*
- *Ensure that the Centre integrates with the public transport system and will provide for the improvement of transport interchanges between multiple public transport modes.*

### **Neighbourhood Activity Centres**

*It is policy to:*

- *Encourage convenience shopping facilities that are supported by the surrounding residential neighbourhood and provide additional facilities such as speciality shopping, small office and micro-business premises, service businesses and the like.*
- *Ensure that new centres locate only to serve new urban growth areas and provide opportunity for a variety of transport access modes, including walking, cycling and public transport.*
- *Ensure that new centres will be designed in accordance with the Urban Design Policies contained within the Retail Activity Centre Strategy.*
- *Utilise opportunities for redevelopment at the fringe of the centres where appropriate through the consolidation of active retail uses within the centre.*

### **Local Convenience Centres**

*It is policy to:*

- *Provide local level convenience retail services to a limited local catchment which primarily comprises walk-in customers in the immediate environs of the shop, although some local convenience centres also have an important role serving passing traffic.*



- *Encourage a mix of uses with an emphasis on the provision of basic retail services such as milk bar/general store, newsagent, hairdresser, etc.*
- *Provide for a wider mix of economic activities including commercial office and service businesses, particularly on the fringe centres.*
- *Consolidate active retail facilities in order to allow redevelopment of redundant space in centres which have excess of properties and a high vacancy rate.*
- *Ensure decision-making relating to Local Convenience centres is done so with regard to the Decision-making Framework for Planning Local Centres contained in the Retail Activity Centres Strategy (Table 5.4)*
- *Develop new centres only with regard to need and accessibility for the surrounding local catchment as well as opportunities to serve passing traffic.*

### ***Bulky Goods/Homemaker Retailing***

*It is policy to:*

- *Encourage large destination homemaker developments, typically involving national brands and which generate high parking demands, to locate in Cluster Centres nominated in the Retail Activity Centre Strategy, comprising:*
  - *the environs of Northland Shopping Centre including parts of Murray Road and Chifley Drive*
  - *Bell Street generally between Albert and O'Keefe Streets*
- *Encourage Cluster Centres to develop in an integrated manner, involving multiple premises so as to provide the opportunity to share infrastructure such as parking and landscaping.*
- *Recognise the role of existing centres/locations, such as parts of Plenty Road and Heidelberg Road, and those parts of High Street identified in the policy at Clause 22.08, as appropriate locations for smaller bulky goods outlets, trade supplies and showrooms.*
- *Consider showroom as a potential use of the ground floor premises of developments in the inter nodal areas of High Street, as identified in the policy at Clause 22.08*

