

# South Melbourne Structure Plan: Zoning Anomalies Report November 2023

FUTURE  
SOUTH  
MELBOURNE



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# 1. Introduction

South Melbourne is a vibrant inner urban location with an engaged community, a diverse mix of housing and businesses, and a rich cultural and architectural heritage. These attributes, as well as its location between Melbourne's CBD and Port Phillip Bay, mean that South Melbourne will continue to be an attractive location to live, work and play.

The City of Port Phillip has prepared the South Melbourne Structure Plan to manage change and guide how the area looks, feels and functions. The South Melbourne Structure Plan will replace the existing South Melbourne Central Structure Plan, which defines the boundary of the existing South Melbourne Major Activity Centre (MAC). Figure 1 shows the new South Melbourne Structure Plan area/

This long-term plan will help prepare South Melbourne for the future and how the community responds to challenges such as climate change, population growth and COVID-19 over the next 20 years and addresses:

- How new buildings should be designed
- The location of new housing and employment
- Generating job opportunities and economic recovery
- How people of all ages and backgrounds are included in the community
- How people move around and stay connected
- Enhancing streets and park
- Protecting heritage and character
- Enhancing sustainability
- Social and physical infrastructure improvements.

This report informs part of the South Melbourne Structure Plan by recommending that a number of sites be rezoned to correct zoning anomalies, as well as commenting on sites that were analysed but ultimately not proposed to be rezoned.

The tables in Chapters 5 and 6 provide an assessment of each recommended rezoning against the considerations outlined in the *Practitioner's Guide to Victorian Planning Schemes* (Victorian Government) in relation to applying a zone.

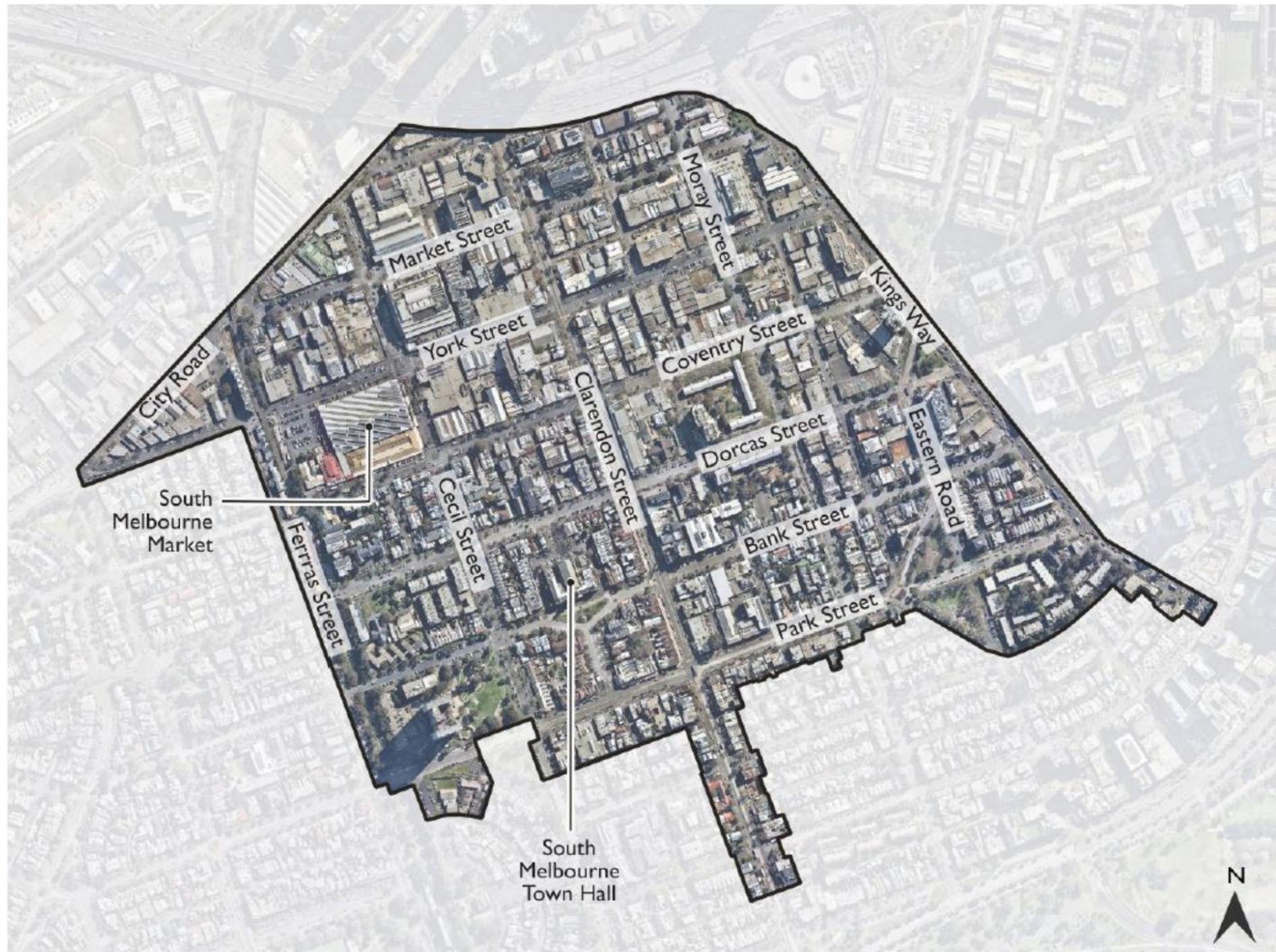


Figure 1: The black line shows the South Melbourne Structure Plan Area

## 2. Approach and methodology

The existing zoning within the South Melbourne Structure Plan study area has been analysed as part of the technical work supporting the South Melbourne Structure Plan. This identified a number of zoning anomalies. These sites have been analysed against the guidance outlined in the *Practitioner's Guide to Victorian Planning Schemes* in relation to applying a zone (section 5.1), which states that before deciding which zone should be applied to land, the following matters should be considered:

- the land, including any particular physical characteristics, previous uses and the use and development of adjoining land, its ownership and management and the requirements of any other legislation that may apply to the land
- the intended planning outcomes for the land set out in the MPS and the PPF, as a consequence of a previous or current land use, or a particular physical characteristic of the land
- the purposes and provisions of the zone and the extent of local variation available in a schedule to the zone.

The sites recommended to be rezoned make a strong contribution to a 20-minute neighbourhood, which the Victorian Government defines through Plan Melbourne as:

*“a well-designed place with a mix of land-uses and housing types with public transport. It offers connected places where people can live, spend their free time and access local services. It provides social hubs where connections to neighbours and communities can develop. These are places where people want to be, where people have the opportunity and choice to live locally”.*

The features of a 20 minute neighbourhood are shown in Figure 2.



Figure 2: Features of a 20-Minute Neighbourhood, Department of Environment, Land, Water and Planning (Victorian Government)

### 3. Policy Framework

The South Melbourne Structure Plan will be informed by a broad range of State and Council plans and strategies. The key strategies are listed in the table below.

State Framework	
<b>Melbourne Industrial and Commercial Land Use Plan 2020</b>	Provides a framework to more effectively plan for future employment and industry needs, and better inform future strategic directions. It identifies parts of South Melbourne within the study area as both 'Regionally Significant Industrial Land' and as a 'Regionally Significant Commercial Area'. Kings Way and the West Gate Freeway are identified as part of the Principal Freight Network.
<b>Plan Melbourne 2017-2050 – Metropolitan Planning Strategy</b>	Establishes a vision for Melbourne by integrating land use, infrastructure and transport planning to meet the City's future environmental, population, housing and employment needs. Plan Melbourne identifies South Melbourne as a Metropolitan Activity Centre, places which have an important role in accommodating housing, employment and other future needs.
<b>Planning and Environment Act 1987</b>	Sets the legislative framework for Victoria's planning system. Section 4 sets out the objectives of planning in Victoria, which councils must implement.
<b>Unlocking Enterprise in a Changing Economy Strategy 2018</b>	Identifies South Melbourne as an enterprise precinct, one of three key areas outside Melbourne's CBD to attract new businesses and investment.
<b>Urban Design Guidelines (Victorian Government, 2023)</b>	Aim to create neighbourhoods that foster community interaction and make it easy for people of all ages and abilities to live healthy lifestyles and engage in regular physical activity.
<b>Victoria's Climate Change Strategy 2021</b>	Sets out a roadmap to net-zero emissions and a climate resilient Victoria by 2050.
Local Framework	
<b>Act and Adapt Sustainable Environment Strategy 2023-28</b>	Outlines the City of Port Phillip's commitment to environmental sustainability for the organisation and the wider community. It establishes a pathway that will help transition the City to a greener, cooler more liveable City where everyone is reducing their impact on the environment and are more resilient to the impacts of climate change.
<b>City of Port Phillip Activity Centre Strategy 2006</b>	Establishes a holistic understanding of the complex role and function of activity centres (areas focused on commercial and retail precincts) and the contribution they make to creating sustainable local communities.
<b>Climate Emergency Action Plan 2023-28</b>	Outlines how the City of Port Phillip will respond to the climate emergency and how the City will collaborate with stakeholders to cut our community's emissions and prepare for the future. It directly responds to Council's declaration of a climate emergency on 18 September 2019.
<b>Council Plan 2023-27 (updated annually)</b>	Sets out what the City of Port Phillip wants to achieve by 2027, and how we will support the current and future health and wellbeing of the City and our people.
<b>Creative and Prosperous City Strategy 2023-2026</b>	Supports the creation of a thriving social, cultural and economic future for the City of Port Phillip and a continued focus on economic development and tourism, festivals, events, live music, our screen industry (including film and gaming) and arts, culture and heritage. It supports the economic recovery of the local economy following the COVID-19 pandemic.
<b>Don't Waste It! Waste Management Strategy 2018-28</b>	Provides the blueprint for how the City and the community will work together to create a more sustainable future, through the way waste is managed in the municipality.
<b>Games Action Plan 2020-24</b>	Recognises the opportunity for Port Phillip's games sector and related creative industries to continue as a significant part of the City's future economy
<b>Greening Port Phillip, an Urban Forest Approach 2010</b>	Provides the strategic framework and policy context for the development and management of trees in Port Phillip.
<b>In Our Backyard – Growing Affordable Housing in Port Phillip, 2015-2025</b>	Identifies the City's role and actions it will take to grow the supply and diversity of affordable housing in the Port Phillip to address priority local housing needs.
<b>Library Action Plan 2021-2026</b>	Sets out a vision, key actions and key focus areas for library services across Port Phillip to keep library services relevant and responsive to the community.
<b>Live Music Action Plan 2021-24</b>	Recognises the vital role that live music plays in the everyday life of Port Phillip, being central to its communities, its identity and its past, present and future.
<b>Move, Connect, Live Integrated Transport Strategy 2018-28</b>	Along-term plan to ensuring that the community can adapt to the increasing number of trips and the challenges associated with increased congestion, while creating travel choices, prioritising effective and equitable access to transport options, and ensuring the liveability and safety of streets.
<b>Placemaking Action Plan 2018-21</b>	The plan for reactivating areas of Port Phillip.
<b>Places for People Public Space Strategy 2022-32</b>	Sets the vision and blueprint for the future of public spaces in Port Phillip.
<b>Port Phillip Heritage Review (Version 36, December 2021)</b>	The main heritage reference document for the City, providing a municipal-wide, post-European contact environmental history, and also includes citations for heritage precincts and individual heritage places.
<b>Spatial Economic and Employment Framework (Draft 2023)</b>	Sets out a series of directions and strategies to support economic growth and vitality over the coming years.

## Policy in Port Phillip Planning Scheme

The Port Phillip Planning Scheme contains the policies and provisions that control land use and development and apply to all private and public land in Port Phillip. It contains both state and local policy.

The Municipal Planning Strategy (MPS) outlines the overarching strategic policy directions of Port Phillip.

Clause 02.03-1 sets out Strategic Directions for the South Melbourne neighbourhood. The neighbourhood comprises the South Melbourne MAC, shown in Figure 1 of this report, including Clarendon Street, the South Melbourne Market, and significant established business precincts which are experiencing residential and commercial development pressure. Within this policy, Council supports:

- Developing a sustainable mixed use precinct focussed on the South Melbourne MAC
- Developing the Emerald Hill precinct as a major focus of cultural activity for the local and wider community
- Maintaining high quality residential environments in established residential areas
- Addressing the shortage of public open space, especially north of Park Street.

In addition, Clause 02-03-6 outlines Strategic Directions on Economic development within Port Phillip. Within this policy Council supports:

- Maintaining and strengthening creative industry clusters in South Melbourne and Fishermans Bend Urban Renewal Precinct.

Reflecting the Strategic Directions, South Melbourne is shown as a key employment and industrial area as shown on the Strategic Framework Plan at Clause 02.04-1 (Figure 3).

Local policy guidance in the Planning Policy Framework for South Melbourne is contained in Clause 11.03-1L-05, which outlines strategies relating to new development within the activity centre. South Melbourne is also referenced in the following local policy:

- Clause 15.01-1L-02 Urban Design, addressing landmarks, views and vistas
- Clause 15.01-5L Neighbourhood Character, addressing how development should respond to specific character elements
- Clause 17.02-1L Mixed Use and office areas, addressing uses in the South Melbourne office and mixed-use precincts
- Clause 18.01-3L-01 Sustainable and safe transport in Port Phillip, addressing the provision of high-quality walking and bicycle infrastructure and facilities to and between key destinations including South Melbourne
- Clause 18.02-3L Public transport, addressing support for various new route connections and extensions to and through South Melbourne
- Clause 19.02-4L Community facilities, addressing support for new community facilities within South Melbourne Central.
- Clause 19.02-6L Public open space and foreshore, addressing strengthening existing or creating new open space in South Melbourne.

## Design and Development Overlay Schedule 8

The current planning requirements for land in the South Melbourne Major Activity Centre are mostly contained in Design and Development Overlay Schedule 8 (DDO8) – South Melbourne Central at Clause 43.02 of the Port Phillip Planning Scheme.

A review of DDO8 is contained in the *South Melbourne Structure Plan Background Report (November 2023)* and supporting documents.



Figure 3: Economic Development Framework Plan at Clause 2.04-1 (Economic Development) of the Port Phillip Planning Scheme, City of Port Phillip

## 4. Land recommended to be rezoned



Figure 4: Location of sites identified as zoning anomalies in this report and proposed new zone

The below table shows a summary of recommendations based on analysis against the criteria outlined above in Chapter 3 as set out by the Victorian Government in the *Practitioner's Guide to Victorian Planning Schemes* in relation to applying a zone (section 5.1). The sites are mapped in Figure 4 above. Full analysis against these criteria can be found in the following chapters 5 and 6.

Based on the reasons in this report, it is recommended that the following sites be rezoned:

Site address	Current zone	Recommended zone
176-188 Bank Street, South Melbourne (former South Melbourne Butter Factory)	Neighbourhood Residential Zone Schedule 2 (NRZ2)	Commercial 1 Zone (C1Z)
127 and 80-94 Market Street, 78 and 80-94 Cecil Street, 146-164, 166, 168 and 170 York Street and 3-5 Northumberland Street, South Melbourne	Part Commercial 1 Zone, part Commercial 2 Zone	Commercial 1 Zone (C1Z)
383-385 Clarendon Street, South Melbourne	Part Commercial 1 Zone, part Neighbourhood Residential Zone Schedule 2	Commercial 1 Zone (C1Z)
68-72 York Street, 191-199 Clarendon Street and 31 Ross Street, South Melbourne	Part Commercial 1 Zone, part Commercial 2 Zone	Commercial 1 Zone (C1Z)

The following sites were investigated, although no change is recommended to their zone:

Site address	Current zone recommended to be retained
308-310, 312-318 and 322 Kings Way, South Melbourne	General Residential Zone Schedule 1 (308-310 and 322 Kings Way) and Mixed Use Zone (312-318 Kings Way)
260 and 262 Moray Street, South Melbourne	General Residential Zone Schedule 9 (GRZ9)

## 176-188 Bank Street, South Melbourne (Former South Melbourne Butter Factory)

<p><b>Considerations outlined in the Practitioners Guide to Victorian Planning Schemes in relation to applying a zone (section 5.1)</b></p>	<p><b>Analysis</b></p>
<p>the land, including any particular physical characteristics, previous uses and the use and development of adjoining land, its ownership and management and the requirements of any other legislation that may apply to the land</p>	<div data-bbox="608 373 1202 829" data-label="Image"> </div> <p><b>Site description</b>  The site consists of all land at 176-188 Bank Street, South Melbourne (Former South Melbourne Butter Factory). It is a large block with an area of 2,557 square metres fronting Bank Street and the rear portion of the site is accessed via a laneway. The current building has full site coverage except for an approximately 50 square metre pocket between the portion of the building fronting Bank Street and at the rear of the site, adjoining Skinners Adventure Playground.</p> <p>The land is currently used as an office premises and has existing use rights established to this effect. The use was formerly a butter factory and then a recording/production studio. The land is currently in the Neighbourhood Residential Zone Schedule 2 (NRZ2) and the Heritage Overlay 440 applies, where this site is graded as significant within this overlay.</p> <p><b>Current site use</b>  The current commercial land use was established formally under existing use rights in accordance with a Certificate of Compliance 8/2019/CRT issued by the City of Port Phillip on 12 November 2019. This recognises that offices had operated on the site for over 15 years without a two year break.</p> <p><b>Use and development of adjoining land</b></p> <ul style="list-style-type: none"> <li>North: The site has interfaces with a number of properties to the north including: <ul style="list-style-type: none"> <li>221 Dorcas Street, which is the South Melbourne Greek Orthodox Church. It is separated from the subject site by a laneway and is in the Neighbourhood Residential Zone Schedule 2 and identified as a significant heritage place within Heritage Overlay 440.</li> <li>219 Dorcas Street, which is an early childhood centre/kindergarten and is in the Neighbourhood Residential Zone Schedule 2.</li> <li>217 Dorcas Street in the General Residential Zone Schedule 1 and currently operates as a private car park. This site has the same ownership as the subject site.</li> <li>Skinners Adventure Playground, which is in the Public Park and Recreation Zone. It is owned and operated by the City of Port Phillip. To the north of Skinners Adventure Playground is public housing owned by the Victorian Government in the General Residential Zone Schedule 1. Both of these sites are being considered as part of the Emerald Hill Precinct Masterplan. Also adjoining Skinners Adventure Playground to the north is 211-215 Dorcas Street, which has been developed as residential apartments in accordance with Planning Permit 419/2010, approved on 22/11/2010, and is in the General Residential Zone</li> </ul> </li> <li>East: Residential dwellings are to the east of the site, located in the Neighbourhood Residential Zone Schedule 2.</li> <li>South: Immediately to the south along Bank Street are various retail, commercial and educational uses in the Commercial 1 Zone, including the JMC Academy.</li> <li>West: Adjoining properties to the west including 295, 301, 303, 305 and 307-309 Clarendon Street are in the Commercial 1 Zone and comprise a mix of uses including retail premises, offices and residential apartments.</li> </ul> <p><b>Requirements of any other legislation that may apply to the land</b>  There are no further requirements pursuant to other legislation that apply to the land.</p>

<p>the intended planning outcomes for the land set out in the Municipal Planning Strategy (MPS) and the Planning Policy Framework (PPF), as a consequence of a previous or current land use, or a particular physical characteristic of the land</p>	<p><b>Intended planning outcomes for the land set out in the Municipal Planning Strategy (MPS) and Planning Policy Framework (PPF)</b>  Rezoning the site accords with the intended planning outcomes in the Municipal Planning Strategy of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy:</p> <ul style="list-style-type: none"> <li>• Clause 02.02 relating to the Vision for the City of Port Phillip</li> <li>• Clause 02.03-1 relating to the South Melbourne Neighbourhood</li> <li>• Clause 02.03-5 relating to Housing</li> <li>• Clause 02.03-6 relating to Economic Development</li> <li>• Clause 02.04-1 relating to the Strategic Framework Plan for Economic Development.</li> </ul> <p>Rezoning the site accords with the intended planning outcomes within the Planning Policy Framework of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy:</p> <ul style="list-style-type: none"> <li>• Clause 15.01-1L relating to Urban Design</li> <li>• Clause 15.01-2L-01 relating to Building Design</li> <li>• Clause 15.02-1I relating to Environmentally Sustainable Design</li> <li>• Clause 15.03-1L relating to the Heritage Policy.</li> </ul> <p>As set out in the <i>South Melbourne Structure Plan: Activity Centre Boundary Report</i>, the site is proposed to be included within the activity centre boundary.</p> <p>Should the land be included in South Melbourne Major Activity Centre as recommended, the following additional policy in the MPS and PPF will apply:</p> <ul style="list-style-type: none"> <li>• Clause 02.03-1 relating to Activity Centres</li> <li>• Clause 11.03-1L Activity Centres Policy</li> <li>• Clause 11.03-1L-05 applies to South Melbourne Central Major Activity Centre.</li> </ul> <p><b>Intended planning outcomes for the land as a consequence of a previous or current land use</b>  Intended planning outcomes for the land are influenced by policy within the clauses identified above, as well as the current and historic land use established under existing use rights Certificate of Compliance 8/2019/CRT to confirm the use of the land as an office.</p> <p>Planning Permit 678/2019/A was issued for the site on 5 March 2020 for “Partial demolition of the existing building and construction of buildings and works generally in accordance with the endorsed plans and subject to the following conditions”. This approved permit and endorsed plans relate to entirety of the site, including the building to the rear of the site abutting Skinners Adventure Playground.</p> <p><b>The intended planning outcomes for the land based on a particular physical characteristic of the land</b>  Addressed above.</p>
<p>the purposes and provisions of the zone and the extent of local variation available in a schedule to the zone.</p>	<p><b>The purposes and provisions of the zone and the extent of local variation available in a schedule to the zone</b>  The purposes of the current Neighbourhood Residential Zone Schedule 2 (NRZ2) at Clause 32.09 of the Port Phillip Planning Scheme are to:</p> <ul style="list-style-type: none"> <li>• <i>To implement the Municipal Planning Strategy and the Planning Policy Framework.</i></li> <li>• <i>To recognise areas of predominantly single and double storey residential development.</i></li> <li>• <i>To manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics.</i></li> <li>• <i>To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.</i></li> </ul> <p>The table of uses for the NRZ2 set out at Clause 32.09-2 of the Port Phillip Planning Scheme list an office (the current use of the site) as a ‘Section 3 – prohibited’ use. As such, the existing office land use is not aligned with the permissible uses pursuant to the zone, and the use has only been able to legally operate under the established existing use rights as outlined above.</p> <p>The purposes and provisions of Commercial 1 Zone at Clause 32.01 of the Port Phillip Planning Scheme are to:</p> <ul style="list-style-type: none"> <li>• <i>To implement the Municipal Planning Strategy and the Planning Policy Framework.</i></li> <li>• <i>To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.</i></li> <li>• <i>To provide for residential uses at densities complementary to the role and scale of the commercial centre.</i></li> </ul> <p>The table of uses for the C1Z set out at Clause 32.01-1 of the Port Phillip Planning Scheme lists an office as a ‘Section 1 – Permit not required’ use, meaning it is an as of right use that does not need planning permission to operate. As such, the Commercial 1 Zone more appropriately aligns with the existing use of the site.</p>
<p>Recommendation</p>	<p>Based on the above analysis it is recommended to rezone the property at 176-188 Bank Street, South Melbourne from the Neighbourhood Residential Zone Schedule 2 to Commercial 1 Zone.</p>

## Block bound by Market, Cecil, York and Northumberland Streets, South Melbourne (127 and 80-94 Market Street, 78 and 80-94 Cecil Street, 146-164, 166, 168 and 170 York Street and 3-5 Northumberland Street)

<p>Considerations outlined in the Practitioner's Guide to Victorian Planning Schemes in relation to applying a zone (section 5.1)</p>	<p>Analysis</p>
<p>the land, including any particular physical characteristics, previous uses and the use and development of adjoining land, its ownership and management and the requirements of any other legislation that may apply to the land</p>	<div data-bbox="611 453 1472 1352" data-label="Image"> </div> <p><b>Site description</b>  This site being considered includes the block of land bound by York, Cecil, Market and Northumberland Streets, including (starting from the north-west corner) addresses 127 and 80-94 Market Street, 78 and 80-94 Cecil Street, 146-164, 166, 168 and 170 York Street and 3-5 Northumberland Street, as illustrated in the image above. The site's area is 5488.8 square metres.</p> <p>Most of the site is currently in the Commercial 1 Zone, including 78 and part of 80-94 Cecil Street, 146-164 York Street and 3-5 Northumberland Street. The remaining part of the site is in the Commercial 2 Zone, including 127 Market Street, 166-170 York Street and part of 80-94 Market Street.</p> <p>Other planning controls applying to the site include the Design and Development Overlay Schedule 8 (DDO8), containing the current built form controls that apply to South Melbourne Central. This site currently falls within several different sub-precincts of DDO8, including sub-precinct 2b (Emerging Activity Precinct) which applies to 146-164 York and 80-94 Cecil Streets, subprecinct 8a (Western Business Precinct), which applies to 78 Cecil and a portion of 80-94 Cecil Street and sub precinct 8b (Western Business Precinct) which applies to 166-170 York Street. An Environmental Audit Overlay (EAO) also applies to the site, in response to the site's previous use as fuel storage and sales.</p> <p><b>Particular physical characteristics</b>  There are no notable physical characteristics applicable to the land.</p> <p><b>Previous uses of the site</b></p>

	<p>There are no notable previous uses of the land.</p> <p><b>Uses and development of adjoining land</b>  As the site forms a complete block there is no directly adjoining land, however uses around the site include:</p> <ul style="list-style-type: none"> <li>To the north, across Market Street, a number of 1-2 story commercial premises, including a building company and panel repair shop.</li> <li>To the east, across Cecil Street, is a large seven storey mixed-use commercial development, known as South Melbourne Central, which includes a variety of tenants such as a Woolworths supermarket.</li> <li>To the south, across York Street is the South Melbourne Market, owned and operated by the City of Port Phillip.</li> <li>To the west across Northumberland Street is a commercial premises and the Albion Rooftop and Bar, as well as a number of offices.</li> </ul> <p><b>Ownership and management</b>  The entire site except 127 Market Street is under the same ownership. 127 Market Street contains the only active uses within the block, the rest of the site is currently vacant.</p> <p><b>Requirements of any other legislation that may apply to the land</b>  Planning Permit 303/2018 was issued on 1 May 2019 by the Victorian Civil and Administrative Tribunal (VCAT), allowing for:</p> <ul style="list-style-type: none"> <li>Construction of a multi-storey building comprising office, shops and food and drinks premises (as of right uses), buildings and works in association with a Design and Development Overlay and reduction in car parking.</li> </ul> <p>This permit only applied to a portion of the overall site, specifically 80-94 Cecil Street, 146-148 York Street and 3-5 Northumberland Street, which were the only addresses under the same ownership at the time.</p> <p>Following the approval of Planning Permit 303/2018 the landowners acquired the remaining properties in the block except 127 Market Street and applied for an amendment to this permit, currently under consideration by Council. This amendment seeks to make several changes to approved Planning Permit 303/2018, including but not limited to:</p> <ul style="list-style-type: none"> <li>Adding the adjoining land at 78 Cecil Street, 166-170 York Street and 80-94 Market Street into the development site.</li> <li>Altering and deleting planning permit conditions.</li> <li>Amending plans to: <ul style="list-style-type: none"> <li>Add a fourth basement level.</li> <li>Increase building height from seven (7) levels to eight (8), with the total height increasing by 4.29 metres from 41.520m to 45.810m.</li> <li>Adding a Supermarket use to the ground floor.</li> </ul> </li> </ul> <p>This planning permit is currently under assessment and no decision has been made.</p> <p>The land at 127 Market Street, which is in separate ownership to the remainder of the site, has been developed in accordance with Planning Permit 1154/2013/ to 'Construct a 5 level building and construct and carry out works, reduce the number of car parking spaces required for use for a Restaurant and Offices'. This permit was granted on 15 October 2015.</p>
<p>The intended planning outcomes for the land set out in the MPS and the PPF, as a consequence of a previous or current land use, or a particular physical characteristic of the land</p>	<p><b>Intended planning outcomes within the Municipal Planning Strategy (MPS) and Planning Policy Framework (PPF)</b></p> <ul style="list-style-type: none"> <li>Rezoning the site accords with the intended planning outcomes in the Municipal Planning Strategy of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy: Clause 02.02 relating to the Vision for the City of Port Phillip</li> <li>Clause 02.03-1 relating to the South Melbourne Neighbourhood</li> <li>Clause 02.03-5 relating to Housing</li> <li>Clause 02.03-6 relating to Economic Development</li> <li>Clause 02.04-1 relating to the Strategic Framework Plan for Economic Development</li> </ul> <p>Rezoning the site accords with the intended planning outcomes within the Planning Policy Framework of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy:</p> <ul style="list-style-type: none"> <li>Clause 15.01-1L relating to Urban Design</li> <li>Clause 15.01-2L-01 relating to Building Design</li> <li>Clause 15.02-1I relating to Environmentally Sustainable Design</li> <li>Clause 15.03-1L relating to the Heritage Policy</li> </ul> <p>As set out in the <i>South Melbourne Structure Plan Activity Centre Boundary Report</i>, the entire site is proposed to be included within the activity centre (rather than just the southern portion which is currently included). Should the entire site be included in South Melbourne Major Activity Centre as recommended, the following additional policy in the MPS and PPF will apply:</p> <ul style="list-style-type: none"> <li>Clause 02.03-1 relating to Activity Centres</li> <li>Clause 11.03-1L Activity Centres Policy</li> <li>Clause 11.03-1L-05 applies to South Melbourne Central Major Activity Centre</li> </ul>

	<p>As such the intended planning outcomes for the site as set out in the PPF and MPS are consistent with the recommended application of the Commercial 1 Zone across the site.</p> <p><b>Intended planning outcomes for the land as a consequence of a previous or current land use</b>  This site is impacted by an Environmental Audit Overlay (EAO) which relates to a previous use of the site for fuel sales and storage. The EAO ensures that before a sensitive use (such as a residential use, child care centre, kindergarten, pre-school centre, primary school, even if ancillary to another use, children’s playground secondary school) commences, or before the construction or carrying out of buildings and works associated with these uses commences, a number of requirements are addressed. These include potentially either a preliminary risk screen assessment, or an environmental audit statement, a certificate of environmental audit or statement of environmental audit.</p> <p><b>The intended planning outcomes for the land based on a particular physical characteristic of the land</b>  Addressed above.</p>
<p>the purposes and provisions of the zone and the extent of local variation available in a schedule to the zone.</p>	<p><b>The purposes and provisions of the Commercial 1 Zone and the extent of local variation available in a schedule to the zone</b>  The purposes of the Commercial 1 Zone set out in Clause 34.01 of the Port Phillip Planning Scheme are:</p> <ul style="list-style-type: none"> <li>• <i>To implement the Municipal Planning Strategy and the Planning Policy Framework.</i></li> <li>• <i>To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.</i></li> <li>• <i>To provide for residential uses at densities complementary to the role and scale of the commercial centre.</i></li> </ul> <p>The land uses outlined in Clause 34.01-1 (Table of uses) enable a wide uses consistent with expected development outcomes for a consolidated site of this size within the South Melbourne Major Activity Centre, for example residential, retail and commercial uses.</p> <p>There is currently no local variation listed in the schedule to this zone, and no variation is recommended.</p> <p><b>The purposes and provisions of the Commercial 2 Zone and the extent of local variation available in a schedule to the zone</b>  The purpose of the Commercial 2 Zone set out in Clause 34.02 of the Port Phillip Planning Scheme is:</p> <ul style="list-style-type: none"> <li>• <i>To implement the Municipal Planning Strategy and the Planning Policy Framework.</i></li> <li>• <i>To encourage commercial areas for offices, appropriate manufacturing and industries, bulky goods retailing, other retail uses, and associated business and commercial services.</i></li> <li>• <i>To ensure that uses do not affect the safety and amenity of adjacent, more sensitive uses.</i></li> </ul> <p>The provisions of the zone, including the table of uses listed at Clause 34.02-1 differ from the Commercial 1 Zone in a number of ways, including that it allows industrial and office uses as of right (subject to conditions), and prohibits residential uses.</p> <p>As such, the table of uses for the Commercial 1 Zone outlined at Clause 34.01-1 of the Port Phillip Planning Scheme offers a greater diversity of uses than the Commercial 2 Zone, which provides a range of uses more consistent with expected development outcomes for a consolidated site of this size within the South Melbourne Major Activity Centre within the Precinct 2 – Emerging Activity Precinct as defined by DDO8.</p>
<p>Recommendation</p>	<p>Based on the above analysis it is recommended to rezone the properties at 127 and 80-94 Market Street and 166, 168 and 170 York Street, South Melbourne from the Commercial 2 Zone to the Commercial 1 Zone.</p>

## 383-385 Clarendon Street, South Melbourne

<p>Considerations outlined in the Practitioner's Guide to Victorian Planning Schemes in relation to applying a zone (section 5.1)</p>	<p>Analysis</p>
<p>the land, including any particular physical characteristics, previous uses and the use and development of adjoining land, its ownership and management and the requirements of any other legislation that may apply to the land</p>	<div data-bbox="608 342 1602 903" data-label="Image"> </div> <p><b>Site description</b> The site has an area of 410 square metres and consists of all land at 383-385 Clarendon Street. This includes the premises fronting Clarendon Street, which is currently in the Commercial 1 Zone, and the rear of the site, used as a private carpark in conjunction with the dental clinic, which is currently in the Neighbourhood Residential Zone Schedule 2. The built form is a two storey heritage building, and as such Heritage Overlay 440 (Emerald Hill Residential Precinct) also applies to the site, within which the property is recognised as significant.</p> <p><b>Previous uses of the site</b> The current and previous use of the site is and has been as a dental clinic / medical centre since 2008, as reflected in Planning Permit 1211/2008, which approved this use, as well as “alterations to the existing building at the rear, car parking dispensation associated with a two (2) practitioner medical centre”.</p> <p><b>Use and development of adjoining land</b></p> <ul style="list-style-type: none"> <li>• To the north, directly across Napier Street, is Taco Bill Restaurant, which is in the Commercial 1 Zone.</li> <li>• To the east, at the rear of the site, is 163 Napier Street, a 2 storey residential dwelling and associated home based business in the Neighborhood Residential Zone Schedule 2.</li> <li>• To the south, 387 Clarendon Street comprises a retail premise at ground floor in form of a café and is in the Commercial 1 Zone.</li> <li>• To the west, across Clarendon Street is the South Melbourne Maternal Child Health Centre and Koolin-Ngal Kindergarten both owned and operated by the City of Port Phillip and in the General Residential Zone Schedule 1.</li> </ul> <p><b>Requirements of any other legislation that may apply to the land</b> None applicable.</p>
<p>the intended planning outcomes for the land set out in the MPS and the PPF, as a consequence of a previous or current land use, or a particular physical characteristic of the land</p>	<p><b>Intended planning outcomes for the land set out in the Municipal Planning Strategy (MPS) and Planning Policy Framework (PPF)</b> Rezoning the site accords with the intended planning outcomes in the Municipal Planning Strategy of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy::</p> <ul style="list-style-type: none"> <li>• Clause 02.02 relating to the Vision for the City of Port Phillip</li> <li>• Clause 02.03-1 relating to the South Melbourne Neighbourhood</li> <li>• Clause 02.03-5 relating to Housing</li> <li>• Clause 02.03-6 relating to Economic Development</li> <li>• Clause 02.04-1 relating to the Strategic Framework Plan for Economic Development</li> </ul> <p>Rezoning the site accords with the intended planning outcomes within the Planning Policy Framework of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy:</p>

- Clause 15.01-1L relating to Urban Design
- Clause 15.01-2L-01 relating to Building Design
- Clause 15.02-1I relating to Environmentally Sustainable Design
- Clause 15.03-1L relating to the Heritage Policy

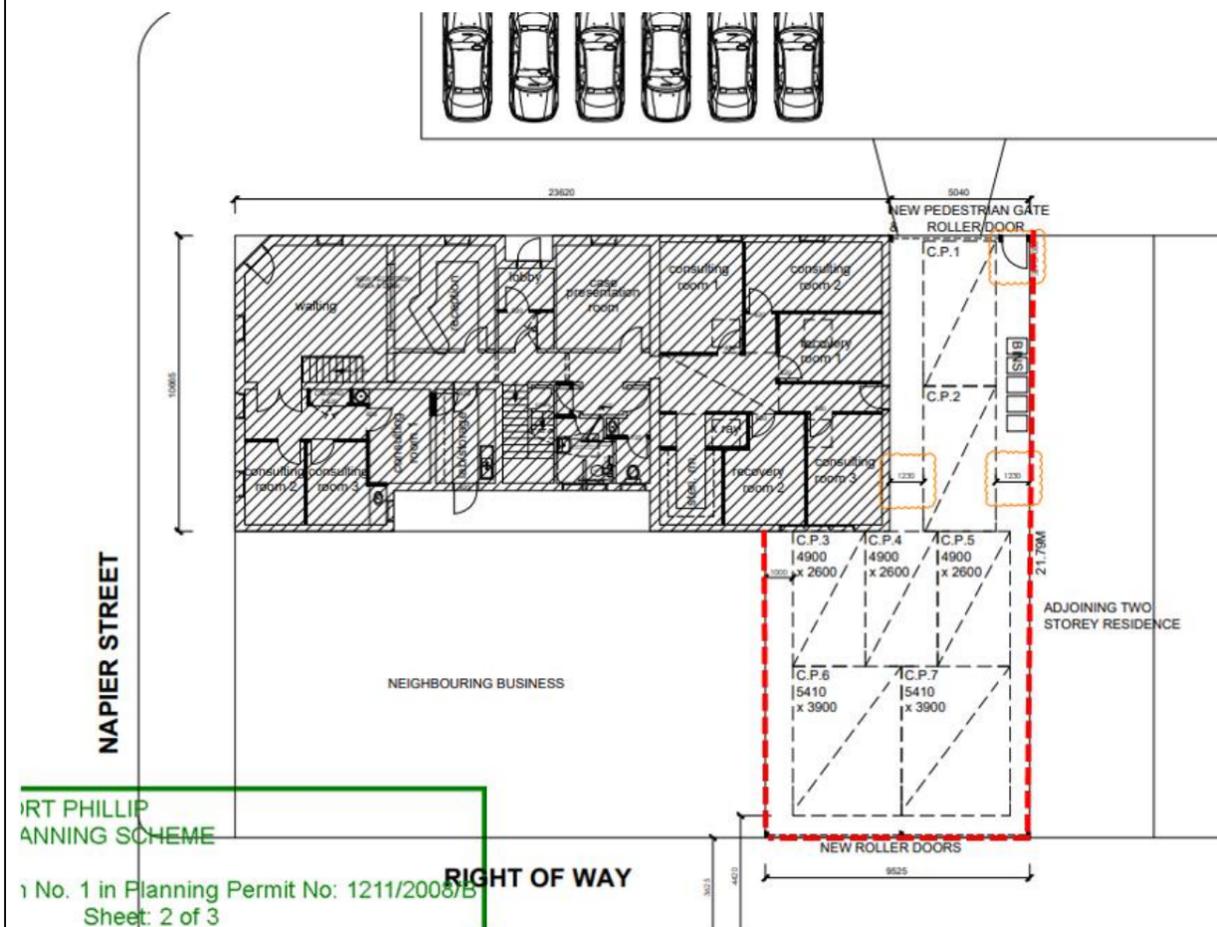
As set out in the *South Melbourne Structure Plan Activity Centre Boundary Report*, the site is recommended to be included within the activity centre boundary. Should the land be included in South Melbourne Major Activity Centre as recommended, the following additional policy in the MPS and PPF will apply:

- Clause 02.03-1 relating to Activity Centres
- Clause 11.03-1L Activity Centres Policy
- Clause 11.03-1L-05 applies to South Melbourne Central Major Activity Centre

**Intended planning outcomes for the land as a consequence of a previous or current land use**

Intended planning outcomes for the land are directed by policy within the clauses identified above, as well as the current land use operating as of right as a section 1 use consistent with Clause 34.01-1 of the Commercial 1 Zone in the Port Phillip Planning Scheme. Planning Permit 1211/2008/B approved a number of changes ancillary to the use, specifically "Alterations to the existing building at the rear, car parking dispensation associated with a two (2) practitioner medical centre".

The endorsed plans for the most current permit relating to this site, Planning permit 1211/2008/B, outlines that the area of land currently zoned Neighbourhood Residential Zone Schedule 2 forms part of the dental clinic commercial premises and is used as car parking in association with the clinic.



The below images show the site within the context of the existing zoning. This depicts that a portion of the rear of the building, as well as the car parking associated with the dental clinic, sit within the Neighbourhood Residential Zone Schedule 2, rather than the Commercial 1 Zone with the rest of the dental clinic. Given this property comprises a single parcel with a single land use, it is appropriate for the entire site to be in the Commercial 1 Zone.



**The intended planning outcomes for the land based on a particular physical characteristic of the land**  
 Addressed as above.

the purposes and provisions of the zone and the extent of local variation available in a schedule to the zone.

**The purposes and provisions of the zone and the extent of local variation available in a schedule to the zone**

The purposes of the Commercial 1 Zone set out in Clause 34.01 of the Port Phillip Planning Scheme are:

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.*
- *To provide for residential uses at densities complementary to the role and scale of the commercial centre.*

The table of uses for the C1Z as outlined at Clause 32.01-1 of the Port Phillip Planning Scheme lists dental clinic under medical centre (office) as a 'Section 1 – Permit not required' use, meaning it is an as of right use that does not need planning permission to operate.

The purposes of the Neighbourhood Residential Zone Schedule 2 (NRZ2) at Clause 32.09 of the Port Phillip Planning Scheme are to:

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To recognise areas of predominantly single and double storey residential development.*
- *To manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics.*
- *To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.*

Despite the NRZ2 allowing the use of land for a medical centre, subject to conditions, given the site's location, this better aligns with the purpose of the Commercial 1 Zone than the NRZ.

Recommendation

Based on the above analysis it is recommended to rezone the portion of the property at 383-385 Street, South Melbourne currently zoned Neighbourhood Residential Zone Schedule 2 to Commercial 1 Zone.

## 68-72 York Street, 191-199 Clarendon Street and 31 Ross Street, South Melbourne

<p>Considerations outlined in the Practitioner's Guide to Victorian Planning Schemes in relation to applying a zone (section 5.1)</p>	<p>Analysis</p>
<p>the land, including any particular physical characteristics, previous uses and the use and development of adjoining land, its ownership and management and the requirements of any other legislation that may apply to the land</p>	<div data-bbox="617 401 1359 1171" data-label="Image"> </div> <p><b>Site description</b>  This site includes two properties. The first property is known as 68-72 York Street, with buildings fronting York Street, Clarendon Street and Ross Street. It is a large site comprising an area of 1,268 square metres. Two buildings occupy the site with full site coverage. Most of the property is in the Commercial 2 Zone, with the balance in the Commercial 1 Zone. This property is in the Design and Development Overlay Schedule 8 (DDO8), containing the current built form controls that apply to South Melbourne Central. It is also in the Heritage Overlay 440 (Emerald Hill Residential Precinct), however is identified as non-contributory.</p> <p>The second property comprises two parcels in common ownership including 191-199 Clarendon Street and 31 Ross Street. It has a total area of 751 square metres comprising six buildings and an at grade car park. Buildings fronting Clarendon Street and the car park servicing these buildings are in the Commercial 1 Zone, meanwhile 31 Ross Street is in the Commercial 2 Zone. This property is also in DDO8 and Heritage Overlay 440, where buildings along Clarendon Street are graded Significant. The <i>City of Port Philip Stage 2 Heritage Review: South Melbourne (2023)</i> recommends extending Heritage Overlay 440 to apply to the former stables at 31 Ross Street.</p> <p><b>Particular physical characteristics</b>  There are no notable physical characteristics applicable to the land.</p> <p><b>Previous uses of the site</b>  There are no notable previous uses of the land.</p> <p><b>Uses and development of adjoining land</b></p> <ul style="list-style-type: none"> <li>• To the north, across Ross Street, a restaurant and two retail premises at a scale of 1 to 2 storeys</li> <li>• To the east, directly abutting the site, are two four storey commercial buildings.</li> <li>• To the south, across York Street, is the 3 storey Clarendon Hotel, a 2 storey commercial building and 1 storey retail premises buildings</li> <li>• To the west, across Clarendon Street, are retail and commercial premises at a scale of 2 storeys</li> </ul>

	<p><b>Ownership and management</b> The buildings forming 68-72 York Street are in common ownership, meanwhile the two properties known as 191-199 Clarendon Street and 31 Ross Street are in common ownership.</p> <p><b>Requirements of any other legislation that may apply to the land</b> None</p>
<p>The intended planning outcomes for the land set out in the MPS and the PPF, as a consequence of a previous or current land use, or a particular physical characteristic of the land</p>	<p><b>Intended planning outcomes within the Municipal Planning Strategy (MPS) and Planning Policy Framework (PPF)</b></p> <ul style="list-style-type: none"> <li>• Rezoning the site accords with the intended planning outcomes in the Municipal Planning Strategy of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy: Clause 02.02 relating to the Vision for the City of Port Phillip</li> <li>• Clause 02.03-1 relating to the South Melbourne Neighbourhood</li> <li>• Clause 02.03-5 relating to Housing</li> <li>• Clause 02.03-6 relating to Economic Development</li> <li>• Clause 02.04-1 relating to the Strategic Framework Plan for Economic Development</li> </ul> <p>Rezoning the site accords with the intended planning outcomes within the Planning Policy Framework of the Port Phillip Planning Scheme, in particular the outcomes sought by the following policy:</p> <ul style="list-style-type: none"> <li>• Clause 15.01-1L relating to Urban Design</li> <li>• Clause 15.01-2L-01 relating to Building Design</li> <li>• Clause 15.02-1I relating to Environmentally Sustainable Design</li> <li>• Clause 15.03-1L relating to the Heritage Policy</li> </ul> <p>As set out in the <i>South Melbourne Structure Plan Activity Centre Boundary Report</i>, the entire site is proposed to be included within the activity centre (rather than just the southern portion which is currently included). Should the entire site be included in South Melbourne Major Activity Centre as recommended, the following additional policy in the MPS and PPF will apply:</p> <ul style="list-style-type: none"> <li>• Clause 02.03-1 relating to Activity Centres</li> <li>• Clause 11.03-1L Activity Centres Policy</li> <li>• Clause 11.03-1L-05 applies to South Melbourne Central Major Activity Centre</li> </ul> <p>As such the intended planning outcomes for the site as set out in the PPF and MPS are consistent with the recommended application of the Commercial 1 Zone across the site.</p> <p><b>Intended planning outcomes for the land as a consequence of a previous or current land use</b> The site is operating within the provisions of the Commercial 1 Zone at Clause 34.01 of the Port Phillip Planning Scheme and the Commercial 2 Zone at 34.02 of the Port Phillip Planning Scheme.</p> <p><b>The intended planning outcomes for the land based on a particular physical characteristic of the land</b> Addressed above.</p>
<p>the purposes and provisions of the zone and the extent of local variation available in a schedule to the zone.</p>	<p><b>The purposes and provisions of the Commercial 1 Zone and the extent of local variation available in a schedule to the zone</b> The purposes of the Commercial 1 Zone set out in Clause 34.01 of the Port Phillip Planning Scheme are:</p> <ul style="list-style-type: none"> <li>• <i>To implement the Municipal Planning Strategy and the Planning Policy Framework.</i></li> <li>• <i>To create vibrant mixed use commercial centres for retail, office, business, entertainment and community uses.</i></li> <li>• <i>To provide for residential uses at densities complementary to the role and scale of the commercial centre.</i></li> </ul> <p>The land uses outlined in Clause 34.01-1 (Table of uses) enable a wide uses consistent with expected development outcomes for a consolidated site of this size within the South Melbourne Major Activity Centre, for example residential, retail and commercial uses.</p> <p>There is currently no local variation listed in the schedule to this zone, and no variation is recommended.</p> <p><b>The purposes and provisions of the Commercial 2 Zone and the extent of local variation available in a schedule to the zone</b> The purpose of the Commercial 2 Zone set out in Clause 34.02 of the Port Phillip Planning Scheme is:</p> <ul style="list-style-type: none"> <li>• <i>To implement the Municipal Planning Strategy and the Planning Policy Framework.</i></li> <li>• <i>To encourage commercial areas for offices, appropriate manufacturing and industries, bulky goods retailing, other retail uses, and associated business and commercial services.</i></li> <li>• <i>To ensure that uses do not affect the safety and amenity of adjacent, more sensitive uses.</i></li> </ul>

	<p>The provisions of the zone, including the table of uses listed at Clause 34.02-1 differ from the Commercial 1 Zone in a number of ways, including that it allows industrial and office uses as of right (subject to conditions), and prohibits residential uses.</p> <p>As such, the table of uses for the Commercial 1 Zone outlined at Clause 34.01-1 of the Port Phillip Planning Scheme offers a greater diversity of uses than the Commercial 2 Zone, which provides a range of uses more consistent with expected development outcomes for a consolidated site of this size within the South Melbourne Major Activity Centre within the Precinct 2 – Emerging Activity Precinct as defined by DDO8.</p>
Recommendation	Based on the above analysis it is recommended to rezone the portion of the properties at 68-72 York Street, 191-199 Clarendon Street and 31 Ross Street, South Melbourne currently in the Commercial 2 Zone to the Commercial 1 Zone.

## 5. Sites investigated with no rezoning proposed

### 308-310, 312-318 and 322 Kings Way, South Melbourne

<p>Site description including applicable planning controls</p>	 <p>The land is bound by Kings Way (service lane), Napier Street, Palmerston Crescent and adjoining NRZ1 land to the rear and includes three properties fronting Kings Way (service lane), 308-310, 312-318 and 322 Kings Way, South Melbourne. 308-312 Kings Way is in the General Residential Zone Schedule 1 and comprises a 3-4 storey aged brick building used as City Park Hotel. 312-318 Kings Way is in the Mixed Use Zone and comprises a 2 storey building used as offices. 322 Kings Way is also in the General Residential Zone Schedule 1 and is a single storey restaurant. The properties are all affected by Special Building Overlay 1, relating to flood management.</p> <p>There are no relevant planning permit applications or strategic planning documents applicable to the land.</p>
<p>Discussion</p>	<p>This site has a particularly sensitive interface in terms of a direct abuttal with low scale residential land in the Neighbourhood Residential Zone Schedule 1 to the south eastern interface at the rear of the site. It is not located within the South Melbourne Enterprise Precinct nor the South Melbourne Major Activity Centre. Current land uses generally accord with the purpose and provisions contained in existing zones. The General Residential Zone accommodates range of uses and this existing zone affords an appropriate built form outcome.</p> <p>Therefore, given this context, it is not recommended to rezone these sites.</p>
<p>Recommendation</p>	<p>No change to existing zones.</p>

## 260 and 262 Moray Street, South Melbourne

Site description including applicable planning controls



The land includes two properties at 260 and 262 Moray Street, South Melbourne. The properties are in the General Residential Zone Schedule 9 (GRZ9) and are included in the Design and Development Overlay Schedule 8 (Precinct 4-Southern Mixed Activity Edge, sub-precinct 4b) and the Heritage Overlay Schedule 440, within which the properties are both graded significant. The built form comprises 2 single storey heritage dwellings sharing a party wall. The dwellings are share a boundary with properties on Park and Moray Streets in the Mixed Use Zone to the north and west (rear), and Neighbourhood Residential Zone Schedule 2 to the east. More broadly the properties sit within a largely 1-2 storey residential area in the Neighbourhood Residential Zone.

Discussion

Prior to the new residential zones being applied across Victoria following the gazettal of Amendment V8 on 1 July 2013, these properties were in the Residential 1 Zone. The Residential 1 Zone applied to all residential properties in the immediate vicinity to the site, except for those sites fronting Park Street in the Mixed Use Zone.

Amendment VC100 applied the current General Residential Zone Schedule 9 (GRZ9) to the two properties at 260 and 262 Moray Street, while all other low rise residential properties surrounding these sites were included in the Neighbourhood Residential Zone Schedule 2 (NRZ2). While different zones, GRZ9 and NRZ2 stipulate the same height limit of 3 stories, although GRZ9 has a maximum height limit of 12 metres and the NRZ2 has a maximum height limit of 10 metres. Nevertheless, the development potential of these sites is limited due the heritage and size constraints. Hence, there is limited benefit in pursuing any rezoning of the subject sites. Consequently, it is not recommended to rezone these sites.

Recommendation

No change to existing zone.