

Theme 1: Activities and Uses

A place for living, experiencing, creating and innovating

Introduction

South Melbourne has emerged in the last 20 years as a centre for Melbourne's creative industries. This, coupled with the strong presence of professional and financial services, along with retail, hospitality and personal services, highlight the significance of South Melbourne's contribution to the local and regional economy.

Between 2020 and 2040, South Melbourne is expected to see a significant growth in job opportunities, with the number of jobs set to rise from 23,100 to a range of 30,700 to 36,700. This represents an increase of approximately 7,600 to 13,600 jobs, equating to a growth rate of about 33% to 59%. This growth is underpinned by robust state planning policies that support the retention of commercial and industrial land in South Melbourne, designating it as both a Major Activity Centre and regionally significant Enterprise Precinct.

The *South Melbourne Employment, Economic and Land Use Study* (Urban Enterprise, November 2023) highlights that South Melbourne's economic success has been partly driven by:

- favourable land use zoning and development opportunities, especially land in the Commercial 2 Zone
- its strategic location proximate to the Central City, south-eastern suburbs, western suburbs and beyond
- transport connectivity including:
 - Key roads such as Kings Way and the West Gate Freeway
 - Public transport

- Cycling infrastructure
- recognition for creative and technology businesses
- an established activity centre with a vibrant retail and hospitality scene
- sought-after residential opportunities within South Melbourne itself and the neighbouring precincts of Southbank, Domain and Montague .

Further, as businesses increasingly compete for talented workers, with those workers equally seeking high levels of local amenity, South Melbourne offers distinct advantages over traditional working environments. Unlike other commercial precincts of Melbourne, South Melbourne combines this economic edge with a range of housing options. However, the affordability of housing and workspaces is increasingly diminishing, requiring a nuanced land use planning framework.

The ongoing development of the Fishermans Bend Urban Renewal Area to the west of South Melbourne, particularly the Montague Precinct adjacent to the Structure Plan area, will reshape the land use mix and economic landscape of the area. South Melbourne is well placed to respond to this challenge by leveraging its many advantages and the aspects that differentiate it from surrounding areas.



South Melbourne's land use context

As shown on Figure 5 on page 14, the population of South Melbourne and its neighbours will grow by 145,912, from 134,355 in 2021 to 280,287 in 2041.

The *Port Phillip Spatial Economic and Employment Framework* highlights that the substantial population increase expected within major urban renewal precincts within and adjacent to the municipality will increase demand for retail and services in Port Phillip, as well as creating a larger labour force.

Within this context South Melbourne has an important role to play in accommodating businesses seeking proximity to the Fishermans Bend National Employment and Innovation Cluster (NEIC) and will have an important role to play in productivity growth for the regional economy.

Therefore, accommodating business and employment growth in the northern part of the municipality, including within South Melbourne, is an economic priority of this Structure Plan.

Further, the northern part of the City is the subject of major public transport investment and land use change which presents opportunities for business attraction and employment growth. The attraction of South Melbourne to business is demonstrated by more than half of all commercial development within the City of the past five years being in South Melbourne. Importantly, South Melbourne is one of the few areas in the City with a dedicated employment only zone.

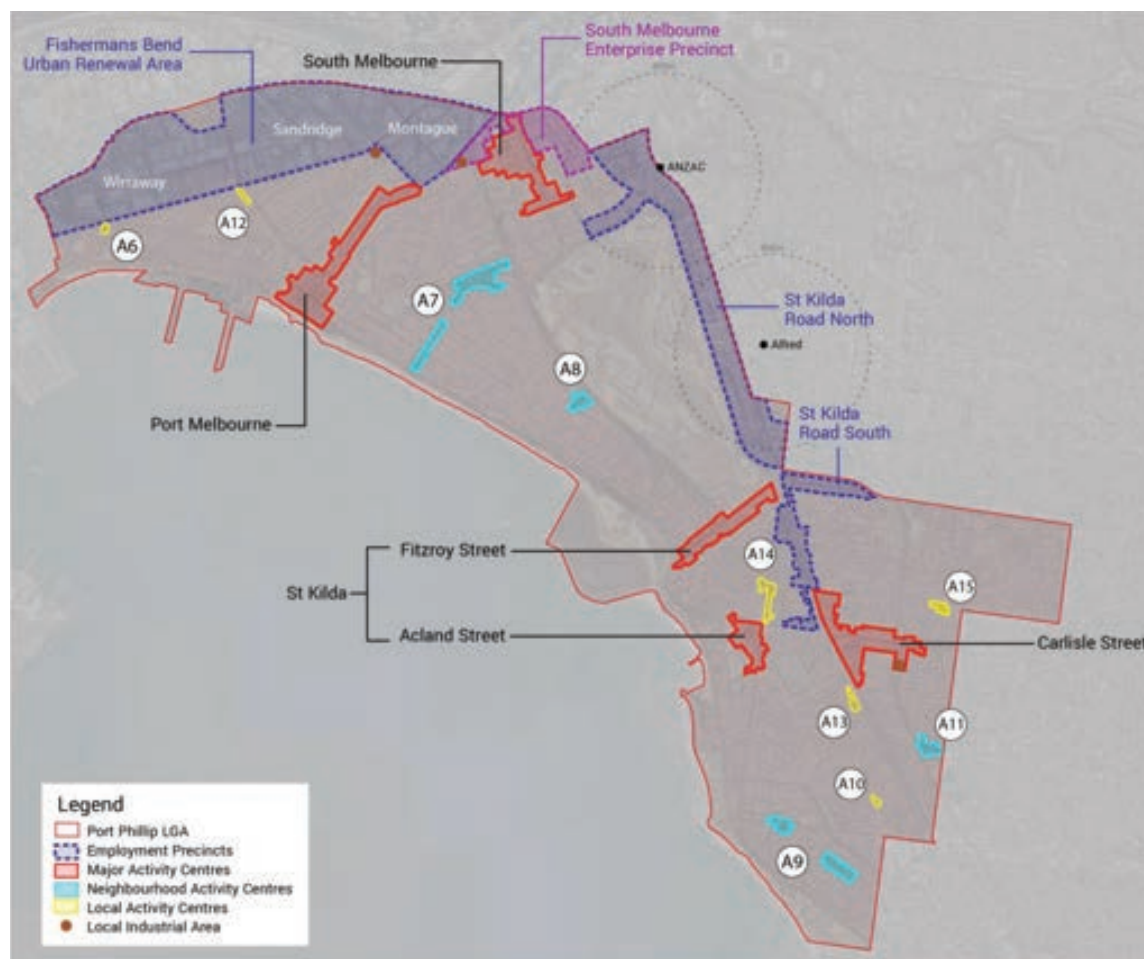


Figure 8 – South Melbourne's spatial context within the City of Port Phillip
(Port Phillip Spatial Economic and Employment Framework 2023)

How will the South Melbourne Structure Plan support this theme?

The following objectives and actions under this theme will help deliver the vision for South Melbourne, represented spatially in Figure 9.

- Protect and enhance local strengths such as heritage, mid rise built form and genuine mix of land uses (Activities and Uses Objective 1).
- Protect a critical mass of employment land to support a thriving Enterprise Precinct (Activities and Uses Objective 1).
- Retain, support and grow South Melbourne's economic specialisations and retail opportunities, and accommodate ongoing demand for office space in South Melbourne (Activities and Uses Objective 2).
- Provide opportunities for ongoing reinvestment, mixed use development and new employment floorspace in areas close to public transport, especially within walking distance to Anzac Station and Park Street tram upgrade. (Activities and Uses Objective 3).
- Provide a range of affordable business spaces which suit micro, small and medium businesses (Activities and Uses Objective 4).
- Capitalise on the popularity of the South Melbourne Market to create a thriving street-based retail precinct (Activities and Uses Objective 5).

- Accommodate the housing needs of a welcoming, resilient and future-focused community (Activities and Uses Objective 6).
- Community infrastructure to enhance social connection (Activities and Uses Objective 7).

The key technical reports and strategies underpinning the objectives and actions under this theme are:

- For Activities and Uses Objectives 1 to 5, the *South Melbourne Employment, Economic and Land Use Study* (Urban Enterprise, November 2023 and *Port Phillip Spatial Employment and Economic Framework* (forthcoming).
- For Activities and Uses Objective 6, the forthcoming *Places to Live: Port Phillip Housing Strategy*.
- For Activities and Uses Objective 7, the *Creative and Prosperous City Strategy 2023-26* and *Library Action Plan 2021 to 2026*.



Figure 9 - South Melbourne's Activity Centre, Enterprise Precinct and key civic hubs



Activities and Uses Objective 1:

Protect and enhance local strengths such as heritage, mid rise built form and genuine mix of land uses.

Providing detailed planning policy to guide decision making

This Structure Plan will inform a new place based local policy for South Melbourne in the Port Phillip Planning Scheme that provides updated direction to support South Melbourne as a vibrant, diverse, accessible, and high amenity Major Activity Centre and Enterprise Precinct. The new policy in the Port Phillip Planning Scheme will help implement the strategic vision for South Melbourne by providing specific direction on economic development, built form, heritage, movement and access and the public realm. It will also reinforce South Melbourne's role as a Major Activity Centre and Enterprise Precinct, in line with State Planning Policy direction.

Further detail about new built form controls is in Theme 2: Built Form and Building Design.

Protecting South Melbourne's heritage

South Melbourne's heritage, which also encompasses that of the traditional custodians of the land, is a vital component of South Melbourne's identity and story. This Structure Plan aims to honour and celebrate South Melbourne's rich heritage, both its tangible and intangible aspects, wherever possible.

New built form controls set out in the South Melbourne Structure Plan will

continue to protect and enhance South Melbourne's heritage character by setting out parameters for new development, including both existing heritage buildings and infill development, within and abutting heritage areas. It will do this by implementing the recommendations of the *City of Port Phillip Stage 2 Heritage Review: South Melbourne* (Trethowan, 2023) to address gaps in the Heritage Overlay will protect places assessed as being of local significance. These places are set out in Figure 10. Further detail about new built form controls and heritage is in Theme 2: Built Form and Building Design.



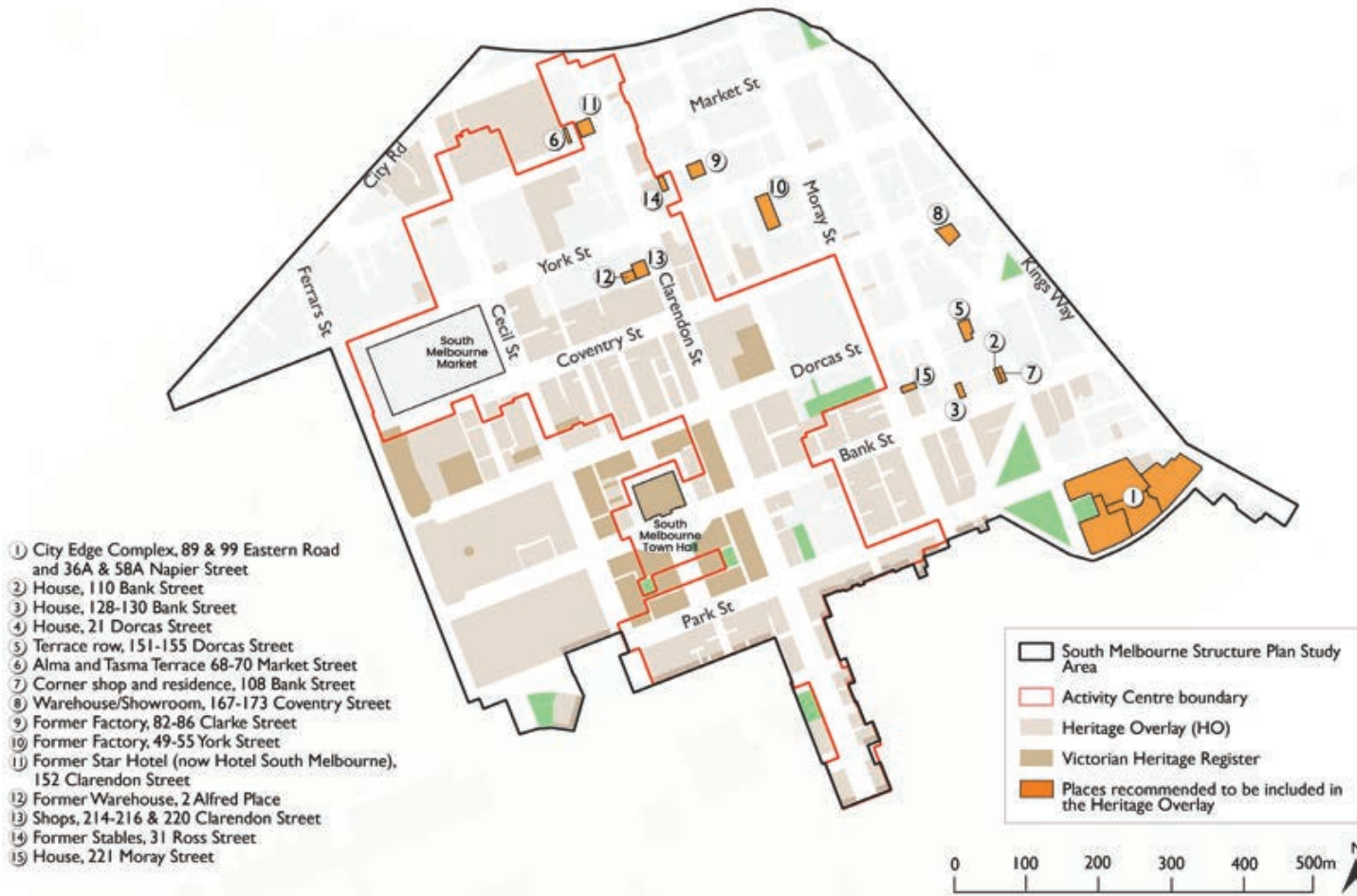
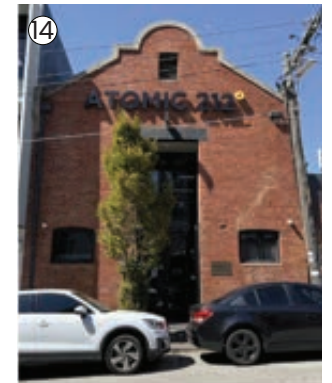
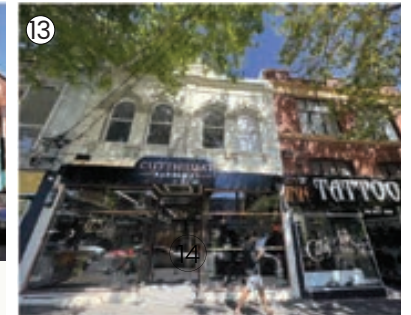


Figure 10 - Places recommended to be included in the Heritage Overlay

Improving recognition of 'enterprise precincts' in local planning policy

The South Melbourne Structure Plan provides opportunities to better recognise South Melbourne's Enterprise Precinct in local policy. State policy at Clause 17.01 Employment (Clause 17.01-2S Innovation and research) includes a strategy to support the development of enterprise precincts to create opportunities for innovation and the knowledge economy. Additionally, State policy at Clause 17.01-R (Diversified economy – Metropolitan Melbourne – Inner Metro Region) contains a strategy to retain and encourage the development of areas in and around Collingwood, Cremorne and South Melbourne for creative industries.

Enterprise precincts are recognised in the *Melbourne Industrial and Commercial Land Use Plan* (Victorian Government, 2020) and *Unlocking Enterprise in a Changing Economy* (Victorian Government, 2018). They play a critical role in Victoria by providing land for businesses to establish and for the development of ideas that drive innovation across industries. Their ongoing success requires state and regional planning policy support and strategic direction.

Similarly, both the *South Melbourne Employment, Economic and Land Use Study* (Urban Enterprise, November 2023) and *Port Phillip Spatial Employment and Economic Framework* recognise the contribution of South Melbourne's Enterprise Precinct to the City's and broader metropolitan economy. Recognising this important function in

local policy and will ensure that South Melbourne's Enterprise Precinct can drive innovation and provide varied employment opportunities for many years to come.

Retaining the Commercial 2 Zone in South Melbourne's Enterprise Precinct

South Melbourne's Commercial 2 Zone (C2Z) has supported South Melbourne's success as an Enterprise Precinct, anchored by its specialisations in creative industries and professionals services. Retaining the C2Z will protect the enterprise precinct's future employment growth, as recommended by the South Melbourne Employment, Economic and Land Use Study. In turn, this will strengthen South Melbourne's specialisations, while also providing opportunities for new industries to establish in South Melbourne and contribute to its vitality.

Rezoning the 'City Road Industrial Triangle' bound by City Road, Ferrars Street and York Street from the Industrial 1 Zone (INIZ) to the C2Z will accurately reflect the land uses taking place in this area. The nature of these land uses aligns with those within the broader Enterprise Precinct, providing greater certainty around development outcomes for this area.

In recognition of this area's current industrial zoning it is also recommended to apply an Environmental Audit Overlay (EAO) to ensure land is suitable for sensitive uses such as child care centres.

Applying the EAO to the entire area effects the approach taken in the abutting Fishermans Bend, where the EAO has

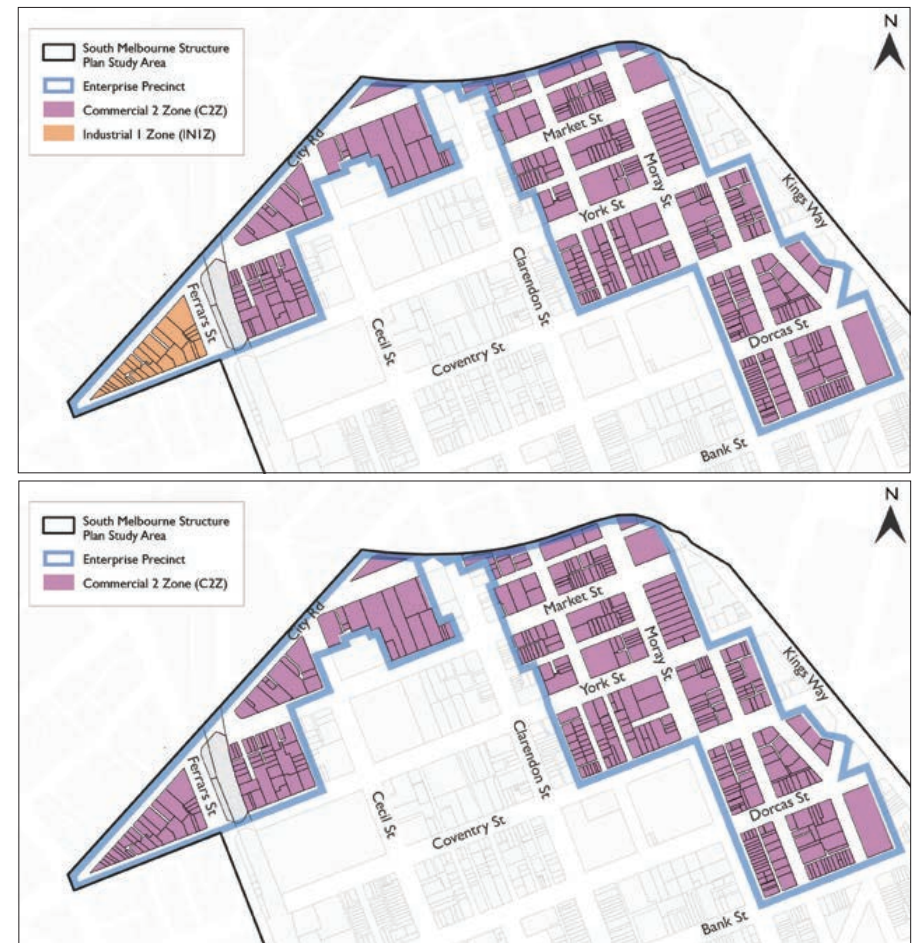


Figure 11 – South Melbourne's Enterprise Precinct with City Road triangle rezoned to Commercial 2 Zone

been applied to all precincts where residential development and other sensitive uses are envisaged. Studies undertaken to inform the Fishermans Bend Framework (Victorian Government, 2018) suggest that heavy metals and solvents may be widespread across Fishermans Bend and confirm issues with ground water contamination due to past land use activities. Further, a portion of Ferrars Street abutting the area is identified as a Groundwater Restricted Use.

Defining the spatial extent of the South Melbourne Major Activity Centre

Activity centres are a focus for housing, commercial, retailing, community, employment, transport, leisure, open space, entertainment and other services and are places where people shop, work, meet, relax and live.

State planning policy directs the further expansion of these services into activity centres, and recognises that activity centres are ideally placed to provide for growth in household numbers. As such, activity centres will be a major focus for change in metropolitan Melbourne.

Plan Melbourne 2017-2050: Metropolitan Planning Strategy identifies South Melbourne as a Major Activity Centre. The Victorian Government defines Major Activity Centres as places that provide a suburban focal point for services, employment, housing, public transport and social interaction.

The *South Melbourne Activity Centre Boundary Report* (November 2023) recommends some additions to the South Melbourne Major Activity Centre. These recommended additions accord with the criteria outlined in *Planning Practice Note 58: Structure planning for activity centres* (Victorian Government, 2018). The additions also align with the 20-minute neighbourhood concept, as defined in Plan Melbourne. In doing so, the planning framework applying to South Melbourne will accurately reflect the land uses that support its function as a Major Activity Centre.

Residential precincts

South Melbourne comprises two residential areas east and west of Clarendon Street comprising low rise houses often interspersed by mid-rise apartment and townhouse developments. Most of these areas are in the Heritage Overlay. These residential areas are mostly in the Neighbourhood Residential Zone, which has a height limit of 9 metres or two storeys, however some sites are in the General Residential Zone, which has a height limit of 11 metres or three storeys. Park Towers is in the Residential Growth Zone.

Detailed planning and building requirements for these areas are already in the Port Phillip Planning Scheme. Including these areas in the Structure Plan area seeks to protect their established streetscape character, an attribute highly valued by the community.

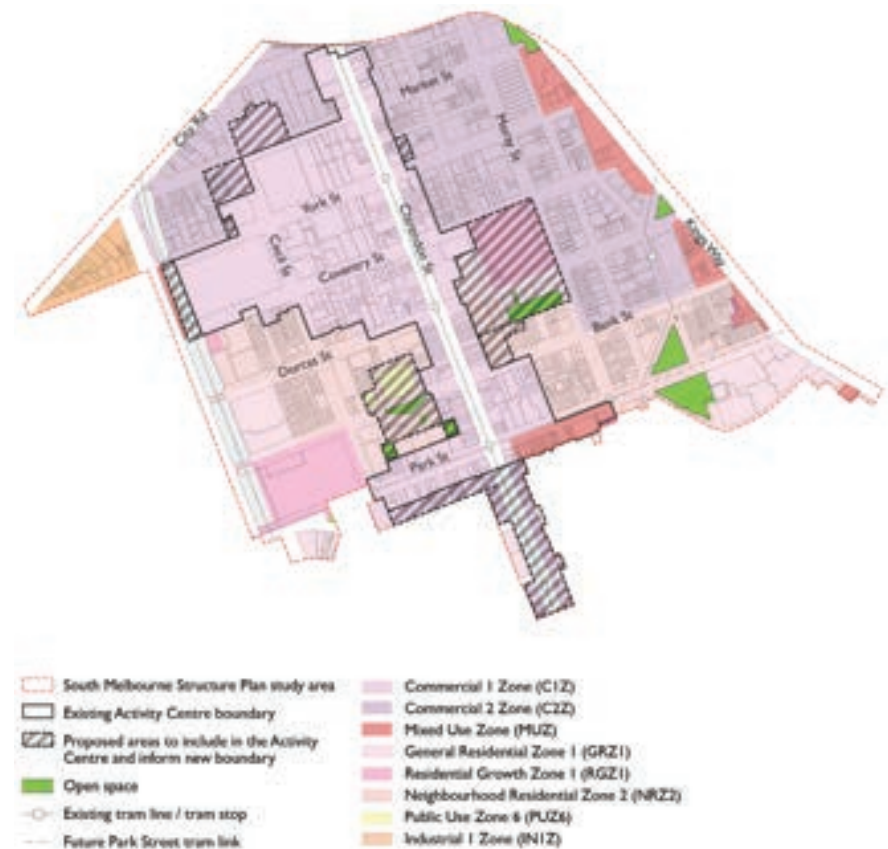


Figure 12 – Proposed South Melbourne Activity Centre Boundary

Importantly, the South Melbourne Structure Plan to ensure that the fine grain character and heritage values of the residential areas are respected by building scale and design in larger adjoining commercial development.

Fixing zoning anomalies

There are three identified zoning anomalies in South Melbourne, where two zones apply to a single site. These are listed in Figure 13 and location shown in Figure 14. Correcting these anomalies so one zone applies will facilitate clear direction on future use and development, along with better supporting the role of

South Melbourne’s activity centre. Further justification about each rezoning is in *South Melbourne Structure Plan: Zoning Anomalies Report* (City of Port Phillip, November 2023). Other than the proposed rezonings, the application of existing zones will be retained to ensure that both South Melbourne’s Activity Centre and Enterprise Precinct can thrive, along with providing meaningful employment opportunities that contribute to South Melbourne’s economic specialisations and competitive advantage. The proposed zoning framework for South Melbourne is shown in Figure 15.

Address	Current Zone	Recommended Zone
① The block of land bound by York, Cecil, Market and Northumberland streets, South Melbourne	Part Commercial 1 Zone, part Commercial 2 Zone	Commercial 1 Zone
② 176-188 Bank Street, South Melbourne (former South Melbourne Butter Factory)	Neighbourhood Residential Zone – Schedule 2	Commercial 1 Zone
③ 383-385 Clarendon Street, South Melbourne	Part Commercial 1 Zone, part Neighbourhood Residential Zone Schedule 2	Commercial 1 Zone
④ 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

Figure 13 – Sites identified as zoning anomalies and proposed new zone



Figure 14 – Location of sites identified as zoning anomalies and proposed new zone



Figure 15 – Proposed zoning framework for South Melbourne

Actions

Planning Scheme Amendment – Policy

- 1.1 Prepare a planning scheme amendment based on the content in this South Melbourne Structure Plan to:
 - Introduce a new place-based policy and replace the existing Design and Development Overlay Schedule 8 in the Port Phillip Planning Scheme that supports South Melbourne as a vibrant, diverse, accessible and high amenity Major Activity Centre and Enterprise Precinct.
 - Includes specific policy on economic development, built form and heritage, access and movement and the public realm.
 - Ensure planning policy and controls encourage a wide range of land uses in the Major Activity Centre and position the Enterprise Precinct as the last remaining ‘business only’ land area in the southern city fringe, where residential uses are prohibited and range of building types is retained to cater for diverse businesses.
- 1.2 Ensure built form controls for South Melbourne differentiate the area from neighbouring areas so that different business settings are available to a range of business types over the medium to long term.
- 1.3 Ensure local policy in the Port Phillip Planning Scheme continues to recognise South Melbourne as a Major Activity Centre that encourages a range of commercial, retail, residential and public uses.
- 1.4 Use the *South Melbourne Structure Plan: Activity Centre Boundary Report* (November 2023) to define the spatial extent of the South Melbourne Major Activity Centre as shown in Figure 13, extending its spatial extent to include:
 - Site 1: 100 Market Street (existing Aldi centre site)
 - Site 2: 80–94 Cecil Street, 166–180 York and 80–94 Market Streets
 - Site 3: South Melbourne Station Route 96 light rail tram stop
 - Site 4: Area comprising Homes Victoria public housing site at 166 Moray Street and 209 Dorcas Street, Skinners Adventure Playground at 179 Dorcas Street, St Lukes Anglican Church at 210 Dorcas Street, the Greek Orthodox Archdiocese of Australia at 221–229 Dorcas Street and Apple Blossoms Early Learning Centre at 219 Dorcas Street South Melbourne
 - Site 5: 176–188 Bank Street South Melbourne (Former South Melbourne Butter factory)

- Site 6: Emerald Hill ‘civic heart’: Area comprising South Melbourne Town Hall, Emerald Hill Library and Heritage Centre, 222 Bank Street (currently occupied by Access Arts Victoria), Foundry Site Park and Edythe McCallum Reserve and the current South Melbourne Police Station at 211 Bank Street
- Site 7: Land already in the Commercial 1 Zone bound by Park, Clarendon, Dow and Cecil streets
- Site 8: Land along Clarendon Street between Park and Thomson Streets already in the Commercial 1 Zone
- Site 9: 31 Ross Street and rear of 68–72 York Street.

Planning Scheme Amendment – Rezoning

- 1.5 Correct zoning anomalies shown in Figures 14 and 15 at the following addresses:
 - The block of land bound by York, Cecil, Market and Northumberland streets, South Melbourne
 - 176–188 Bank Street, South Melbourne (former South Melbourne Butter Factory)
 - 383–385 Clarendon Street, South Melbourne
 - 68–72 York Street, 191–199 Clarendon Street and 31 Ross Street, South Melbourne
- 1.6 Rezone land currently in the Industrial 1 Zone to the Commercial 2 Zone and apply the Environmental Audit Overlay to support this area’s future growth and evolution as part of the broader South Melbourne Enterprise Precinct.
- 1.7 Retain the Commercial 2 Zone in the South Melbourne Enterprise Precinct.
- 1.8 Other than proposed rezonings, retain application of existing zones within the Structure Plan area as shown in Figure 15.

Actions

Planning Scheme Amendment – Heritage gaps

1.9 Implement the *City of Port Phillip Stage 2 Heritage Review: South Melbourne* (Trethowan, 2023) by:

- Adding the places assessed as being of local significance, listed in Figure 10, to the Heritage Overlay of the City of Port Phillip Planning Scheme.
- Including the new statements of significance for the significant places as incorporated documents in the Port Phillip Planning Scheme.
- Adding the properties assessed as being of local contributory significance, listed in Figure 10, to the Heritage Overlay of the City of Port Phillip Planning Scheme as Contributory places within revised precinct boundaries for Heritage Overlay 440 (Emerald Hill Residential Precinct).
 - City Edge Complex, 89 & 99 Eastern Road and 36A & 58A Napier Street
 - House, 110 Bank Street
 - House, 128-130 Bank Street
 - House, 21 Dorcas Street
 - Terrace row, 151-155 Dorcas Street
 - Alma and Tasma Terrace, 68-70 Market Street
 - Corner shop and residence, 108 Bank Street
 - Warehouse 167-173 Coventry Street
 - Former Factory, 82-86 Clarke Street
 - Former Factory, 49-55 York Street
 - Former Star Hotel (now Hotel South Melbourne), 152 Clarendon Street
 - Former Warehouse, 2 Alfred Place
 - Shops, 214-216 & 220 Clarendon Street
 - Former Stables, 31 Ross Street
 - House, 22 Moray Street



Activities and Uses Objective 2:

Retain, support and grow South Melbourne's economic specialisations and retail opportunities, and accommodate ongoing demand for office space in South Melbourne.

Policy to support South Melbourne's economic specialisations, retail growth and demand for offices

The *South Melbourne Employment, Economic and Land Use Study* (Urban Enterprise, November 2023) identifies the following economic specialisation for South Melbourne:

1. **Creative industries** – an evolving mix of sectors spanning arts, culture, screen, music, design, games development, fashion, publishing and more. Victoria's creative industries largely comprise small organisations, micro businesses and sole practitioners. They operate within a creative ecosystem that extends from iconic cultural attractions and global businesses to educational institutions, government bodies and community groups.
2. **Professional and financial services** – activities that relate to real estate and property services, engineering, management advice and consulting, insurance, legal, investment and accounting services, and administrative related services.
3. **Retail, hospitality and personal services** – activities that relate to the retailing of goods and services, hospitality and personal services such as fitness, recreation, health, wellbeing and beauty.

These specialisations add an estimated \$1.1 billion to Port Phillip's economy, demonstrating the overall importance of these industries in terms of productivity and value-add to the local economy.

New planning controls and policy will help continue to guide urban design and development outcomes that ensure South Melbourne remains attractive to these businesses. Such outcomes include:

- Preserving valued aspects of South Melbourne's heritage and physical character
- Preserving and enhancing the amenity of streets (for example sunlight access on key pedestrian routes, street activation, openness and sky visibility, street activation)
- Maintaining a distinction between the low to medium rise character of South Melbourne and high rise buildings in the CBD, Southbank and along Kings Way.

New planning controls and policy will also cater for demand for retail and office floorspace. Based on projected employment growth and current development activity, there is expected to be the need for approximately 145,000 to 187,000 square metres of office space in South Melbourne by 2040. In addition, projections indicate between 16,000 square metres and 21,000 square metres of retail floorspace could be supported in South Melbourne by 2040. These projections need to be monitored and may vary over time.

Provide the infrastructure to retain, support and grow South Melbourne's economic specialisations

Digital infrastructure¹ is one of nine identified success factors of Enterprise Precincts (*Unlocking Enterprise in a Changing Economy*, DELWP 2018). Providing the necessary utilities and infrastructure is central to supporting connectivity, collaboration, and innovation, for example supplying high-capacity broadband networks. Opportunities may also exist to embed smart technologies that enable real-time data to be collated and used to inform planning and guide investment.



¹ Digital infrastructure refers to the combination of technology and what we need to make it work, innovate and deliver, such as standards, policies and processes.

Supporting business establishment and growth, linking local workers with local jobs and exploring opportunities to expand the night time economy

The City is committed to actively supporting business establishment and growth in South Melbourne and throughout the municipality. Examples include the City of Port Phillip's Business Concierge service, as well as working with traders' associations, the Prosperous Port Phillip Business Advisory Group and other stakeholder groups. Continuing these initiatives will support South Melbourne's growth. Delivering placemaking² initiatives guided by public realm actions in the South Melbourne Structure Plan and building on the directions in the *Creative and Prosperous City Strategy 2023-2026* to develop an investment attraction strategy are also important initiatives that will support South Melbourne's attractiveness to businesses.

South Melbourne provides a vibrant retail, hospitality, and personal services sector, coming second only to St Kilda in the density of live music venues³. However, there is a notable lack of vibrancy in the Enterprise Precinct, defined by the Commercial 2 Zone. These areas can be

rather dark and unsafe at night due to the absence of a thriving nighttime economy, given workers tend to head straight home after work without lingering. Therefore, opportunities exist to investigate how to leverage this specialisation to expand South Melbourne's night time economy, including designating South Melbourne as a live music precinct similar to St Kilda⁴.

The most common occupations held by South Melbourne residents are professionals (40%) and managers (23%) in the professional, financial, technical and insurance service sectors, generally reflecting South Melbourne's economic specialisations. Hence, exploring how to link the expertise of the local workforce with local businesses will not only support South Melbourne's economic development, but also its vibrancy as more people live and work within their neighbourhood. Connecting local secondary school and tertiary students to businesses will help develop the expertise of the emerging workforce of the future, including connecting students from the new University of Melbourne Fishermans Bend campus to be delivered in the City of Melbourne.

Within this work are opportunities to collaborate with and advocate to the State Government for investment attraction, infrastructure delivery, workforce and destination development.

Data collection and monitoring to drive ongoing investment in South Melbourne

City fringe locations such as South Melbourne offer important alternatives to the Melbourne's CBD that function as a network of inner employment and business hubs, as highlighted by both the *South Melbourne Employment, Economic and Land Use Study* (Urban Enterprise, November 2023) and *Port Phillip Spatial Economic and Employment Strategy* (forthcoming). A new generation of workers seek high levels of local amenity and are attracted to businesses in non-conventional office buildings and South Melbourne's attributes are well matched to this trend.

As South Melbourne's popularity as a business destination increases, it will be

crucial to collect accurate and detailed data to effectively monitor and review business activity in South Melbourne and encourage ongoing investment.

Using South Melbourne as a pilot to establish a municipal Census of Land Use and Employment similar to that undertaken by the City of Melbourne to collect data and build a database containing key information will expand and enhance the City of Port Phillip's business planning, policy development and strategic decision making capacity. By providing more comprehensive information about land use, employment and economic activity in South Melbourne, it would also support investors, consultants, students, urban researchers, property analysts and businesses gain key insights into why South Melbourne is an attractive location for business and investment, therefore

² Placemaking involves the community, stakeholders and Council working together to plan, design, develop, activate, manage and evaluate spaces, neighbourhoods and precincts such as South Melbourne.

³ CoPP Live Music Action Plan 2021-24

⁴ St Kilda Live Music Precinct Policy June 2023



Actions

Planning Scheme Amendment – Policy

- 1.10 As part of preparing a planning scheme amendment to implement the South Melbourne Structure Plan in the Port Phillip Planning Scheme, ensure the planning policy framework in the Port Phillip Planning Scheme for South Melbourne provide opportunities to:
- Encourage the Major Activity Centre and Enterprise Precinct grow and improve its hospitality and speciality food offering
 - Leverage South Melbourne's specialisation in hospitality and speciality food to grow its offering in the Enterprise Precinct
 - Provides additional core retail floorspace to meet the needs of the growing resident, worker and visitor catchment
 - Support non-food retailers to respond to online and other competition.
 - Accommodate projected employment growth and ongoing demand for office space, especially in small and medium premises
 - Support and grow the number of media businesses, including through the retention of suitable premises where possible.
 - Protect and advance South Melbourne as a creative industries cluster.

Digital infrastructure

- 1.11 Support the provision of high-capacity digital infrastructure throughout South Melbourne.
- 1.12 Investigate opportunities to provide 'smart' infrastructure within South Melbourne to facilitate innovation, investment and data activation.

Support business establishment and growth

- 1.13 Encourage businesses to establish in South Melbourne and support their prosperity by:
- Building on the directions in the *Creative and Prosperous City Strategy 2023–2026* to develop an investment attraction strategy for South Melbourne.
 - Continue using the City of Port Phillip's Business Concierge service to support businesses establish and grow their business in South Melbourne.

- Continue working with and supporting the Clarendon and Coventry Streets Business Association and other stakeholder groups to support businesses and drive investment in South Melbourne.
 - Continue working with the Prosperous Port Phillip Business Advisory Group to:
 - Identify and facilitate the co-creation and co-contribution of short, medium and longer-term actions the City can make to achieve a vibrant and thriving City
 - Support recovery efforts for local traders hit hard by the COVID-19 pandemic
 - Create and attract new jobs to Port Phillip.
 - Delivering placemaking initiatives guided by public realm actions in this South Melbourne Structure Plan.
- 1.14 Work with State Government departments and agencies to advocate for State Government investment attraction, infrastructure delivery, workforce and destination development.
- 1.15 Investigate opportunities to expand South Melbourne's night-time economy, particularly within the C2Z area through a strategic review.
- 1.16 Seek opportunities to support live music in South Melbourne, including exploring the possibility of designating South Melbourne as a dedicated live music precinct.

Linking local workers with local jobs

- 1.17 Provide South Melbourne's educated labour force with opportunities to work closer to their homes by:
- Exploring how to connect South Melbourne's educated labour force with local businesses.
 - Exploring how to connect local educational institutions and local students with local businesses.
 - Retaining employment land, especially land in the Enterprise Precinct that is in the Commercial 2 Zone.

Actions

Collect accurate and detailed data to effectively monitor and review business activity in South Melbourne and encourage ongoing investment

- 1.18 Investigate the feasibility of using South Melbourne as a pilot to establish a municipal Census of Land Use and Employment similar to that undertaken by the City of Melbourne to collect data and build a database containing information such as:
- Industry structure and type (ANZSIC code and number of establishments or business locations)
 - Floor space type and use (office, retail, industrial, accommodation or entertainment and office vacancy rates)
 - Employment type (full-time, part-time, casual or contractor)
 - Building information (number of floors, year of construction, gross floor area and lettable area)
 - Venue and capacity measures (café or restaurant seats, child care centre spaces, off-street car parking spaces, bicycle and shower facilities, residential dwellings, student dwellings, student beds, theatre and stadium seats, conference and meeting seats and gaming machines)
 - Spatial distribution (maps, CLUE small areas, blocks and customised regions).
- 1.19 Monitor the growth and change in South Melbourne by reviewing changes in commercial office floorspace, employment growth, planning permit activity and rents.



Activities and Uses Objective 3:

Provide opportunities for ongoing reinvestment, mixed use development and new employment floorspace in areas close to public transport, especially within walking distance to Anzac Station and Park Street tram upgrade.

Encouraging and supporting investment in South Melbourne's economy

One of South Melbourne's strategic advantages is its excellent access to public transport. The new Anzac Station, expected to open in 2025, will strengthen this advantage. Anzac Station will provide heavy rail public transport to the South Melbourne and St Kilda Road areas for the first time. Anzac Station will improve access to South Melbourne from Melbourne's north-western and the south-eastern suburbs. Associated with the new Anzac Station will be the construction of the Park Street link, which will redirect trams from St Kilda Road along Park Street and Clarendon Street into the CBD. This will significantly increase trams and commuters traveling through South Melbourne, potentially encouraging greater visitation into South Melbourne.

Figure 16 shows that the south-eastern section of the Enterprise Precinct will be within 800m (a standard measure of 'walking distance') from the station entrance. This includes land in the Commercial 2 Zone as well as the Mixed Use Zone fronting Kings Way. In turn, improving accessibility and walkability from Anzac Station to South Melbourne's Activity Centre and Enterprise Precinct will be crucial.

Given Anzac Station will significantly improve public transport access to the South Melbourne and St Kilda Road areas, it is expected that demand will increase

for employment uses. According to the South Melbourne Employment, Economic and Land Use Study, commercial floorspace requirements are projected to be between 145,000 to 187,000 square metres by 2040 .

New planning policy and controls presented in the South Melbourne Structure Plan and implemented in the Port Phillip Planning Scheme will encourage ongoing reinvestment, mixed use development and new employment floorspace in areas close to public transport. Doing so will ensure that South Melbourne remains a premiere location for a variety of businesses within its Enterprise Precinct and activity centre.

The South Melbourne Structure Plan area shares a direct interface with the Domain precinct. Adopted by Council on 18 September 2019, the *Domain Precinct Public Realm Masterplan* will continue to guide public realm improvements in the Domain precinct.

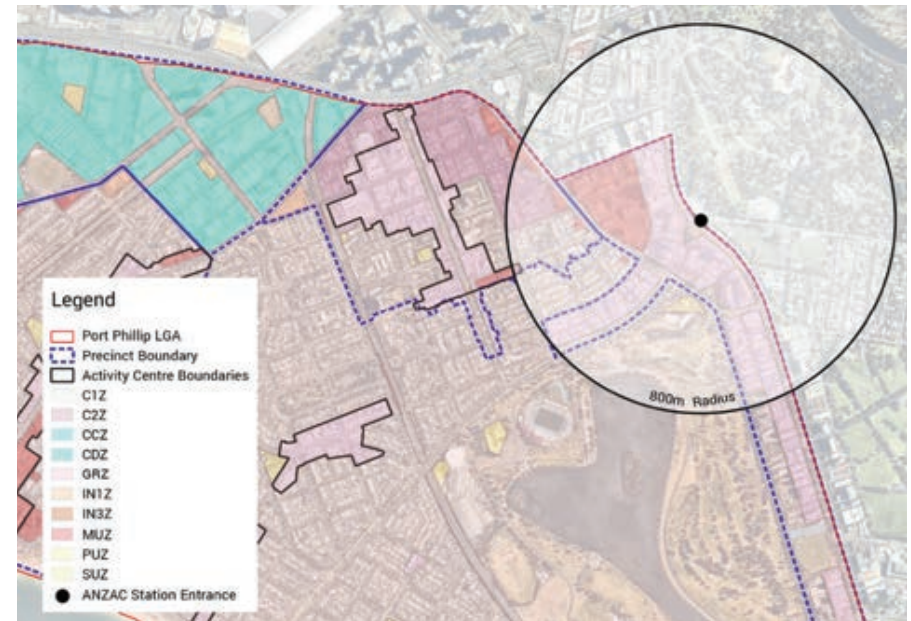


Figure 16 – ANZAC Station location and proximity to study area (Urban Enterprise 2023)





Actions

Planning Scheme Amendment - Policy

- 1.20 As part of preparing a planning scheme amendment to implement the South Melbourne Structure Plan in the Port Phillip Planning Scheme, ensure the planning policy framework in the Port Phillip Planning Scheme for South Melbourne provide opportunities for ongoing reinvestment, mixed use development and new employment floorspace in areas close to public transport.
- 1.21 Use the actions in this South Melbourne Structure Plan to drive ongoing investment in South Melbourne and support its evolution as a Major Activity Centre and Enterprise Precinct.

Domain Precinct Public Realm Masterplan

- 1.22 Continue using the *Domain Precinct Public Realm Masterplan* (adopted by Council on 18 September 2019) to guide public realm improvements in the Domain Precinct.

Activities and Uses Objective 4:

Provide a range of affordable business spaces which suit micro, small and medium businesses.

Retaining and creating affordable workspaces

As land values and rents increase, affordable spaces for business such as offices, studios, shopfronts and industrial premises reduce. For some creative and emerging businesses, this challenge leads to relocation elsewhere. Similarly, increasing rents and redevelopment of existing rented premises presents a threat to the retention of micro and small businesses, especially those using former industrial premises. The loss of smaller businesses at the 'emerging' end of the business cycle could limit local ideas creation and business and productivity growth.

Therefore, there are opportunities for state and local government to explore how to ensure that South Melbourne remains accessible and affordable for startups and creative industries. One way to do this is by retaining the Commercial 2 Zone in South Melbourne's enterprise precinct, which contains a variety of building types suitable for micro, small and medium businesses.

However, broader State-led planning policies seeking to provide more affordable workspaces are also required to support local initiatives such as the City's partnership with the Fitzroy Street Business Association and Renew Australia to deliver Renew Fitzroy Street, which provides low cost retail spaces. State policy can help retain affordable workspaces in strategic locations.

Supporting coworking spaces

Leasing a space can be prohibitive for many small and start-up businesses. Hence, coworking spaces have emerged across high rent locations such as South Melbourne to minimise rent costs. Coworking spaces are open plan offices where spaces can be leased. Often these spaces feature shared facilities such as meeting rooms and kitchens. By bringing freelancers, early-stage entrepreneurs and other small business owners together, this can provide a supportive environment, along opportunities for social interaction that can drive innovation.

Actions

Planning Scheme Amendment – Policy

1.23 Support the growing role and utilisation of coworking spaces in South Melbourne.

Advocacy to support affordability

1.24 Advocate to the State Government to provide further planning guidance and best practice models for the delivery of affordable workspaces for creative and innovation industries necessary for the desired economic activity.

1.25 Advocate to the State Government to adopt a state-wide definition of affordable workspace and creative neighbourhoods.



Activities and Uses Objective 5:

Capitalise on the popularity of the South Melbourne Market to create a thriving street-based retail precinct.

South Melbourne Market – a treasured landmark now and into the future

South Melbourne Market is one of the major drawcards to the area. Since 1867, South Melbourne Market has been a treasured inner-city landmark and a favourite amongst locals and visitors. It is the quintessential village market, a place where people come not only to purchase fresh food, but to meet, eat, drink, shop, discover, share and connect. With annual visitation of at least 4 million people the South Melbourne Market is a major retail destination which directly contributes to the amenity and vibrancy of the Structure Plan area. Several office and residential developments have been constructed or are underway near the market, with this intensification of activity indicating the desirability of businesses, workers, and residents to be located near the Market.

South Melbourne Market Project Connect is currently being undertaken to futureproof this thriving village market -. Project Connect is currently in the preliminary stage, with designs being developed that address the best use of the Market footprint to achieve the desired outcomes which include reviewing current structural issues, integration with surrounding roads, footpaths and car parking, and assessing safety and amenity requirements.

While the South Melbourne Market Project Connect is currently in development, this Structure Plan can support the Market

by aiming to increase activity along and integration with York Street. Part of this initiative involves implementing planning policies to preserve solar access to the area, with a particular focus on ensuring that key locations like the Market receive ample sunlight, especially during the winter months.

Moreover, there are also opportunities to explore how to leverage the strength of the South Melbourne Market to provide greater benefit for the whole area. Leveraging the Market's strength as an anchor that draws people from a broad catchment will encourage people to spend more time within the broader South Melbourne Major Activity Centre. This, in turn, boosts foot traffic, benefiting local businesses and contributing to the Market's overall success and vibrancy.

Actions

Planning Scheme Amendment – Policy

1.26 As part of preparing a planning scheme amendment to implement the South Melbourne Structure Plan in the Port Phillip Planning Scheme, ensure the planning policy framework in the Port Phillip Planning Scheme supports the South Melbourne Market's renewal, particularly with its interface to the public realm.

South Melbourne Market – other actions

- 1.27 Continue implementing the *South Melbourne Market Strategic Plan 2021-25*, which includes moving towards financial sustainability, improved customer experience and an enhanced and safer public asset for the City and its visitors, as well as implementing future strategic plans.
- 1.28 Continue progressing South Melbourne Market Project Connect.
- 1.29 Identify opportunities to leverage the South Melbourne Market's strength as an anchor that draws people from a broad catchment will encourage people to spend more time within the broader South Melbourne Major Activity Centre.
- 1.30 Consistent with Council's advocacy position prior to the 2022 State and Federal elections, seek opportunities for a partnership with the Victorian and Commonwealth Governments to co-fund a renewed and reinvigorated South Melbourne Market to ensure it can continue to thrive in the local community.



Activities and Uses Objective 6:

Accommodate the housing needs of a welcoming, resilient and future-focused community.

Supporting sustainable housing growth and change

By 2036, an extra 38,290 people are expected to move to the City of Port Phillip and live in an additional 21,480 homes. The forthcoming *Places to Live: Port Phillip Housing Strategy* is one of the main ways the City will plan for our residents' current and future housing needs. It considers population growth, housing demand and supply, housing quality and diversity, affordability, and sustainability.

The Strategy will determine how housing growth can be best accommodated in South Melbourne and Port Phillip, including where and what type of housing is required. Ultimately, *Places to Live* will be implemented through the Port Phillip Planning Scheme.

The Strategy's key draft housing Principles include:

- **Resilient Housing:** *Facilitating housing development that adapts and mitigates the impacts of climate change.*
- **Diverse Housing:** *Facilitating housing of diverse size, tenure, type and cost/affordability that accommodate existing and future communities of all ages, genders, abilities and needs.*
- **Inspiring Housing:** *Facilitating innovative, site-responsive, design that contributes positively to the street and make our neighbourhoods safe, welcoming, distinct, and inspiring.*
- **Evolving Housing:** *Facilitating housing change to meet contemporary*

housing needs that are aspired by current and future communities.

The South Melbourne Structure Plan supports the development of *Places for People* by identifying the scale and form anticipated for the centre, including building height limits. This information is a key factor, amongst other base assumptions, used by the Housing Strategy to determine the total housing capacity within the centre.

Additionally, the plan establishes a preferred land use framework to identify potential rezoning options. However, as mentioned in Part 1, rezoning C2Z land for housing growth is not recommended. This land, designated as an Enterprise Precinct, is recognised in State policy for its significant contribution to Victoria's economy and opportunities to provide for employment and innovation.

Housing to support an evolving neighbourhood

Ongoing demographic trends towards the increase of one person households, along with changing work patterns due to the COVID-19 pandemic, highlight the importance of providing diverse dwelling types. Similarly, increasing purchase and rent prices highlight the need for affordable housing options, including social housing, which makes an important contribution to South Melbourne. Affordable housing is housing, including social housing, that is appropriate for the needs of very low and moderate-income households.

Social housing is short and long-term rental housing that is owned and run by the government or not-for-profit agencies. New housing should be sustainable, durable and demonstrate high quality design and amenity.

Housing growth in South Melbourne will be relatively steady. However, neighbouring areas particularly Montague (Fishermans Bend), Southbank and Domain will experience population growth that will expand South Melbourne's worker and visitor catchment, as shown earlier in Figure 5.

Already, Southbank is one of Australia's most dense neighbourhoods, as is Melbourne CBD. In this way, South Melbourne will benefit from this change, by serving these future populations, while retaining its valued character and unique identity for generations to come.



Emerald Hill Court and Housing precinct

Homes Victoria is preparing a master plan to revitalise the Emerald Hill Court public housing estate bound by Dorcas, Moray, Coventry and St Luke streets.

The master plan will focus on improvements including new housing, ground-floor uses which respond to local needs, improved connections around the site, and better green and shared spaces.

The master plan aims to improve outcomes for Emerald Hill residents and the broader South Melbourne community by planning for:

- Future development of social and affordable homes for more Victorians
- New community facilities and ground-floor uses
- New movement pathways and improved open and green spaces.

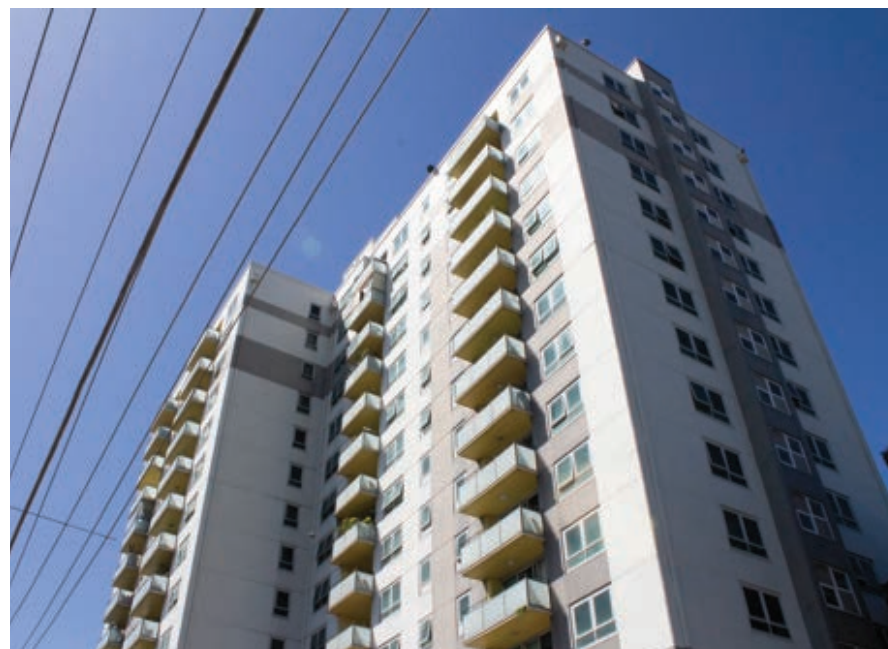
The master plan boundary includes Skinners Adventure Playground, which is owned by the City of Port Phillip. Opportunities to improve the layout and interface to meet future community needs will be explored. The City of Port Phillip is not disposing of Skinners Adventure playground. It will remain accessible to the community. The City's 10-year financial plan allocates funds towards upgrading Skinners Adventure Playground. In this way, there are opportunities for the City to collaborate with Homes Victoria to seek the best possible outcome for the community.

Homes Victoria will also deliver Stage 1 of the Emerald Hill Big Housing Build which will integrate new social and affordable housing with a community hospital.

As part of Stage 1, Homes Victoria will build at least 70 new homes and include ground floor uses and better open spaces. The site will also accommodate a new Emerald Hill Community Hospital that will be operated by Alfred Health in partnership with Star Health and will provide tailored health services to meet the community's needs.

The Emerald Hill Health and Housing precinct is being delivered by Homes Victoria and the Victorian Health Building Authority. Construction will start in 2023.

This Structure Plan confirms the City's support for retaining, upgrading and increasing the provision of social and public housing.



Park Towers

Homes Victoria has commenced taking steps towards retiring Melbourne's older public housing towers, including Park Towers.

Homes Victoria proposes to retire and transform 44 older-style towers across Melbourne over the coming years and decades, seeking to deliver modern, accessible homes, and better community facilities to enrich communities.

The South Melbourne Built Form Review (Hodyl & Co, October 2023, p.116) identifies high level built form principles to guide future development outcomes on Park Towers should the Victorian Government progress with their proposal.

Opportunities

In light of other Victorian Government public housing projects, Council endorsed a series of guiding principles in October 2022 to provide parameters for Council officer input into Victorian Government public housing projects. These broad principles have informed principles to guide future built form outcomes for Park Towers, which covers an area of approximately 1.48 hectares (14,780 square metres).

Urban structure

There is an opportunity to provide a more formal street arrangement at the existing north-south accessway to the east of the tower. This would assist in improving the permeability of the block and improve integration into the surrounding street network and public realm. An additional vehicle entrance or pedestrian link could also be provided to the west of the tower to integrate with a proposed location for new development.

Public open space

There is an opportunity to improve the reserve at the east of the estate including increased public access. The *Places for People: Public Space Strategy 2022-32* includes the following action:

Action 68. Park Towers Reserve: Advocate to, and partner with the Victorian Government to improve access into Park Towers Reserve.

The accompanying technical report notes that a larger open space would have potential to provide a greater diversity of unstructured recreational facilities for everyone including residents of Park Towers. Applying the open space hierarchies in the technical report, a large open space would require 18-67% of the total site area. The existing 0.6 hectare open space occupies approximately 40% of the site area.



Built form

On the basis that the existing tower remains on site, the area of surface car parking to the west of the tower provides the greatest opportunity for redevelopment. An initial assessment indicates that:

- There are no sensitive interfaces within the surrounding context to this portion of the site
- As the western site boundary is approximately 100 metres in length, multiple buildings should be delivered to provide an appropriate grain and scale of development
- The buildings would be orientated north-south presenting a slender elevation to both Bank Street and Park Street
- Building separation of approximately 15 to 18 metres could be achieved between the new development and the existing tower
- Development up to 8 storeys (26.4 m) at the southern end would not overshadow the southern footpath of Park Street at the spring equinox (22 September)
- The northern end could support a taller tower form
- Separation between buildings along the western boundary as well as the built form articulation of each building will be crucial in maintaining outlook for dwellings on the western side of the existing tower
- Current vehicle access to the existing surface car parking could continue to be utilised or an alternative entrance could be provided from Park Street.

Additional development would likely require encroachment into the Park Towers Reserve resulting in a reduction in open space. This should be reallocated to other areas of the site to ensure there is no net loss of open space. If the Victorian Government was to consider development in this area, an initial assessment indicates that:

- Any built form should be located to the south of the site to protect sunlight to the northern portion of the open space
- A development along the southern boundary up to five storeys (16.8 m) comprising one storey of non-residential and four storeys of residential that is setback 6 metres from the property boundary to Park Street would not overshadow Howe Crescent Reserve between 10 am and 2 pm on the winter solstice (22 June)
- Any development should provide active frontages and passive surveillance to the open space
- Opportunities to increase activation to the ground floor of the tower should be explored, either by retrofitting existing spaces or through additions which 'sleeve' the base of the tower.



Actions

Planning Scheme Amendment – Policy

1.31 As part of preparing a planning scheme amendment to implement the South Melbourne Structure Plan in the Port Phillip Planning Scheme, ensure the planning policy framework in the Port Phillip Planning Scheme:

- Encourages housing that provides diverse dwelling typologies and tenures, accommodates changing work patterns, is sustainable and durable, and demonstrates high quality design and amenity.
- Recognise in planning policy that while housing growth in South Melbourne will be relatively modest, neighbouring areas particularly Montague (Fishermans Bend), Southbank and Domain will experience population growth that will expand South Melbourne's worker and visitor catchment.

Places to Live: Port Phillip Housing Strategy (forthcoming)

1.32 Support the development and objectives of the forthcoming *Places to Live: Port Phillip Housing Strategy*.

Social and affordable housing

1.33 Support retaining, upgrading and increasing the provision of social and public housing, along with increasing opportunities to provide affordable housing for rent and purchase by:

- Supporting the Victorian Government's upgrade of existing public housing supply and advocate for increases in public housing supply.
- Facilitating and strengthening the partnership between community housing providers and the development industry.
- Advocating to the Victorian Government to provide social and public housing when developing government land or require the provision of social housing when selling surplus government land.
- Requiring new developments to contribute to achieving The City's affordable housing objectives, articulated in the forthcoming *Places to Live: Port Phillip Housing Strategy*.



Activities and Uses Objective 7: Community infrastructure to enhance social connection.

Community infrastructure supporting South Melbourne

Community infrastructure refers to spaces, facilities and services that support the health and wellbeing of people and the community. It includes facilities for residents as well as those who work or study in the area, provided by the City of Port Phillip, other government agencies, non-government not-for-profit organisations and private enterprise. Benefiting from both a legacy of social and community housing and ongoing investment, South Melbourne has an extensive network of community infrastructure servicing residents, students, workers and visitors, meaning that they do not have to travel too far to access services or facilities. The City of Port Phillip provides a variety of community infrastructure in South Melbourne, including civic and community spaces, services for families and children, services for young people and spaces for learning. Key sites include the South Melbourne Town Hall on Bank Street, the Emerald Hill Library and Heritage Centre also on Bank Street, Skinners Adventure Playground on Dorcas Street and the South Melbourne Market on Cecil Street. Many facilities contain spaces that can be reserved for community use.

While South Melbourne has a good range of community facilities, there are opportunities to explore how to address a lack of places for young people aged between 12 and 18 years to spend time in South Melbourne, as highlighted in

community engagement. Identifying how to activate public spaces can contribute to South Melbourne's arts and cultural scene, connecting the community with local creatives. Theme 4: Public Spaces and Places outlines how a refresh of the *Emerald Hill Master Plan 2012* prepared by the City of Port Phillip (not to be confused with the master planning process led by Homes Victoria for the Emerald Hill Court Estate) could do this, building on community feedback seeking to activate this area. Importantly, in terms of community infrastructure, a refresh of the *Emerald Hill Master Plan 2012* will investigate opportunities for the adaptive reuse of the existing South Melbourne Police Station should the construction of a new police station in Dorcas Street proceed. It will also investigate how the Emerald Hill Library and Heritage Centre can more prominently contribute to cultural and public life, including investigating the delivery of an outdoor community events space.

The delivery of the Emerald Hill Health and Housing precinct at the Emerald Hill Court public housing estate will see a community hospital and other new community facilities and ground-floor uses.

It will be vital for the City to continue planning for the provision of community infrastructure and services required for the increased population and projected demographic change for South Melbourne. This includes consideration of where community infrastructure is located to minimise travel times between locations. Private and non-profit providers

can also consider the location of facilities such as child care centres to ensure they are close to workplaces.

It will also be vital to work with all organisations that influence the provision and delivery of community infrastructure in South Melbourne, especially within the context of change anticipated for Fishermans Bend. Strategies such as the *Creative and Prosperous City Strategy 2023-26*, the *Library Action Plan 2021*

to 2026 and future versions of these strategies will support the provision of community infrastructure and services and how this contributes to South Melbourne's flourishing arts and cultural scene.

Actions

Community infrastructure supporting South Melbourne

- 1.34 Continue to plan for the community infrastructure and services required for the increased population and projected demographic change for South Melbourne and surrounding areas that rely on South Melbourne's rich provision of community infrastructure.
- 1.35 Work with all organisations that influence the provision and delivery of community infrastructure and services in South Melbourne to strengthen service offering and ensure it meets local needs and is in convenient locations that minimise travel time.
- 1.36 Use the actions in this South Melbourne Structure Plan to guide how the public realm can support the provision of and access to community infrastructure, arts, culture and libraries.
- 1.37 Use the *City of Port Phillip Guiding Principles for Victorian Government public housing projects*, adopted by Council on 19 October 2022, to support The City's collaboration with Homes Victoria the Victorian Health Building Authority to deliver the Emerald Hill Health and Housing precinct master plan, including the integration and improvement of Skinners Adventure Playground and provision of new community infrastructure.
- 1.38 Advocate to the State Government on behalf of the community for the best service delivery as part of the Emerald Hill Health and Housing precinct.